



## HSBC BANK PLC

(A company incorporated in England with registered number 14259; the liability of its members is limited)  
as Issuer

## HSBC CONTINENTAL EUROPE

(A société anonyme registered in France)  
as Issuer

### PROGRAMME FOR THE ISSUANCE OF NOTES AND WARRANTS

#### Notes and Warrants

On 24 February 1999, HSBC Bank plc ("**HBEU**") established a Programme for the Issuance of Notes and Warrants (the "**Programme**"). HSBC Continental Europe ("**HBCE**" and, together with HBEU, the "**Issuers**" and each an "**Issuer**") acceded to the Programme on 26 May 2022. References in this Base Prospectus to "Issuer" in connection with any issue of Notes or Warrants (as defined below) is to HBEU in the case of Notes or Warrants issued by HBEU and is to HBCE in the case of Notes issued by HBCE. HBCE does not intend to issue Warrants or English Law Notes under the Programme, and intends to issue only French Law Notes (each as defined below).

This document (which expression includes all documents incorporated by reference herein) has been prepared for the purpose of providing disclosure information with regard to certain types of notes and warrants issued under the Programme, namely notes ("**Index-Linked Notes**" or "**Equity-Linked Notes**") and warrants ("**Warrants**", "**Index-Linked Warrants**" or "**Equity-Linked Warrants**") which have an amount payable on maturity or expiry (as applicable) which is linked to the performance of one or more indices or one or more securities, as the case may be. Alternatively, HBCE may issue notes that may be "**Fixed Income Notes**" which bear interest and have an amount payable on maturity which are not so linked to one or more indices or one or more securities (together with the Index-Linked Notes and Equity-Linked Notes, "**Notes**").

This base prospectus (as supplemented from time to time, the "**Base Prospectus**") has been approved by the Central Bank of Ireland (the "**Central Bank**") for the purposes of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuers nor as an endorsement of the quality of any Notes or Warrants that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in such Notes or Warrants.

In relation to any Notes or Warrants, this Base Prospectus must be read as a whole and together also with the relevant final terms (the "**Final Terms**"). Any Notes or Warrants issued on or after the date of this Base Prospectus and which are the subject of Final Terms which refer to this Base Prospectus are issued subject to the provisions described herein. This does not affect any Notes or Warrants already in issue or any Notes or Warrants issued under any other base prospectus published in connection with the Programme.

This Base Prospectus is valid for a period of twelve months from the date of approval. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

**This Base Prospectus has been prepared for the purposes of providing disclosure information with regards to both Notes and Warrants, and only Index-Linked Notes, Equity-Linked Notes, Fixed Income Notes, Index-Linked Warrants and Equity-Linked Warrants may be issued under this Base Prospectus.**

Notes may be governed by English law (the "**English Law Notes**") or French law (the "**French Law Notes**"). HBCE does not intend to issue English Law Notes. The terms and conditions of the English Law Notes are set out herein in the sections headed "*Terms and Conditions of the English Law Notes*" (the "**General English Law Conditions**") and "*Alternative Terms and Conditions of the English Law Notes*" (the "**Alternative English Law Conditions**") and the terms and conditions of the French Law Notes (the "**French Law Conditions**") are set out herein in the section headed "*Terms and Conditions of the French Law Notes*". French Law Notes may only be issued in bearer dematerialised form (*au porteur*). Where the Final Terms specify that "Alternative English Law Conditions" apply, the conditions set out herein in the section headed "*Alternative Terms and Conditions of the English Law Notes*" apply. References herein to the "Terms and Conditions of the Notes" shall mean the General English Law Conditions or the French Law Conditions or the Alternative English Law Conditions, as applicable.

Applications have been made to admit Notes or Warrants (as applicable) to listing on the Official List of the Irish Stock Exchange plc (trading as Euronext Dublin) ("**Euronext Dublin**") and to trading on the regulated market of Euronext Dublin, which is a regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**"). Application may be made by an Issuer for a listing of Notes or Warrants on Borsa Italiana S.p.A. and admission to trading on the Electronic Bond Market, being the regulated market of the Borsa Italiana S.p.A. ("**MOT**").

**Information on how to use this Base Prospectus is set out on pages iii-vi and a table of contents is set out on page xiii.**

**EU PRIIPs REGULATION – IMPORTANT - EEA RETAIL INVESTORS** – If the Final Terms in respect of any Notes or Warrants includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes or Warrants are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). 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; (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or Warrants or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or Warrants or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**UK PRIIPs REGULATION - IMPORTANT - UK RETAIL INVESTORS** – If the Final Terms in respect of any Notes or Warrants includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes or Warrants 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 United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU)

No 2017/565 as it forms part of domestic law by virtue of the European Union Withdrawal Act 2018 (as amended, the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the United Kingdom Financial Services and Markets Act 2000 (as amended) ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive 2016/97/EU, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or Warrants or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or Warrants or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

None of the Dealers (as defined below) accepts any responsibility for any environmental assessment of any Notes issued as Green Notes or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such "green" or similar labels. None of the Dealers is responsible for the use of proceeds for any Notes issued as Green Notes, nor the impact or monitoring of such use of proceeds. No representation or assurance is given by the Dealers as to the suitability or reliability of any opinion or certification of any third party made available in connection with an issue of Notes issued as Green Notes, nor is any such opinion or certification a recommendation by any Dealers to buy, sell or hold any such Notes. In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes. Additionally, no representation or assurance is given by the relevant Issuer or any other person that any underlying to which the Notes or Warrants are linked, satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any direct or indirect environmental, social or sustainable impact of the businesses or products of such underlying or issuers of such underlying (or any component thereof). If such environmental, social or sustainable impact is a factor in an investor's decision to invest in Notes or Warrants, investors should consult with their legal or other advisers before making an investment in such Notes or Warrants.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the state securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("**Regulation S**") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

In addition, unless the relevant Final Terms specifies otherwise, Warrants may not be offered or sold to, or for the account or benefit of U.S. Persons (as defined in the U.S. Commodity Futures Trading Commission regulation 23.23(a)(23)) at any time.

HBEU has been assigned the following long term credit ratings: A+ by S&P Global Ratings UK Limited ("**S&P**"); A1 by Moody's Investors Service Limited ("**Moody's**"); and AA- by Fitch Ratings Limited ("**Fitch**"). HBCE has been assigned the following long term credit ratings: A+ by S&P; A1 by Moody's; and AA- by Fitch. Each of S&P, Moody's and Fitch is established in the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK CRA Regulation**"). As such, each of S&P, Moody's and Fitch appears on the latest update of the list of registered credit rating agencies (as of the date of this Base Prospectus) on the UK Financial Conduct Authority's (the "**FCA**") Financial Services Register. The ratings each of S&P, Moody's and Fitch have given to the Issuers are endorsed by S&P Global Ratings Europe Limited, Moody's Deutschland GmbH and Fitch Ratings Ireland Limited, respectively, each of which is established in the European Union and registered under Regulation (EC) No 1060/2009 on credit rating agencies (the "**EU CRA Regulation**").

Interest and/or other amounts payable under the Notes and Warrants may be calculated by reference to certain reference rates, indices or other variables, which may constitute a benchmark under Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**"). If any such reference rate, index or variable does constitute such a benchmark, the relevant Final Terms will indicate whether or not the administrator thereof is included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. The registration status of any administrator under the EU Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuers do not intend to update any Final Terms to reflect any change in the registration status of any administrator.

The Notes are not deposit liabilities of HBEU or HBCE and are not covered by the United Kingdom Financial Services Compensation Scheme or the French *Fonds de Garantie des Dépôts et de Résolution* or insured by the U.S. Federal Deposit Insurance Corporation or any other governmental agency of the United Kingdom, France, the United States or any other jurisdiction.

Programme Arranger  
**HSBC Bank plc**

Dealers and Managers

**HSBC Bank plc**  
**HSBC Continental Europe**

28 June 2023

## HOW TO USE THIS BASE PROSPECTUS

### INTRODUCTION – WHO IS THE ISSUER?

The Notes and Warrants will be issued by HSBC Bank plc ("**HBEU**") or by HSBC Continental Europe ("**HBCE**") and, together with HBEU, the "**Issuers**" and each an "**Issuer**". HBCE does not intend to issue Warrants or English Law Notes and intends to issue French Law Notes only. HBEU does not intend to issue Fixed Income Notes. The payment of amounts due under the Notes and Warrants is subject to the relevant Issuer's financial position and its ability to meet its obligations.

The HBEU Registration Document (as defined in the section entitled '*Incorporation by Reference*' below), which is incorporated by reference into this Base Prospectus, together with other information provided in this Base Prospectus, provides a description of HBEU's business activities as well as certain financial information and material risks related to HBEU.

The HBCE 2022 Universal Registration Document (as defined in the section entitled '*Incorporation by Reference*' below), which is incorporated by reference into this Base Prospectus, together with other information provided in this Base Prospectus, provide a description of HBCE's business activities as well as certain financial information and material risks related to HBCE.

### TYPES OF NOTES AND WARRANTS

This Base Prospectus provides information about the following Notes and Warrants that may be issued under the Programme, the return of which may be linked to the performance of a single underlying index or basket of indices or a single security or basket of securities (each an "**Underlying**").

#### *Types of Notes*

Notes may be issued under the Programme which provide for various final redemption amounts and/or interest or coupon amounts to be payable.

The redemption provisions which may be applicable to Notes issued under the Programme are as follows:

- (i) Booster with Barrier Redemption;
- (ii) Airbag with Barrier Redemption;
- (iii) Barrier Redemption;
- (iv) Digital with Barrier Redemption;
- (v) Digital Growth with Barrier Redemption;
- (vi) Growth with Full Protection Redemption;
- (vii) Growth with Partial Protection Redemption;
- (viii) Digital with Partial Protection Redemption;
- (ix) Buffer Redemption;
- (x) Booster with Buffer Redemption;
- (xi) Digital with Buffer Redemption;
- (xii) Digital Growth with Buffer Redemption;
- (xiii) Step-Down Growth with Partial Protection Redemption; and
- (xiv) Fixed Amount Redemption.

Additionally, one or more of the following redemption features may be applicable to Notes issued under the Programme (in addition to one of the sets of redemption provisions listed above):

- (i) Automatic Early Redemption Event;
- (ii) Lock-In Redemption Event; and
- (iii) Redemption at the Option of the Issuer (Call Option).

One of the following sets of interest/coupon provisions may be applicable to Notes issued under the Programme:

- (i) Fixed Rate Interest (and in respect of Fixed Rate Interest, "Interest Step-up" or "Interest Step-down" may further be specified to apply);
- (ii) Floating Rate Interest;
- (iii) Fixed/Floating Rate Interest; or
- (iv) Coupon Trigger Event (and in respect of Coupon Trigger Event, "Lock-In Coupon Event" or "Coupon Trigger Recovery Event" may further be specified to apply).

The Notes are unsecured obligations of the relevant Issuer.

#### ***Types of Warrants***

The following types of Warrants are issued under the Programme:

- (i) Protected Cash Settlement Put Warrants;
- (ii) Growth Cash Settlement Call Warrants;
- (iii) Capped Growth Cash Settlement Call Warrants;
- (iv) Partially Protected Cash Settlement Put Warrants;
- (v) Conditional Growth Cash Settlement Call Warrants;
- (vi) Conditional Capped Growth Cash Settlement Call Warrants;
- (vii) Digital Cash Settlement Put Warrants; and
- (viii) Digital Cash Settlement Call Warrants.

The Warrants are unsecured obligations of HBEU. HBCE does not intend to issue Warrants.

#### **WHAT OTHER DOCUMENTS DO I NEED TO READ?**

This Base Prospectus (including the HBCE 2022 Universal Registration Document in relation to HBCE and the HBEU Registration Document in relation to HBEU (to the extent incorporated by reference herein) and the other information which is incorporated by reference) contains all information which is necessary to enable investors to make an informed decision regarding the financial position and prospects of the Issuers and the rights attaching to the Notes and Warrants. Some of this information is incorporated by reference from other publicly available documents and some of this information is completed in an issue-specific document called the Final Terms. You should read the documents incorporated by reference, as well as the Final Terms in respect of such Notes and Warrants, together with this Base Prospectus.

#### **WHAT INFORMATION IS INCLUDED IN THE FINAL TERMS?**

While this Base Prospectus includes general information about all Notes and Warrants, the Final Terms is the document that sets out the specific details of each particular issuance of Notes or Warrants. For example, the Final Terms will contain:

- (i) a reference to the terms and conditions that are applicable to the particular issuance of Notes and Warrants;
- (ii) the issue date;
- (iii) the scheduled redemption or expiry date (as applicable); and

- (iv) any other information needed to complete the terms included in this Base Prospectus for the particular Notes or Warrants (identified by the words 'as specified in the relevant Final Terms' or other equivalent wording).

Wherever the Terms and Conditions of the Notes or the Terms and Conditions of the Warrants (as applicable) provide optional provisions, the Final Terms will specify which of those provisions apply to a specific issuance of Notes or Warrants. In addition, the Final Terms relating to a particular issuance of Notes or Warrants may include a section entitled "*Additional Provisions not required by the Securities Note relating to the Underlying*", containing disclaimers relating to the relevant index (or indices) or exchange traded fund (or funds) underlying such Notes or Warrants.

## ROADMAP FOR THE BASE PROSPECTUS

This Base Prospectus is split up into a number of parts and further divided into sections, each of which is briefly described below.

Part I is relevant for all investors, whether they are investing in Notes or Warrants. In addition to Part I:

- the information set out in Part II will be relevant for an investor in the Notes;
- the information set out in Part III will be relevant for an investor in the Warrants; and
- the information set out in Part IV will be relevant for an investor in Notes or Warrants which are linked to the performance of an index or an exchange traded fund.

### *Part I – Information Relating to the Programme Generally:*

Section	Page
Section I.1: " <b>Overview of the Programme</b> " provides an Overview of the Programme	1
Section I.2: " <b>Risk Factors</b> " provides details of the principal risks associated with the Issuers, the Notes and the Warrants.	7
Section I.3: " <b>Incorporation by Reference</b> " provides details of the documents incorporated by reference which form part of this Base Prospectus and which are publicly available.	41
Section I.4: " <b>Use of Proceeds</b> " provides details of what each Issuer intends to do with the subscription monies it receives for the Notes or Warrants it issues.	44
Section I.5: " <b>Taxation</b> " provides a summary of the withholding tax position in relation to the Notes and Warrants in the Republic of Ireland, the United Kingdom, Belgium, France and Italy.	45
Section I.6: " <b>Additional Information regarding Offshore RMB</b> " provides additional, general disclosure in relation to exchange controls applicable to Offshore RMB.	67
Section I.7: " <b>General Information</b> " provides additional, general disclosure in relation to the Programme and the Issuers not included in other sections of the Base Prospectus.	68

### *Part II – Information Relating to the Notes:*

Section	Page
Section II.1: " <b>Description of the Notes</b> " provides details of how an investment in the Notes works and how payments under the Notes are calculated, including a number of worked examples.	71

<b>Section</b>	<b>Page</b>
Section II.2: <b>"Form of Notes and Summary of Provisions Relating to the Notes While in Global Form"</b> provides information regarding Notes issued in global form and issued into certain clearing systems.	129
Section II.3: <b>"Subscription and Sale of Notes"</b> sets out details of the arrangements between the Issuers and the Dealers as to the offer and sale of Notes and summarises selling restrictions that apply to the offer and sale of Notes in various jurisdictions.	133
Section II.4: <b>"Terms and Conditions of the English Law Notes"</b> sets out the terms and conditions which govern the English Law Notes (other than Alternative English Law Conditions Notes).	144
Section II.5: <b>"Terms and Conditions of the French Law Notes"</b> sets out the terms and conditions which govern the French Law Notes.	232
Section II.6: <b>"Alternative Terms and Conditions of the Notes"</b> sets out the terms and conditions which govern the Alternative English Law Conditions Notes.	320
Section II.7: <b>"Form of Final Terms for Notes"</b> sets out the template of the "Final Terms", a document which will be filled out for each issue of Notes (other than Alternative English Law Conditions Notes) and which will complete the terms and conditions in respect of each such issue of Notes.	411
Section II.8: <b>"Form of Final Terms for Notes (Alternative English Law Conditions)"</b> sets out the template of the "Final Terms", a document which will be filled out for each issue of Alternative English Law Conditions Notes and which will complete the terms and conditions in respect of each such issue of Alternative English Law Conditions Notes.	440

***Part III – Information Relating to the Warrants:***

<b>Section</b>	<b>Page</b>
Section III.1: <b>"Description of the Warrants"</b> provides details of how an investment in the Warrants works and how payments under the Warrants are calculated, including a number of worked examples.	467
Section III.2: <b>"Form of Warrants and Summary of Provisions Relating to the Warrants While in Global Form"</b> provides information regarding Warrants issued in global form and issued into certain clearing systems.	484
Section III.3: <b>"Purchase and Sale of Warrants"</b> sets out details of the arrangements between HBEU and the Managers as to the offer and sale of Warrants and summarises selling restrictions that apply to the offer and sale of Warrants in various jurisdictions.	485
Section III.4: <b>"Terms and Conditions of the Warrants"</b> sets out the terms and conditions which govern the Warrants.	497
Section III.5: <b>"Form of Final Terms for Warrants"</b> sets out the template of the "Final Terms", a document which will be filled out for each issue of Warrants and which will complete the terms and conditions in respect of each such issue of Warrants.	540

**Part IV – Information Relating to Underlying Indices:**

<b>Section</b>	<b>Page</b>
Section IV.1: <b>"Index and ETF Disclaimers"</b> sets out disclaimers which may be applicable in respect of an issue of Notes or Warrants which are linked to the performance of an index or exchange traded fund.	554
<b>"Index of Defined Terms"</b> indicates where terms used in this Base Prospectus have been defined and indicates the page of the Base Prospectus on which the definition for each relevant defined term can be found.	563

**FUNGIBLE ISSUANCES**

It is possible for Notes and Warrants to be issued which consolidate and form a single Series with an existing Series of Notes and Warrants, the first tranche of which was issued prior to the date of this Base Prospectus. In such case, the terms and conditions applicable to those Notes or Warrants, as the case may be, will not be the terms and conditions contained in the section of this Base Prospectus entitled "*Terms and Conditions of the English Law Notes*", "*Terms and Conditions of the French Law Notes*" or "*Terms and Conditions of the Warrants*". Instead, the terms and conditions applicable to such Notes or Warrants will either be, in the case of Notes, the 2022 Note Conditions, the 2021 Note Conditions, the 2020 Note Conditions, or the 2019 Note Conditions or, in the case of Warrants, the 2022 Warrant Conditions, the 2021 Warrant Conditions, the 2020 Warrant Conditions, or the 2019 Warrant Conditions (each as defined in the section entitled "*Incorporation by Reference*" below) and the relevant set of terms and conditions will be specified in the first paragraph of the relevant Final Terms.

## IMPORTANT NOTICES

### Important information relating to financial intermediaries

Financial intermediaries may only use this Base Prospectus if authorised by the relevant Issuer to do so. Accordingly, investors are advised to check both the website of any financial intermediary using this Base Prospectus and the website of HBEU ([www.hsbc.com/investors/fixed-income-investors/final-terms-and-supplements/hsbc-holdings-plc?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/final-terms-and-supplements/hsbc-holdings-plc?page=1&take=20)) and the website of HBCE (<https://www.about.hsbc.fr/investor-relations/debt-issuance>) to ascertain whether or not such financial intermediary has the consent of the relevant Issuer to use this Base Prospectus.

Each Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the relevant Notes and Warrants during the "Offer Period" specified in the relevant Final Terms (the "**Offer Period**") by:

- (i) any financial intermediary named as an Initial Authorised Offeror in the relevant Final Terms; and
- (ii) any financial intermediary appointed after the date of the relevant Final Terms whose name is published on the Issuers' websites (in the case of HBEU, [www.hsbc.com/investors/fixed-income-investors/final-terms-and-supplements/hsbc-holdings-plc?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/final-terms-and-supplements/hsbc-holdings-plc?page=1&take=20) and in the case of HBCE, <https://www.about.hsbc.fr/investor-relations/debt-issuance>), and is identified therein as an Authorised Offeror in respect of the relevant Tranche of Notes or Warrants.

The conditions to each Issuer's consent are that such consent (a) is only valid in respect of the relevant Tranche of Notes or Warrants; (b) is only valid during the Offer Period specified in the relevant Final Terms; and (c) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes or Warrants in the Public Offer Jurisdiction (as defined below) specified in the relevant Final Terms.

Any new information with respect to Authorised Offerors unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published and can be found on the relevant Issuer's website (in the case of HBEU, [www.hsbc.com/investors/fixed-income-investors/final-terms-and-supplements/hsbc-holdings-plc?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/final-terms-and-supplements/hsbc-holdings-plc?page=1&take=20), and in the case of HBCE, <https://www.about.hsbc.fr/investor-relations/debt-issuance>).

Please see below for more important legal information relating to financial intermediaries.

### Responsibility for information in the Base Prospectus

HBEU accepts responsibility for the information contained in this Base Prospectus relating to HBEU and the Notes and Warrants issued by it. To the best of the knowledge of HBEU the information contained in this Base Prospectus relating to HBEU and the Notes and Warrants issued by it is in accordance with the facts and this Base Prospectus makes no omission likely to affect its import.

HBCE accepts responsibility for the information contained in this Base Prospectus relating to HBCE and the Notes issued by it. To the best of the knowledge of HBCE the information contained in this Base Prospectus relating to HBCE and the Notes issued by it is in accordance with the facts and this Base Prospectus makes no omission likely to affect its import .

The Notes may be issued in any denominations, **provided that** Notes will be issued in denominations of not less than EUR 1,000 (or the equivalent in an alternate currency) and that all French Law Notes of any Series of Notes will have the same denomination. The Warrants may be issued for consideration, of more or less than, or equal to, EUR 100,000 (or its equivalent in another currency) per Warrant.

Neither of the Issuers intends to provide post-issuance information.

None of the Programme Arranger nor any dealer for an issue of Notes nor any manager for an issue of Warrants (each such dealer or manager, a "**Dealer**") has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility or liability is accepted by the Programme Arranger or any Dealer as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuers in connection with the Programme or the Notes or Warrants or their distribution.



No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Programme Arranger or any Dealer.

Neither this Base Prospectus nor any Final Terms nor any further information supplied in connection with the Programme or any Notes or Warrants should be considered as a recommendation or as constituting an invitation or offer by either Issuer, the Programme Arranger or any Dealer to any recipient of this Base Prospectus to subscribe for or purchase any Notes or Warrants issued by such Issuer. Each investor contemplating purchasing any Notes or any Warrants should make its own independent investigation of the affairs, and its own appraisal of the creditworthiness, of the Issuers. Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes or Warrants constitutes an offer by or on behalf of either Issuer, the Programme Arranger or any Dealer to subscribe for or purchase any Notes or Warrants.

Unless redeemed or terminated early, the Notes or Warrants will be automatically redeemed on the Maturity Date or be exercised on the Expiry Date, at which time the investor will be entitled to receive the Final Redemption Amount or Cash Settlement Amount (as applicable).

Tranches of Notes with a denomination of less than EUR 100,000 (or its equivalent in any other currency) or Warrants issued for consideration of less than EUR 100,000 (or its equivalent in any other currency) per Warrant may, subject as provided below, be offered in any Member State of the European Economic Area which has implemented the EU Prospectus Regulation in connection with a public offer of Notes or Warrants. Any such offer is referred to in this Base Prospectus as a "**Public Offer**".

#### **Issuers' consent to use of this Base Prospectus**

Each Issuer accepts responsibility in the Republic of Ireland, Belgium, France and Italy (each, a "**Public Offer Jurisdiction**") for the content of this Base Prospectus in relation to any person in the Public Offer Jurisdiction to whom an offer of any Notes or (in the case of HBEU) Warrants issued by it is made by any financial intermediary to whom such Issuer has given its consent to use this Base Prospectus (an "**Authorised Offeror**"), where the offer is made during the period for which that consent is given and is in compliance with all other conditions attached to the giving of the consent, all as mentioned in this Base Prospectus. However, none of the Issuers, the Programme Arranger nor any Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The Public Offer Jurisdictions referred to above in which a Public Offer of Notes may be made are the Republic of Ireland, Belgium, France and Italy only.

If so specified in the Final Terms in respect of any Tranche of Notes or Warrants, the relevant Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the relevant Notes or Warrants (as applicable) during the Offer Period specified in the relevant Final Terms (the "**Offer Period**") by:

- (a) any financial intermediary named as an Initial Authorised Offeror in the relevant Final Terms; and
- (b) any financial intermediary appointed after the date of the relevant Final Terms whose name is published on the Issuers' websites (in the case of HBEU, [www.hsbc.com/investors/fixed-income-investors/final-terms-and-supplements/hsbc-holdings-plc?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/final-terms-and-supplements/hsbc-holdings-plc?page=1&take=20) and in the case of HBCE, <https://www.about.hsbc.fr/investor-relations/debt-issuance>), and is identified therein as an Authorised Offeror in respect of the relevant Tranche of Notes or Warrants,

in each case, subject to the relevant conditions specified in the relevant Final Terms, for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2014/65/EU, as amended) and any other applicable laws.

The consent referred to above relates to Public Offers occurring within 12 months from the date of this Base Prospectus.

If the relevant Issuer has not consented to the use of this Base Prospectus by an offeror, the investor should check with such offeror whether anyone is responsible for this Base Prospectus in the context of the Public Offer, and if so, who that person is. If the investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

A Public Offer may be made during the relevant Offer Period by any of the relevant Issuer, the Programme Arranger, any Dealer or any relevant Authorised Offeror in the Public Offer Jurisdiction and subject to any relevant conditions, as specified in the relevant Final Terms.

None of the Issuers, the Programme Arranger nor any Dealer has authorised the making of any Public Offer of any Notes or Warrants by any person in any circumstances other than those described above. Any such unauthorised offers are not made by nor on behalf of the Issuers, the Programme Arranger, any Dealer nor any Authorised Offeror and none of the Issuers, the Programme Arranger, any Dealer or any Authorised Offeror accepts any responsibility or liability for the actions of any person making such unauthorised offers.

**An investor intending to acquire or acquiring any Notes or Warrants from an Authorised Offeror will do so, and offers and sales of the Notes or Warrants to an investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocation, settlement arrangements and any expenses or taxes to be charged to the investor (the "Terms and Conditions of the Public Offer"). Neither Issuer will be a party to any such arrangements with investors (other than the Programme Arranger and the Dealers) in connection with the offer or sale of the Notes or Warrants (as applicable) and, accordingly, this Base Prospectus and any Final Terms will not contain such information.**

**The Terms and Conditions of the Public Offer shall be provided to investors by that Authorised Offeror at the time the Public Offer is made. None of the Issuers, any Dealer or other Authorised Offeror has any responsibility or liability for such information.**

#### **Risk Warnings relating to the Base Prospectus**

An investment in the Notes or Warrants entails certain risks, which vary depending on the specification and type or structure of the Notes or Warrants.

It is advisable that investors considering acquiring any Notes or Warrants understand the risks of transactions involving the Notes or Warrants and it is advisable that they reach an investment decision after carefully considering, with their financial, legal, regulatory, tax, accounting and other advisers, the suitability of the Notes or Warrants in light of their particular circumstances (including without limitation their own financial circumstances and investment objectives and the impact the Notes or Warrants will have on their overall investment portfolio) and the information contained in this Base Prospectus and the relevant Final Terms. Investors should consider carefully the risk factors set forth under "*Risk Factors*" in this Base Prospectus.

Each Issuer disclaims any responsibility to advise investors of any matters arising under the law of the country in which they reside that may affect the purchase of, or holding of, or the receipt of payments on the Notes or Warrants.

Unlike a savings account or similar investment an investment in the Notes and Warrants is not covered by the UK Financial Services Compensation Scheme or the French *Fonds de Garantie des Dépôts et de Résolution*.

The distribution of this Base Prospectus and the offer, distribution or sale of Notes or Warrants may be restricted by law in certain jurisdictions. None of the Issuers, the Programme Arranger nor any Dealer represents that this Base Prospectus may be lawfully distributed, or that any Notes or Warrants may be lawfully offered, or assumes any responsibility for facilitating any such distribution or offering, in any other jurisdiction. In particular, action may be required to be taken to permit a public offering of any Notes or Warrants or a distribution of this Base Prospectus in any jurisdiction. Accordingly, no Notes or Warrants may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes or Warrants come must inform themselves about, and observe, any such restrictions.

#### *Actions or omissions of the issuer of the securities, the sponsor of an index or other*

In certain circumstances, the actions or omissions of the issuer of securities to which the Notes or Warrants relate or for which the Notes or Warrants are exchangeable, the sponsor of an index to which Notes or Warrants are linked or others outside the control of the relevant Issuer may adversely affect the rights of the Noteholders or Warranholders (as applicable) and/or the value of the Notes or Warrants, including actions that may give rise to an adjustment to, or early redemption or termination (as applicable) of, the Notes or Warrants.

### *Provision of information*

Neither of the Issuers nor any of their respective affiliates are under any obligation to provide information in respect of any Reference Asset (as defined below) or the securities underlying the Reference Asset(s) (where the Reference Asset(s) is an equity index) or monitor whether or not any event or circumstance in respect of such Reference Asset(s) or securities has occurred unless it is explicitly and positively stated that such person will do so. The Issuers may have acquired, or during the term of the Notes or Warrants may acquire, non-public information with respect to one or more Reference Assets or the securities underlying the Reference Asset(s) (where the Reference Asset(s) is an equity index). The Issuers are not under any obligation to make such information available to holders of such Notes or Warrants. Therefore, an investor in the Notes or Warrants should obtain and evaluate information concerning the relevant Reference Asset(s) or securities as it would if it were investing directly in such Reference Asset or securities.

\*\*\*\*\*

**For details of certain restrictions on the distribution of this Base Prospectus and the offer or sale of Notes and Warrants in the following countries and territories: Belgium, the Dubai International Financial Centre, the European Economic Area, France, Gibraltar Guernsey, Hong Kong, Isle of Man, Italy, Japan, Jersey, the Kingdom of Bahrain, mainland China, Norway, Peru, Republic of Ireland, Russia, Singapore, Spain, Switzerland, Taiwan, the United Arab Emirates (excluding the Dubai International Financial Centre), the United Kingdom, the United States of America and Uruguay, see the "Subscription and Sale of Notes" and the "Purchase and Sale of Warrants" sections of this Base Prospectus, respectively.**

\*\*\*\*\*

#### **United States**

The Notes and Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the state securities laws of any state of the United States, and Notes in bearer form are subject to U.S. tax law requirements. Subject to certain exceptions, Notes and Warrants may not be offered, sold or, in the case of Notes in bearer form, delivered within the United States or to U.S. persons.

\*\*\*\*\*

#### **United Kingdom**

All applicable provisions of the FSMA must be complied with in respect of anything done in relation to any Notes or Warrants in, from or otherwise involving the United Kingdom. Any document received in connection with an issue of Notes or Warrants may only be distributed in circumstances in which the restriction in Section 21(1) of the FSMA does not apply.

\*\*\*\*\*

#### **European Economic Area**

HBEU is not authorised as a credit institution or investment firm in the European Economic Area.

\*\*\*\*\*

#### **Hong Kong**

The contents of this Base Prospectus have not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution, and if necessary obtain independent professional advice, in relation to any purchase of Notes and Warrants under the Programme.

\*\*\*\*\*

The treatment for taxation purposes of the acquisition, holding or disposal of, or other dealings with, Notes or Warrants may differ according to the jurisdiction in which the person acquiring, holding, disposing or dealing is subject to taxation. Any person intending to acquire, hold, dispose of or otherwise deal with a Note or Warrant should inform himself as to the treatment for taxation purposes applicable to him.

\*\*\*\*\*

All references in this Base Prospectus, unless otherwise specified or the context requires, to "**Hong Kong**" are to the Hong Kong Special Administrative Region of the People's Republic of China, to "**Macau**" are to the Macau Special Administrative Region of the People's Republic of China, to the "**PRC**" are to The People's Republic of China (which for the purposes of this Base Prospectus shall exclude Hong Kong, Macau and Taiwan), all references to "**Sterling**", "**GBP**" and "**£**" refer to the lawful currency of the United Kingdom, all references to "**US dollars**", "**USD**" and "**US\$**" refer to the lawful currency of the United States of America, all references to "**Hong Kong dollars**", "**HKD**" and "**HK\$**" refer to the lawful currency of Hong Kong, all references to "**Renminbi**", "**RMB**" and "**CNY**" refer to the lawful currency of mainland China, all references to "**Offshore RMB**", where the context requires, refer to Chinese Renminbi that is freely deliverable between accounts in the relevant Offshore RMB Centre as specified in the relevant Final Terms in accordance with the law and applicable regulations and guidelines issued by the relevant authorities in the relevant Offshore RMB Centre as specified in the relevant Final Terms prevailing as of the trade date of the Notes or Warrants, all references to "**Japanese Yen**", "**JPY**" and "**¥**" refer to the lawful currency of Japan and all references to "**Euro**", "**euro**", "**EUR**" and "**€**" refer to the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty on the Functioning of the European Union, as amended. Any other currency referred to in any Final Terms will have the meaning specified in the relevant Final Terms.

\*\*\*\*\*

In this Base Prospectus, "**Conditions**" means, as applicable, the terms and conditions of the Notes and the terms and conditions of the Warrants, respectively. Other than as expressly defined in any other section of this Base Prospectus, terms defined in the Conditions, the "*Form of Notes and Summary of Provisions Relating to the Notes While in Global Form*" and the "*Form of Warrants and Summary of Provisions Relating to the Warrants While in Global Form*" section have the same meanings in all other sections of this Base Prospectus.

\*\*\*\*\*

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

## CONTENTS

	Page
<b>PART I – INFORMATION RELATING TO THE PROGRAMME GENERALLY</b> .....	1
Section I.1 – Overview of the Programme .....	1
Section I.2 – Risk Factors .....	7
Section I.3 – Incorporation by Reference .....	41
Section I.4 – Use of Proceeds .....	44
Section I.5 – Taxation .....	45
Section I.6 – Additional Information Regarding Offshore RMB .....	67
Section I.7 – General Information .....	68
<b>PART II – INFORMATION RELATING TO THE NOTES</b> .....	71
Section II.1 – Description of the Notes .....	71
Section II.2 – Form of English Law Notes and Summary of Provisions Relating to the English Law Notes While in Global Form .....	129
Section II.3 – Subscription and Sale of Notes .....	133
Section II.4 – Terms and Conditions of the English Law Notes .....	144
Section II.5 – Terms and Conditions of the French Law Notes .....	232
Section II.6 – Alternative Terms and Conditions of the English Law Notes .....	320
Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions) .....	411
Section II.8 – Form of Final Terms for Notes (Alternative English Law Conditions) .....	440
<b>PART III – INFORMATION RELATING TO THE WARRANTS</b> .....	467
Section III.1 – Description of the Warrants .....	467
Section III.2 – Form of Warrants and Summary of Provisions Relating to the Warrants While in Global Form .....	484
Section III.3 – Purchase and Sale of Warrants .....	485
Section III.4 – Terms and Conditions of the Warrants .....	497
Section III.5 – Form of Final Terms for Warrants .....	540
<b>PART IV – INFORMATION RELATING TO UNDERLYING INDICES AND ETFS</b> .....	554
Section IV.1 – Index and ETF Disclaimers .....	554
Index of Defined Terms .....	563

## PART I – INFORMATION RELATING TO THE PROGRAMME GENERALLY

### SECTION I.1 – OVERVIEW OF THE PROGRAMME

*The following overview is a general description of the Programme, must be read as an introduction to this Base Prospectus, and is qualified in its entirety by the remainder of this Base Prospectus and the information incorporated by reference herein (and, in relation to any Tranche of Notes or Warrants, the relevant Final Terms). Words and expressions defined in "Form of Notes and Summary of Provisions Relating to the Notes While in Global Form", "Form of Warrants and Summary of Provisions Relating to the Warrants While in Global Form", "Terms and Conditions of the English Law Notes", "Terms and Conditions of the French Law Notes", "Alternative Terms and Conditions of the English Law Notes" or "Terms and Conditions of the Warrants" shall have the same meanings in this Overview of the Programme.*

<b>Issuers:</b> .....	HSBC Bank plc and HSBC Continental Europe. HSBC Continental Europe intends to issue French Law Notes only. HSBC Bank plc does not intend to issue Fixed Income Notes.
<b>Risk Factors:</b> .....	Investing in Notes or Warrants issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuers to fulfil their obligations under the Notes and Warrants are discussed under " <i>Risk Factors</i> " below.
<b>Arranger:</b> .....	HSBC Bank plc
<b>Dealers (in relation to Notes):</b> ...	HSBC Bank plc and HSBC Continental Europe, and any other Dealer appointed from time to time by the Issuer generally in respect of the Programme or in relation to a particular Tranche of Notes.
<b>Managers (in relation to Warrants):</b> .....	HSBC Bank plc and HSBC Continental Europe, and any other Manager appointed from time to time by the Issuer generally in respect of the Programme or in relation to a particular Tranche of Warrants.
<b>Principal Paying Agent, Registrar and Transfer Agent:</b> .....	HSBC Bank plc in relation to English Law Notes or Warrants issued by HBEU, BNP Paribas (as Principal Paying Agent and Paying Agent only) in relation to French Law Notes issued by HBEU or HBCE.
<b>Warrant Registrar and Warrant Transfer Agent:</b> .....	HSBC Bank USA, National Association
<b>Admission to Listing and Trading:</b> .....	Application has been made to admit Notes and Warrants issued under the Programme to listing on the Official List of Euronext Dublin and admitted to trading on the regulated market of Euronext Dublin. In addition, application may be made by an Issuer for listing Notes and Warrants issued under the Programme on Borsa Italiana S.p.A. and to trading on the MoT.
<b>Clearing Systems:</b> .....	Euroclear Bank SA/NV (" <b>Euroclear</b> ") and/or Clearstream Banking S.A. (" <b>Clearstream, Luxembourg</b> ") and/or Euroclear UK & International Limited (formerly known as Euroclear UK & Ireland Limited) (" <b>CREST</b> ") and/or Euroclear France (" <b>Euroclear France</b> ") (in relation to French Law Notes only) and/or, in relation to any Tranche of Notes or Warrants, any other clearing system as may be specified in the relevant Final Terms.
<b>Issuance in Series:</b> .....	All Notes and Warrants will be issued in Series and each Series may comprise one or more Tranches of Notes or Warrants. Subject as set out in the relevant Final Terms, all Notes and Warrants issued pursuant to the Programme on the same date, denominated in the same currency, having the same maturity date or Expiry Date (as applicable) and issued on identical terms will constitute one Tranche of Notes or (as the case may be) Warrants only.

<b>Final Terms:</b> .....	Each Tranche of Notes and Warrants will be issued on the terms set out in the applicable Conditions as completed by the relevant Final Terms.
<b>Forms of Notes:</b> .....	English Law Notes may be issued in bearer form, in registered form or in uncertificated registered form. French Law Notes will be issued in bearer dematerialised form ( <i>au porteur</i> ).
<b>Forms of Warrants:</b> .....	Warrants may be issued in registered form or in uncertificated registered form.
<b>Currencies:</b> .....	Notes and Warrants may be denominated in any currency, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
<b>Status:</b> .....	<p><i>In relation to HBEU as Issuer:</i> The Notes and Warrants of each Series constitute direct, unsubordinated and unsecured obligations of the Issuer, ranking <i>pari passu</i> without any preference among themselves and, at their Issue Date, ranking <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer other than any such obligations preferred by law.</p> <p><i>In relation to HBCE as Issuer:</i> The Notes of each Series are direct, unconditional, senior preferred and unsecured obligations of the Issuer and rank and will rank at all times:</p> <ul style="list-style-type: none"><li>• <i>pari passu</i> without any preference among themselves and with other Senior Preferred Obligations of the Issuer;</li><li>• senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking junior to Senior Non-Preferred Obligations; and</li><li>• junior to all present and future claims benefiting from statutory preferences.</li></ul> <p>Subject to applicable law, in the event of the voluntary or judicial liquidation (<i>liquidation amiable ou liquidation judiciaire</i>) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights of Noteholders to payment under the Senior Preferred Obligations rank:</p> <ul style="list-style-type: none"><li>• junior to present and future claims benefiting from other preferred exceptions; and</li><li>• senior to Senior Non-Preferred Obligations.</li></ul>
<b>Issue Price:</b> .....	Notes and Warrants may be issued at any price, as specified in the relevant Final Terms. The price and amount of Notes and Warrants to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
<b>Denominations:</b> .....	The Notes may be issued in any denominations, <b>provided that</b> Notes will be issued in denominations of not less than EUR 1,000 (or the equivalent in an alternate currency) and that all French Law Notes of any Series of Notes will have the same denomination. The Warrants may be issued for consideration of more or less than, or equal to, EUR 100,000 (or its equivalent in another currency) per Warrant.
<b>Interest:</b> .....	Notes may or may not bear interest. For each interest calculation period in respect of which the Notes bear interest, interest may be calculated at a fixed rate, at a floating rate or by reference to the occurrence of certain trigger events.  The rate of interest applicable to the Notes may be subject to a maximum or minimum percentage.

Some Notes may specify in their Final Terms that "Coupon Trigger Event" provisions are applicable. In this case, a coupon payment may be made by the Issuer to an investor, depending on the performance of the Underlying (as defined below) to which a Note is linked.

Further, some Notes may specify in their Final Terms that either:

- "Lock-In Coupon Event" provisions are applicable with respect to Coupon Trigger Event. In this case, if the performance of the Underlying exceeds a specified threshold in respect of any lock-in coupon valuation date, then coupon payments will be made by the Issuer to an investor in respect of all future coupon payment dates, regardless of the future performance of the Underlying.
- "Coupon Trigger Recovery Event" provisions are applicable with respect to Coupon Trigger Event. In this case, if the performance of the Underlying in respect of any coupon valuation date exceeds a specified threshold, investors will receive an additional payment equivalent to the sum of all coupons which were not originally payable on their related valuation date due to the performance of the Underlying (and have not subsequently been paid in accordance with the Coupon Trigger Recovery Event provisions).

The Warrants do not bear interest.

**Maturities (Notes):**.....

Notes may have any maturity, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

**Expiration (Warrants):**.....

Warrants may have any expiry, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

**Return on Notes and Warrants:**  
.....

The Notes (other than Fixed Income Notes) and Warrants are products which are designed for investors who wish to be exposed to fluctuations in the level or price of the Underlying (as defined below), but who do not wish to or are not able to hold the relevant Underlying itself. The Notes and Warrants may be linked to underlying securities, which may including exchange traded funds ("**Underlying Securities**") or underlying indices ("**Underlying Indices**", together with the Underlying Securities, the "**Underlyings**" and each, an "**Underlying**").

Fixed Income Notes bear interest but neither the interest nor the redemption amount payable in respect of the Fixed Income Notes is linked to an Underlying.

**Final Redemption Amount (in relation to Notes):** .....

On the Maturity Date, Noteholders will be entitled to receive a Final Redemption Amount which may be linked to the performance of the relevant Underlying(s) or which may be a fixed amount.

**Cash Settlement Amount (in relation to Warrants):** .....

Warrantholders are entitled following exercise of their Warrants to receive a Cash Settlement Amount linked to the performance of the relevant Underlying(s).

**Exercise of Warrants:** .....

Warrants may be exercised on the date specified in the relevant Final Terms and are "European Style Warrants". Unless "Automatic Exercise" is specified as "Not Applicable" in the relevant Final Terms, the relevant Warrants may be automatically exercised on their Expiry Date.

**Events of Default (in relation to the Notes):**.....

The following events constitute events of default (each an "**Event of Default**") under the Notes (other than Alternative English Law Conditions Notes) and would entitle (A) with respect to English Law Notes, any Noteholder or (B) with respect to French Law Notes, the Representative (as defined in the French Law Conditions) acting upon



request of any Holder (as defined in the French Law Conditions), to accelerate the Notes held by such holder: (i) the Issuer fails to remedy a default in the repayment of any principal due on the Notes or in the payment of any interest due in respect of the Notes, in each case within 14 days of notice of such default having been given, in relation to the English Law Notes, to the Principal Paying Agent or other Paying Agent or the Registrar (as the case may be) by any Noteholder in accordance with Condition 12(b) (*Notices from Noteholders*), and, in relation to the French Law Notes, by the Representative acting upon request of any Noteholder in accordance with Condition 12(b) (*Notices from Noteholders*) **provided that** it shall not be such a default to withhold or refuse any such payment (1) if the Issuer determines, acting in good faith and (in the case of French law Notes only) in a commercially reasonable manner, that there is a material risk of the payment being contrary to any fiscal or other law or regulation or the order of any court of competent jurisdiction, or any statement, guidance, policy, recommendation or interpretation of any governmental or regulatory body (whether or not having the force of law), in each case applicable to such payment (and any such determination made by the Issuer in accordance with advice given at any time by independent legal advisers shall be conclusive and binding on the Noteholders) or (2) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time by independent legal advisers as to such validity or applicability or (ii) (*in relation to HBEU as Issuer only*) an order is made or a resolution is passed for the winding-up of the Issuer in England, or (*in relation to HBCE as Issuer only*) the Issuer applies for or is subject to a judgment rendered for its judicial liquidation (*liquidation giudicare*) or for a transfer of the whole of the Issuer's business (*cession totale de l'entreprise*) or the Issuer makes any assignment for the benefit of, or enters into any agreement with, its creditors.

The following events constitute events of default (each, an "**Event of Default**") under the Alternative English Law Conditions Notes and would entitle any Noteholder to accelerate the Notes held by it: (i) the Issuer fails to remedy a default in the repayment of any principal due on the Notes or in the payment of any interest due in respect of the Notes, in each case within 14 days of notice of such default having been given to the Principal Paying Agent or other Paying Agent or the Registrar (as the case may be) by any Noteholder in accordance with Condition 12(b) (*Notices from Noteholders*), **provided that** the reason for non-payment is not compliance with any fiscal or other law or regulation or court order, or that there is doubt as to the validity of such law, regulation or order in accordance with independent legal advice from advisers which is acceptable to HSBC Bank plc, acting in its capacity as principal paying agent (the "**Principal Paying Agent**"); or (ii) an order is made or a resolution is passed for the winding-up of the Issuer in England.

If the Notes are accelerated following an Event of Default, the Notes will be redeemed against payment of an amount per Note equal to its Early Redemption Amount.

There are no events of default applicable to the Warrants.

**Early redemption/termination for  
illegality: .....**

If the Calculation Agent determines that the performance of the Issuer's obligations has become unlawful or (in the case of Warrants and Notes other than Alternative English Law Conditions Notes only) impracticable in whole or in part for any reason, the Issuer will be entitled to redeem the Notes or terminate the Warrants early and pay

the relevant investor an amount per Note equal to its Early Redemption Amount or (as applicable) an amount per Warrant equal to its Fair Market Value.

**Early redemption for taxation reasons (in relation to Notes):**

If the relevant Issuer were required under the terms and conditions of the Notes (as applicable) (the "**Conditions**") to pay additional amounts in respect of tax, such Issuer may subject to prior notice to the holders of such Notes, redeem all, but not some only, of such Notes and pay the relevant investor an amount per Note equal to its Early Redemption Amount.

**Early redemption at the option of the Issuer (in relation to the Notes):**

If Condition 5(f) is specified as being applicable in relation to a Series of Notes, the relevant Issuer may exercise its right to redeem the Notes on any of the optional redemption dates against payment of an early redemption amount, each as specified in the relevant Final Terms. As a result of the exercise of a call right by the Issuer, investors will forego any further interest payments (if any) in respect of the Notes.

**Taxation: .....**

*In relation to HBEU as Issuer:*

Unless Condition 6B is specified as being applicable in relation to a Series of Notes, all payments by the Issuer in respect of the Notes will be made without deduction of any taxes, duties and other similar charges, as are imposed or levied by or on behalf of the United Kingdom unless the Issuer is required by law to withhold or deduct, any such taxes. In the event that the Issuer is so required by law to withhold or deduct the Issuer shall not be required to pay any additional amounts in connection with such withholding or deduction and, accordingly, Noteholders will be liable for and/or subject to such taxes so withheld or deducted in respect of the Notes.

If Condition 6B is specified as being applicable in relation to a Series of Notes, then if the Issuer is required by law to withhold or deduct on account of such United Kingdom taxes, it will, subject to certain exceptions as outlined in Condition 6B, pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of such withholding or deduction.

All payments by the Issuer in respect of Warrants will be made without deduction of any taxes, duties and other similar charges, including United Kingdom taxes, unless the Issuer is required by law to withhold or deduct any such taxes or the Issuer exercises its right to withhold or deduct any such taxes. If the Issuer is so required by law to withhold or deduct any such taxes, it shall not be obliged to pay any additional amounts to the Warrantheolders. Therefore, Warrantheolders will be liable for and/or subject to any taxes, duties and other similar charges, including withholding tax, stamp duty, stamp duty reserve tax and/or similar transfer taxes, payable in respect of the Warrants.

*In relation to HBCE as Issuer:*

Unless Condition 6D is specified as being applicable in relation to a Series of Notes, all payments by the Issuer of principal, interest and other revenues in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of France unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges. In the event the Issuer is so required by law to withhold or deduct, it will pay such additional amounts as may be

necessary in order that the net amounts received by the Noteholders, after such withholding or deduction shall equal the respective amounts of principal, interest and other revenues which would have been receivable in respect of the Notes, in the absence of such withholding or deduction, except no additional amounts shall be payable to a holder of a Note who is liable to such taxes, duties, assessments or governmental charges by reason of it having some connection with France other than the mere holding of such a Note.

If Condition 6D is specified as being applicable in relation to a Series of Notes, all payments by the Issuer of principal, interest and other revenues in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of France unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges. In the event that the Issuer is so required by law to withhold or deduct, the Issuer shall not be required to pay any additional amounts in connection with such withholding or deduction.

<b>Governing Law:</b> .....	English law or French law with respect to Notes; English law with respect to Warrants.
<b>Ratings:</b> .....	The Issuers are rated by S&P, Moody's and Fitch. Series of Notes and Warrants will not be individually rated.
<b>Selling Restrictions:</b> .....	For a description of certain restrictions on offers, sales and deliveries of Notes and Warrants, see Section II.3 " <i>Subscription and Sale of Notes</i> " and Section III.3 " <i>Purchase and Sale of Warrants</i> ".

## SECTION I.2 – RISK FACTORS

### **Guidance on this Risk Factors section**

*This section provides details of the principal risks associated with each Issuer and the Notes and Warrants. References to "HBEU" are references to HSBC Bank plc, and references to "HBCE" are references to HSBC Continental Europe. References to the "Issuer" are references to either HBEU or HBCE (as applicable), and references to the "Notes" or the "Warrants" are references to index-linked notes or warrants, equity-linked notes or warrants or fixed income notes issued under the Programme for the Issuance of Notes and Warrants (the "Programme").*

*Any investment in the Notes and Warrants is subject to a number of risks. Prior to investing in the Notes and Warrants, investors should carefully consider risk factors associated with any investment in the Notes and Warrants, the business of each Issuer and the industry in which each Issuer operates, together with all other information contained in this Base Prospectus, including, in particular the risk factors described below and the risk factors set out, in the case of HBEU, in the HBEU 2022 Form 20-F and, in the case of HBCE, in the HBCE 2022 Universal Registration Document (each as defined below), incorporated by reference. Each Issuer considers such risk factors to be the principal risk factors that may affect its ability to fulfil its obligations under the Notes and Warrants and/or risk factors that are material for the purposes of assessing the market risk associated with the Notes and Warrants (as applicable). Words and expressions defined in the Conditions or elsewhere in this Base Prospectus have the same meanings in this section.*

*This section is divided into a number of sub-sections, details of which are set out in the table below:*

<b>Name of sub-section</b>	<b>Page</b>	<b>Applicable to</b>	<b>Explanation</b>
(1) Risks relating to HBEU	9	Notes and Warrants issued by HBEU.	This sub-section will be relevant for issues of Notes and Warrants issued by HBEU, as it details the risk factors which HBEU deems to be material in respect of itself as issuer of Notes and Warrants, and its ability to perform the obligations owed to holders of any Notes and Warrants.
(2) Risks relating to HBCE	9	Notes issued by HBCE.	This sub-section will be relevant for issues of Notes issued by HBCE, as it details the risk factors which HBCE deems to be material in respect of itself as issuer of Notes, and its ability to perform the obligations owed to holders of any Notes.
(3) Risks relating to Notes and Warrants issued by HBEU only	9	Notes and Warrants issued by HBEU.	This sub-section will be relevant for issues of Notes and Warrants issued by HBEU, as it details the risk factors which HBEU deems to be material in respect its issuance of Notes and Warrants.
(4) Risks relating to Notes issued by HBCE only	11	Notes issued by HBCE.	This sub-section will be relevant for issues of Notes issued by HBCE, as it details the risk factors which HBCE deems to be material in respect its issuance of Notes.
(5) Risks relating to all issues of Notes and Warrants	14	All Notes and Warrants.	This sub-section will be relevant for all issues of Notes and Warrants, as it details the risk factors which the Issuers deem to be material in respect of all Notes and Warrants.

Name of sub-section	Page	Applicable to	Explanation
(6) Risks relating to taxation of the Notes and Warrants	28	All Notes and Warrants.	This sub-section sets out certain withholding tax risks which may apply to issues of Notes or Warrants.
(7) Risks relating to the Notes	32	Notes only.	In some respects, the Notes and Warrants entail different risks from one another on account of the difference in the nature of Notes and Warrants and in their terms.
(8) Risks relating to the Warrants	35	Warrants only.	
(9) Risks relating to emerging markets currencies	35	All Notes and Warrants which are settled in emerging market currencies.	This sub-section will be relevant for Notes and Warrants in respect of which payments will be made in an emerging markets currency, and also sets out risks associated with settlement in Offshore RMB outside mainland China.
(10) Risks relating to Green Notes	38	Notes only.	This sub-section will be relevant for Notes in respect of which "Green Notes" has been specified as applicable in the relevant Final Terms.
(11) Additional risks relating to Alternative English Law Conditions Notes	40	Notes only.	This sub-section will be relevant for Notes issued by HBEU only in respect of which the "Alternative Terms and Conditions of the English Law Notes" has been specified as applicable in the relevant Final Terms (" <b>Alternative English Law Conditions Notes</b> ").

*In particular, Investors should be aware that, depending on the terms applicable to the relevant Series of Notes or Warrants, repayment of any amount invested and any return on investment is not guaranteed. As a result the investors' capital can fall below the amount initially invested in such Notes or Warrants and, in the worst case, the investors may lose their entire invested amount.*

*Investors should note that the risks relating to the relevant Issuer, the industry in which it operates and the Notes and Warrants summarised in an issue specific summary (the "**Issue Specific Summary**") appended to the Final Terms relating to a Tranche of Notes or Warrants are the risks that such Issuer believes to be those key to an assessment by an investor of whether to consider an investment in such Notes or Warrants. However, as the risks which the Notes and Warrants are subject to and which the relevant Issuer faces relate to events and depend on circumstances that may or may not occur in the future, investors should consider not only the information on the key risks summarised in the Issue Specific Summary appended to the Final Terms relating to any Tranche of Notes or Warrants (and set out in more detail below) but also, among other things, the other risks and uncertainties described below.*

*Additional risks and uncertainties relating to each Issuer or the Notes and Warrants that are not currently known to the relevant Issuer, or that such Issuer currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of such Issuer, the level of the index or indices or the value of the security or securities underlying the Notes and Warrants or the Notes and Warrants themselves, and, if any such risk should occur, the price of the Notes and Warrants may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes and/or Warrants is suitable for them in light of the information in this Base Prospectus and their personal circumstances.*

(1) **Risks relating to HBEU**

The section entitled "*Risk Factors*" on pages 41 to 53 of HBEU's Form 20-F dated 22 February 2023, as filed with the U.S. Securities and Exchange Commission ("**SEC**") (as set out at <https://www.sec.gov/Archives/edgar/data/1140465/000114046523000029/hbeu-20221231.htm>) (the "**HBEU 2022 Form 20-F**"), as incorporated by reference herein on page 41, sets out a description of the risk factors that may affect the ability of HBEU to fulfil its obligations to investors in relation to the Notes and Warrants.

(2) **Risks relating to HBCE**

A description of the risk factors relating to HBCE that may affect the ability of HBCE to fulfil its obligations under the Notes are set out in the section entitled "*Risk Factors*" on pages 88 to 176 of the HBCE 2022 Universal Registration Document (as defined in the section headed "*Incorporation by Reference*" below).

(3) **Risks relating to Notes and Warrants issued by HBEU only**

***Applicable Bank Resolution Powers***

The EU Bank Recovery and Resolution Directive (Directive 2014/59/EU) ("**BRRD**") provides an EU-wide framework for the recovery and resolution of credit institutions and their parent companies and other group companies. The BRRD is designed to provide relevant authorities with a set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system. In the United Kingdom the Banking Act 2009, as amended (the "**Banking Act**") has implemented the majority of the provisions of the BRRD, and was amended by, amongst other statutory instruments, The Bank Recovery and Resolution (Amendment) (EU Exit) Regulations 2020, which implement into United Kingdom law certain of the recent amendments to BRRD which were required to be implemented prior to IP Completion Day (as defined in the EUWA).

***Statutory Intervention Powers***

HBEU is subject to the Banking Act which gives wide powers in respect of UK banks and their parent and other group companies to HM Treasury, the Bank of England, the Prudential Regulation Authority and the United Kingdom Financial Conduct Authority (each a "**relevant UKRA**") in circumstances where a UK bank has encountered or is likely to encounter financial difficulties.

These powers include powers to: (a) transfer all or some of the securities issued by a UK bank or its parent, or all or some of the property, rights and liabilities of a UK bank or its parent (which would include the Notes and Warrants issued by HBEU under the Programme), to a commercial purchaser or, in the case of securities, to HM Treasury or an HM Treasury nominee, or, in the case of property, rights or liabilities, to an entity owned by the Bank of England; (b) override any default provisions, contracts or other agreements, including provisions that would otherwise allow a party to terminate a contract or accelerate the payment of an obligation; (c) commence certain insolvency procedures in relation to a UK bank; and (d) override, vary or impose contractual obligations, for reasonable consideration, between a UK bank or its parent and its group undertakings (including undertakings which have ceased to be members of the group), in order to enable any transferee or successor bank of the UK bank to operate effectively.

The Banking Act also gives power to HM Treasury to make further amendments to the law for the purpose of enabling it to use the special resolution regime powers effectively, potentially with retrospective effect.

***Power to reduce Noteholders' and Warrantholders' claims***

The powers granted to the relevant UKRA also include powers to vary or extinguish the claims of certain creditors. These powers include a "bail-in" power.

The bail-in power gives the relevant UKRA the power to cancel all or a portion of the principal amount of, or interest on, certain unsecured liabilities (which could include the Notes and/or Warrants) of a failing financial institution or its holding company, to convert certain debt claims (which could be amounts payable under the Notes and/or Warrants) into another security, including ordinary shares of the surviving entity, if any and/or to amend or alter the terms of such claims, including the maturity of the Notes or the expiry of the Warrants or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period. The Banking Act requires the relevant UKRA to apply

the bail-in power in accordance with a specified preference order which differs from the ordinary insolvency order. In particular, the relevant UKRA must write-down or convert debts in the following order: (i) additional tier 1, (ii) tier 2, (iii) other subordinated claims and (iv) certain senior claims. The claims of some creditors whose claims would rank equally with those of the Noteholders and/or Warrantholders may be excluded from bail-in. The more of such creditors there are, the greater the impact of bail-in will be on the Noteholders and/or Warrantholders. The bail-in power is subject to the "no creditor worse off" safeguard, under which any shareholder or creditor which receives less favourable treatment following the exercise of the bail-in power than they would have had the institution entered into insolvency may be entitled to compensation.

Moreover, pursuant to the exercise of the bail-in power, any securities that may be issued to Noteholders and/or Warrantholders upon conversion of the Notes or Warrants (as applicable) may not meet the listing requirements of any securities exchange, and HBEU's outstanding listed securities may be delisted from the securities exchanges on which they are listed. Any securities that Noteholders and/or Warrantholders receive upon conversion of such Notes or Warrants (whether debt or equity) may not be listed for at least an extended period of time, if at all, or may be on the verge of being delisted by the relevant exchange. Additionally, there may be limited, if any, disclosure with respect to the business, operations or financial statements of the issuer (which may be an entity other than HBEU) of any securities issued upon conversion of such Notes or Warrants, or the disclosure with respect to any existing issuer may not be current to reflect changes in the business, operations or financial statements as a result of the exercise of the bail-in power.

Furthermore, Noteholders and Warrantholders may have only limited rights to challenge and/or seek a suspension of any decision of the relevant UKRA to exercise the bail-in power (or any of its other resolution powers) or to have that decision reviewed by a judicial or administrative process or otherwise.

Although the exercise of bail-in power under the Banking Act is subject to certain pre-conditions, there remains uncertainty regarding the specific factors (including, but not limited to, factors outside the control of HBEU or not directly related to HBEU) which the relevant UKRA would consider in deciding whether to exercise such power with respect to HBEU and its securities (including the Notes or the Warrants). Moreover, as the relevant UKRA may have considerable discretion in relation to how and when it may exercise such power, holders of HBEU's securities may not be able to refer to publicly available criteria in order to anticipate a potential exercise of power and consequently its potential effect on HBEU and its securities. In some circumstances, the relevant UKRA may decide to apply a deferred bail-in, where liabilities are not written down at the start of the resolution but are transferred to a depository to hold during the bail-in period, with the terms of the write-down being determined at a later point in the bail-in period. Accordingly, it is not yet possible to assess the full impact of the exercise of the bail-in power pursuant to the Banking Act or otherwise on HBEU.

#### *Powers to direct restructuring of HBEU and its subsidiaries*

As well as a bail-in power, the powers of the relevant UKRA under the Banking Act include the power to (i) direct the sale of the relevant financial institution or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (ii) transfer all or part of the business of the relevant financial institution to a "**bridge institution**" (an entity created for such purpose that is wholly or partially in public control) and (iii) separate assets by transferring impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only). In addition, the Banking Act gives the relevant UKRA power to amend the maturity date or expiry date and/or any interest payment date of debt instruments, securities or other eligible liabilities of the relevant financial institution and/or impose a temporary suspension of payments and/or discontinue the listing and admission to trading of debt instruments or securities.

The exercise by the relevant UKRA of any of the above powers under the Banking Act may limit HBEU's capacity to meet its obligations under the Notes or Warrants and the exercise of any such powers (including especially the bail-in power) could lead to the holders of the Notes or Warrants losing some or all of their investment.

Moreover, trading behaviour in relation to the securities of HBEU (including the Notes and Warrants), including market prices and volatility, may be affected by the use of, or any suggestion of the use of, these powers and accordingly, in such circumstances, the Notes and Warrants are not necessarily expected to follow the trading behaviour associated with other types of securities. There can be no assurance that the taking of any actions under the Banking Act by the relevant UKRA or the manner in which its powers under the Banking Act are exercised will not materially adversely affect the rights of holders of the Notes or Warrants, the market value of the Notes or Warrants and/or HBEU's ability to satisfy its obligations under the Notes and Warrants.

Although the Banking Act also makes provision for public financial support to be provided to an institution in resolution subject to certain conditions, it provides that the financial public support should only be used as a last resort after the relevant UKRA has assessed and exploited, to the maximum extent practicable, all the resolution tools, including the bail-in power. Accordingly, it is unlikely that investors in the Notes or Warrants will benefit from such support even if it were provided.

(4) **Risks relating to Notes issued by HBCE only**

***Bank Recovery and Resolution Directive***

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014, as amended (the "**BRRD**"), notably by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 and by Regulation (EU) 2022/2036 of the European Parliament and of the Council of 19 October 2022 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms, establishes a framework for the recovery and resolution of credit institutions and investment firms.

The BRRD is designed to provide the resolution authorities with a set of tools to intervene early and swiftly in the affairs of an unsound or failing bank to ensure the continuity of the bank's critical financial and economic functions, whilst minimising the impact of a bank's failure on the economy and financial system.

Substantial powers are granted under the BRRD to the resolution authority, which, with respect to HBCE, is the SRB (as defined below) (the "**Resolution Authority**"). These powers enable the Resolution Authority to implement various resolution measures (including, but not limited to, the bail-in tool) with respect to a credit institution subject to its powers (which is the case of HBCE, for more details in this respect, please refer to the paragraph entitled "*Single Resolution Mechanism*" below) in circumstances in which the Resolution Authority determines that such credit institution is failing or likely to fail, within the meaning of the BRRD. A credit institution will be considered as such if one of the following conditions is met or if there are objective elements to support a determination that such entity will, in the near future, meet one of the following conditions:

- (i) it infringes the requirements for continuing authorisation;
- (ii) its assets are less than its liabilities;
- (iii) it is unable to pay its debts or other liabilities as they fall due; or
- (iv) extraordinary public financial support is required (except in order to remedy a serious disturbance in the economy and preserve financial stability upon certain conditions being met).

Powers granted to the Resolution Authority under the BRRD include the following resolution tools: (i) to direct the sale of the relevant financial institution or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply; (ii) to transfer all or part of the business of the relevant financial institution to a "bridge bank" (a publicly controlled entity); (iii) to transfer the assets of the relevant financial institution to an asset management vehicle to allow them to be managed over time; and (iv) the bail-in tool.

The BRRD also provides for certain ancillary powers, such as the power to: (i) modify contractual arrangements in certain circumstances (which could include a variation of the terms of the Notes); (ii) impose temporary suspension of payments; (iii) suspend enforcement or termination rights that might be invoked as a result of the exercise of the resolution powers.

Noteholders should assume that, in a resolution situation, financial public support will only be available to a relevant entity as a last resort after the Resolution Authority has assessed and used, to the maximum extent practicable, the resolution tools, including the bail-in tool.

The exercise of any resolution power or any suggestion of any such exercise could materially adversely affect the value of any Notes and could lead to Noteholders losing some or all of the value of their investment in the Notes.

***The Resolution Authority may exercise the bail-in tool in respect of HBCE and the Notes, which may result in Noteholders losing some or all of their investment***



One of the resolution tools granted to the Resolution Authority under the BRRD is the bail-in tool, which gives the Resolution Authority the power to write-down all or a portion of the principal amount of, or interest on, certain unsecured liabilities (such as the Notes) of a failing financial institution and/or to convert such liabilities into another security, including equity instruments of the surviving entity, if any, or another person. The bail-in tool can be used to recapitalise an institution that is failing or likely to fail (determined in the conditions described above), allowing authorities to restructure it through the resolution process and restore its viability after reorganisation and restructuring.

Where the relevant statutory conditions for use of the bail-in tool have been met, the Resolution Authority would be expected to exercise these powers without the consent of the Noteholders. Any such exercise of the bail-in tool in respect of HBCE and the Notes may result in the cancellation of all, or a portion, of the principal amount of, interest on, or any other amounts payable on, the Notes and/or the conversion of the Notes into shares or other Notes or other obligations of HBCE or another person, or any other modification or variation to the terms of the Notes.

The BRRD specifies the order in which the bail-in tool should be applied, reflecting the hierarchy of capital instruments under Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, as amended ("**CRD IV**"), notably by Directive (EU) 2019/878 of 20 May 2019 amending CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures, and as implemented into French law, and otherwise respecting the hierarchy of claims in an ordinary insolvency proceeding. Accordingly, pursuant to French insolvency laws, when applying the bail-in tool, the Resolution Authority must reduce or cancel in the following order: (i) common equity tier one; (ii) additional tier one instruments; (iii) tier two instruments; (iv) subordinated debts other than the ones mentioned in (i) to (iii), pursuant to the hierarchy applicable under a normal insolvency proceeding under French law; (v) remaining liabilities (other than those mentioned in (vi)) which may be subject to the bail-in tool or amounts due under such liabilities, pursuant to the hierarchy applicable under a normal insolvency proceeding under French law; and (vi) amounts due to preferred or guaranteed creditors.

The exercise of the bail-in tool in respect of HBCE and the Notes or any suggestion of any such exercise could materially adversely affect the rights of the Noteholders, the price or value of their investment in the Notes and/or the ability of HBCE to satisfy its obligations under the Notes and could lead to Noteholders losing some or all of the value of their investment in such Notes. The bail-in tool contains an express safeguard (known as 'no creditor worse off') with the aim that shareholders and creditors do not receive a less favourable treatment than they would have received in ordinary insolvency proceedings. However, even in circumstances where a claim for compensation is established under the 'no creditor worse off' safeguard in accordance with a valuation performed after the resolution action has been taken, it is unlikely that such compensation would be equivalent to the full losses incurred by the Noteholders in the resolution and there can be no assurance that Noteholders would recover such compensation promptly.

The European Commission has published a proposal for a Directive of the European Parliament and of the Council amending BRRD as regards to early intervention measures, conditions for resolution and financing of resolution action (2023/0112(COD)), which intends, among other things, to change the creditor hierarchy with the aim to better protect depositors. Although this proposal should not affect the Notes in the creditor hierarchy, its overall impact over the Notes cannot be assessed at this stage.

### *Single Resolution Mechanism*

The BRRD is complemented by the directly binding Regulation (EU) no. 806/2014 of the European Parliament and of the Council of 15 July 2014 (as amended, the "**SRM Regulation**"), establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a single resolution mechanism (the "**SRM**") and a single resolution fund (the "**SRF**"), which has applied since 1 January 2016 and was amended by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (applicable since 28 December 2020).

Since 2014, the European Central Bank (the "**ECB**") has assumed supervisory tasks and responsibilities within the framework of the single supervisory mechanism adopted by the European Union (the "**Single Supervisory Mechanism**") with respect to credit institutions established in the Euro-zone or in non-Eurozone countries that elect to participate in the Single Supervisory Mechanism.

The SRM Regulation applies to entities covered by the Single Supervisory Mechanism. According to the selection criteria of the ECB, HBCE has been designated as a significant supervised entity for the purposes of article 49(1) of the SRM Regulation and is therefore subject to the SRM Regulation as the primary recovery and resolution rules, instead of the French implementation measures relating to the BRRD.

The SRM Regulation established a single European resolution board (the "**SRB**"), as the central resolution authority, having resolution powers over the institutions that are subject to the SRM Regulation and, together with the relevant national authorities (which, with respect to France, is the French *Autorité de contrôle prudentiel et de résolution*, the "**ACPR**"), forms the SRM. Decision-making is centralised with the SRB working closely with the European Commission, the ECB, the EBA and national resolution authorities.

The SRB (together with the relevant national resolution authorities) draws up and adopts a resolution plan for the entities subject to its powers, including HBCE. The SRB also determines, after consultation with competent authorities, the minimum requirement for own funds and eligible liabilities specific for each institution. The SRB may use the powers of early intervention as set forth in the SRM Regulation, including the power to require an institution to contact potential purchasers in order to prepare for resolution of institution.

The SRB has the authority to exercise the specific resolution powers pursuant to the SRM similar to those of the national authorities under the BRRD (as the SRM Regulation mirrors the BRRD). The resolution tools available for the SRB include the sale of business tool, the bridge institution tool, the asset separation tool and the bail-in tool. In addition, the SRB may exercise the 'write-down and conversion power' in respect of capital instruments and internal eligible liabilities (such power is described in more details in the paragraph entitled "*The Resolution Authority may exercise the bail-in tool in respect of HBCE and the Notes, which may result in Noteholders losing some or all of their investment*" above). The SRB is also granted the authority to instruct the relevant national resolution authorities (which, with respect to France, is the ACPR) within the SRM to use the same resolution tools in respect of an entity subject to the SRM.

#### ***French Insolvency Law***

HBCE is incorporated in France as a *société anonyme* and authorised in France as a credit institution. In the event that HBCE becomes insolvent, pursuant to articles L. 613-31-1 *et seq.* of the French *Code monétaire et financier*, insolvency proceedings will be generally governed by the insolvency laws of France.

Pursuant to article L. 613-27 of the French *Code monétaire et financier*, safeguard, judicial reorganisation or liquidation procedures may be opened against a credit institution with the prior consent of the ACPR (*avis conforme*) and competent French courts are bound by such decision.

The Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 was implemented into French law by the *Ordonnance* no. 2021-1193 dated 15 September 2021. Although such directive excludes credit institutions from its scope, the *Ordonnance* does not make such exclusion. Therefore, the following would apply with respect to HBCE. The *Ordonnance*, applicable as from 1 October 2021, amends French insolvency laws notably with regard to the process of adoption of restructuring plans under insolvency proceedings. According to this *Ordonnance*, "affected parties" (including notably creditors, and therefore the Noteholders) shall be treated in separate classes which reflect certain class formation criteria for the purpose of adopting a restructuring plan. Classes shall be formed in such a way that each class comprises claims or interests with rights that reflect a sufficient commonality of interest based on verifiable criteria. Noteholders will no longer deliberate on the proposed restructuring plan in a separate assembly, meaning that they will no longer benefit from a specific veto power on this plan. Instead, as any other affected parties, the Noteholders will be grouped into one or several classes (with potentially other types of creditors) and their dissenting vote may possibly be overridden: (i) by a cram down inside their class if grouped with other creditors; or (ii) by a cross-class cram down between classes.

Should such proceedings be opened, the commencement of insolvency proceedings against HBCE would have a material adverse effect on the market value of Notes issued by HBCE. As a consequence, any decisions taken by a class of affected parties could negatively and significantly impact the Noteholders and cause them to lose all or part of their investment, should they not be able to recover all or part of the amounts due to them from HBCE.

(5) **Risks relating to all issues of Notes and Warrants**

Set out below is a description of the principal risks that should be taken into consideration by investors in the Notes and Warrants.

***Credit Risk***

*Issuer Credit Risk*

The Notes and Warrants are direct, unsecured and unsubordinated obligations of the Issuer and not of any other person. If the Issuer's financial position were to deteriorate, there could be a risk that the Issuer would not be able to meet its obligations under the Notes and Warrants (the Issuer's "credit risk"). If the Issuer becomes insolvent or defaults on its obligations under the Notes and Warrants, **in the worst case scenario investors in the Notes and Warrants could lose all of their invested amounts**. Unlike a savings account or similar investment, an investment in the Notes or Warrants is not covered by any deposit guarantee or compensation scheme (such as the UK Financial Services Compensation Scheme or the French *Fonds de Garantie des Dépôts et de Résolution*).

Investors should be aware that any rating of the Issuer reflects the independent opinion of the relevant rating agency and is not a guarantee of the Issuer's credit quality. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by its assigning rating agency at any time.

*The Notes and Warrants are unsecured obligations*

It will be particularly important for the investor to evaluate the Issuer's credit risk when considering an investment in the Notes and Warrants as the Notes and Warrants are not secured. If the Issuer became unable to pay amounts owed to the investor under the Notes and Warrants, such investor does not have recourse to the Reference Asset(s) (as defined below) or any other security or collateral and, **in a worst-case scenario, may not receive any payments under the Notes or Warrants**.

***Risks related to linkage to underlying Reference Asset(s) and potential limitations on return***

The Notes (other than Fixed Income Notes) and Warrants are linked to an underlying Index, Security or a number of underlying Indices or Securities (as applicable, the "**Reference Asset(s)**"). Investors should be aware of the following risks related to the linkage to the Reference Asset(s).

*The Notes and Warrants are not ordinary debt securities and investors are exposed to the risks relating to the Reference Asset(s)*

An investment in the Notes and Warrants is not an equivalent to an investment in a time deposit. The terms of the Notes and Warrants may differ from those of ordinary debt securities because the Notes may not pay interest, the Warrants do not pay interest and, on redemption or expiry (as applicable), depending on the performance of the Reference Asset(s), the Notes and Warrants may return less than the amount invested or nothing.

The repayment of any amount invested in Notes and Warrants and any return on investment is variable and not guaranteed. Unlike a savings account or similar investment with a lower return and little or no capital risk, the Notes and Warrants may potentially have a greater return but there is a greater risk of loss of capital. **As a result, an investor's return may be below the amount initially invested.**

Payment at maturity or expiry (and/or payment on early redemption or termination in certain circumstances) and/or payment of interest amounts depend on the performance of the Reference Asset(s). Investors should therefore be prepared to be exposed to the risks related to the Reference Asset(s). The value or level of the Reference Asset(s) can alter sharply because it reflects the performance of the underlying value or general stock and other market conditions. Therefore, there is a risk that, if the value or level of the Reference Asset(s) does not move in the anticipated direction, **the Notes or Warrants may return less than the amount invested and, in a worst case scenario, investors could lose their entire invested amount.**

In addition, investors should note that there may be a risk that if the issuer of an underlying Security becomes insolvent, the value of such Security will become zero. As a result thereof the value of the Notes or Warrants will be adversely affected and in a worst case scenario become zero as well. Investors in the Notes or Warrants would then lose all of their invested amounts.

The Issuer cannot predict the value or level of the Reference Asset(s) on any date during the life of the Notes or Warrants or at maturity or expiry (as applicable). The total return of the Notes or Warrants may be less than other fixed rate instruments, including other securities available directly from the Issuer. Investors should compare the rates of return and other features of the Notes or Warrants to other available investments before deciding to purchase the Notes or Warrants.

*Past performance of the Reference Asset(s)*

Past performance of the Reference Asset(s), if provided, should not be taken as an indication of future performance of the Reference Asset(s). The Issuer cannot provide any assurance that the performance of the Reference Asset(s) will result in a positive return on any investment.

*No investigation has been made of the financial condition of any issuer of any Reference Asset(s)*

No investigation has been made of the financial condition of any issuer of any Reference Asset(s) or the securities underlying a Reference Asset(s) (where the Reference Asset(s) is an equity index) in connection with the issue of any Notes or Warrants. Investors in the Notes or Warrants should obtain and evaluate the same information concerning the Reference Asset(s) or the securities underlying a Reference Asset(s) (where the Reference Asset(s) is an equity index) and each such issuer as they would if they were investing directly in the Reference Asset(s) or such securities. In addition, investors should understand that the historical performance of the Reference Asset(s) or such securities should not be viewed as predictive of future results.

*Capital risks relating to Notes and Warrants which are not principal protected*

Unless the relevant Series of Notes or Put and Call Warrants (when held as a pair) is fully principal protected, the repayment of any amount invested in Notes or Put and Call Warrants and any return on investment is not guaranteed. **As a result the investors' capital can fall below the amount initially invested in such Notes or Warrants and, in the worst case, the investors may lose their entire invested amount.**

In any event, any principal protection is subject to the Issuer's credit risk (see "*Credit risk*" above).

*An investment in the Notes is not the same as an investment in the Reference Asset(s)*

An investment in Notes or Warrants relating to Reference Asset(s) is not the same as an investment in the Reference Asset(s). The Notes or Warrants do not confer any legal or beneficial interest in any Reference Asset(s) or the securities underlying any Reference Asset(s) (if the Reference Asset is an equity index) and do not provide a Noteholder or Warrant holder with any of the rights that a holder of such Reference Asset(s) may have (such as voting rights and rights to receive dividends).

Investors intending to purchase Notes or Warrants to hedge against the market risk associated with investing in a Reference Asset(s) should recognise that there is a risk that the value of the Notes or Warrants may not correlate with the value of the Reference Asset(s) to which they relate. Due to fluctuating supply and demand for the Notes or Warrants, there is no assurance that their value will correlate with movements of the Reference Asset(s). In addition, the formula for redemption or exercise may be subject to a cap. For these reasons, among others, it may not be possible to purchase or liquidate assets in a portfolio at the prices used to calculate the value of any relevant Reference Asset. Accordingly, investors who invest in Notes or Warrants as a means of hedging may be exposed to risks arising out of such differences in value.

*Pricing*

Amounts payable in respect of the Notes and Warrants will be calculated in accordance with the Conditions (an investor-friendly description of how the Notes and Warrants work is set out in "*Section II.1 – Description of the Notes*" and "*Section III.1 – Description of the Warrants*").

As part of the valuation mechanism, Notes and Warrants may specify a time and an exchange or other venue in which the level or value of the Reference Asset(s) is to be observed or may specify that relevant level or price shall be the "highest", "lowest" or "average" level or price observed over a number of specified days or a specified period.

Depending on how the level or value of the Reference Asset(s) is calculated, the level or value of such Reference Asset(s) may fluctuate throughout the trading day or any relevant observation dates or observation period, and may change rapidly. As a result, investors should note that return on any Notes and Warrants may be particularly

sensitive to the choice of valuation times and valuation methods. The "price discovery" mechanism used to ascertain the value of the underlying at any given time on exchanges or other venues may not be uniform throughout the trading day. This may affect the valuation of any issuance of Notes and Warrants. For example, exchanges may conduct auctions to set an opening or closing price, and trading characteristics and participants in after-hours trading sessions may differ from those during regular hour sessions.

As a result, investors may receive less than would have been the case had an alternate valuation time or valuation methodology been specified.

#### *Value of Baskets*

The value of a basket of Reference Assets to which any Notes or Warrants relate may be affected by the number of Reference Assets included in such basket. Generally, the value of a basket that includes Reference Assets from a number of companies or obligors or other components or which gives relatively equal weight to each Reference Asset will be less affected by changes in the value of any particular Reference Asset included therein than a basket that includes fewer Reference Assets or that gives greater weight to some Reference Assets. The Notes may provide that determinations with respect to the Notes are to be made by reference to the worst performing or best performing of the Reference Assets in the basket. If determinations are made with respect to the worst performing Reference Asset, investors will not benefit from any positive performance of other Reference Assets in the basket.

Further, if the Reference Assets included in a basket are all in or connected with a particular industry, the value of such basket will be affected to a greater extent by the economic, financial and other factors affecting that industry than if the Reference Assets included in the basket relate to various industries that are affected by different economic, financial or other factors or are affected by such factors in different ways.

Investors in the Notes and Warrants are subject to the risk that other risks relating to the Reference Assets which adversely affect the value of the Notes or Warrants will be exacerbated due to the number of and/or type of Reference Assets.

#### *Capped Return*

The terms and conditions of Notes and/or Warrants may provide that the return payable on the Notes or Warrants is subject to a cap. In these circumstances, the exposure to the performance of the relevant Reference Asset(s) may be limited and accordingly, investors could forgo a return that could have been made had they invested in a product without a similar cap.

#### *Notes which include leverage in the return may involve potentially greater losses than Notes which are unleveraged*

Notes may have a leveraged exposure to the Reference Asset(s) in that the exposure of each Note to the Reference Asset(s) may be greater than the amount invested in the Note. Leveraged exposure results in the effect of price movements being magnified and may lead to proportionally greater losses in the value of and return on the Notes as compared to an unleveraged exposure. Any Note which includes leverage represents a very speculative and risky form of investment since negative performance of the Reference Asset carries the risk of a correspondingly higher loss of the amount invested in such Note. An investor may suffer a significant or total loss of the amount invested.

#### *Market Disruption Events*

Investors in the Notes and Warrants are subject to the risk that a Market Disruption Event will occur in relation to a Reference Asset. A Market Disruption Event may occur in respect of Notes and Warrants if, as determined by the Calculation Agent: a related stock exchange closes early without notice; limitations are imposed on trading; trading is suspended; or market participants are prevented from obtaining valuations or effecting transactions.

If the Calculation Agent determines that a Market Disruption Event has occurred, then this will result in the occurrence of a Disrupted Day in relation to the relevant Reference Asset, the consequences of which are discussed in the immediately following paragraphs.

#### *Disrupted Day*

Investors in the Notes and Warrants are subject to the risk that a Disrupted Day may occur in relation to a Reference Asset. A Disrupted Day may occur in respect of Notes and Warrants if, as determined by the Calculation

Agent: a stock exchange or related stock exchange fails to open for trading during its regular trading session; or on which a Market Disruption Event has occurred; or if an index sponsor fails to publish the level of an index.

If the Calculation Agent determines that a Disrupted Day has occurred, the Calculation Agent may postpone the Valuation Date to a later date which is not a Disrupted Day, **provided that** the Valuation Date will not be postponed beyond the eighth consecutive Scheduled Trading Day (or such other number of Scheduled Trading Days as may be specified in the Final Terms) after the Scheduled Valuation Date (the "**Limit Valuation Date**"). If the Calculation Agent postpones the Valuation Date the due dates for any payments or delivery in respect of the Notes or Warrants (including, without limitation, the maturity date, settlement date or cash settlement date) may also be postponed. Any such postponement may have an adverse effect on the value of such Notes or Warrants.

#### *Additional Disruption Events*

Investors intending to purchase Notes or Warrants should note that Additional Disruption Events may occur in relation to the relevant Notes and Warrants in certain circumstances described in the Conditions. If any Additional Disruption Event occurs in relation to the relevant Notes and Warrants, the Issuer may (and in the case of Alternative English Law Conditions Notes, only if the Issuer determines that the continuation of the Notes is impossible or would result in a significant alteration of the economic balance of the Notes compared to that which existed at Issue Date), at its sole and absolute discretion, declare a valuation date and designate an early redemption date in respect of the Notes or a termination date in respect of the Warrants (as applicable) and the Noteholders or Warrantholders will receive an early redemption amount or early termination amount (as applicable) based on the determinations made by the Calculation Agent.

The following Additional Disruption Events may be specified to be applicable in the relevant Final Terms:

- in the case of Warrants and Notes other than Alternative English Law Conditions Notes, "**Change in Law**" may occur where the Issuer determines that (A) due to the adoption of or any change in any applicable law or regulation, or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation, (x) it will, or there is a substantial likelihood that it will, with the passing of time, or has become illegal for the Issuer or any of its designated affiliates to hold, acquire or dispose of or realise, recover or remit the proceeds of the sale or disposal of a Reference Asset or Reference Asset Component or any transaction(s) or asset(s) it deems necessary to hedge the equity price risk or any other relevant price risk including, without limitation, any currency risk, of the Issuer issuing and performing its obligations with respect to the Warrants or Notes (as applicable), (y) it has become illegal for the Issuer or any of its designated affiliates to hold, acquire, purchase, sell or maintain one or more (i) positions or contracts in respect of any securities, options, futures, derivatives or foreign exchange in relation to such Warrants or Notes (as applicable), or in relation to the hedging activities of the Issuer or any of its designated affiliates in connection with the Warrants or Notes (as applicable), (ii) stock loan transactions in relation to such Warrants or Notes (as applicable) or (iii) other instruments or arrangements held by the Issuer or any of its designated affiliates in order to hedge, individually or on a portfolio basis, such Warrants or Notes (as applicable) or (z) the Issuer or any of its designated affiliates will incur a materially increased cost in performing its obligations under the Warrants or Notes (as applicable);
- in the case of Alternative English Law Conditions Notes, "**Change in Law**" may occur where the Issuer determines that (A) due to the adoption of or any change in any applicable law or regulation, or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation, (x) it will, or it will, with the passing of time, or has become illegal for the Issuer to issue, have outstanding and/or perform its obligations with respect to the Notes or (y) the Issuer will incur a materially increased cost in performing its obligations under the Notes;
- "**Hedging Disruption**" may occur if the Issuer or its affiliates become unable to hedge or would suffer material delay in conducting any hedging transactions relating to the Notes and Warrants (other than Alternative English Law Conditions Notes);
- "**Increased Cost of Hedging**" may occur where the Issuer would incur a materially increased cost, other than as a consequence of deterioration in its own creditworthiness, in hedging its obligations under the Notes and Warrants (other than Alternative English Law Conditions Notes); and

- **"Insolvency Filing"** may occur if the issuer of the Reference Asset(s) institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official or it consents to such petition, **provided that** proceedings instituted or petitions presented by creditors and not consented to by the issuer of the Reference Asset(s) shall not be deemed an Insolvency Filing.

Upon the occurrence of such an early redemption prior to the originally scheduled Maturity Date of the relevant Notes or early termination prior to the originally scheduled Exercise Dates or Expiry Date of the relevant Warrants, Noteholders or, as the case may be, Warrantheolders may suffer loss of some or of all of their investment and will forgo any future performance in the Reference Asset(s) that may occur following such redemption or termination (as applicable). If an early redemption date is designated in respect of a Note or an early termination date is designated in respect of a Warrant, there is no guarantee that investors will be able to reinvest the proceeds from the Notes or Warrants at a comparable return for a similar level of risk.

### *Risks of adjustments and/or redemption prior to maturity*

#### *Illegality*

Investors in the Notes and Warrants are subject to the risk that the Issuer may terminate its obligations under the Notes or Warrants if the Calculation Agent determines acting in good faith and a commercially reasonable manner that the performance of the Issuer's obligations under such Notes or Warrants (or, in the case of Warrants and Notes other than Alternative English Law Conditions Notes, the Issuer's designated affiliates' obligations under any hedging or funding arrangement established in connection therewith) shall after the Trade Date have become unlawful or (in the case of Warrants and Notes other than Alternative English Law Conditions Notes only) impracticable in whole or in part, unless the relevant Final Terms in respect of a Series of Notes specifies "Early Redemption for Impracticability" as not applicable, in which case the Issuer will not be entitled to terminate its obligations under such Notes for the reasons of impracticability only. Following such a determination of illegality, the Issuer may redeem the Notes or terminate its obligations under Warrants against payment of an amount determined by the Calculation Agent which may be, if so specified in the relevant Final Terms, the Fair Market Value of such Note or Warrant immediately prior to such redemption or termination (as applicable). In the case of Notes other than Alternative English Law Conditions Notes, the Final Terms may specify the Early Redemption Amount as being the Fair Market Value of such Note immediately prior to such termination. The Fair Market Value of a Note or Warrant will be adjusted to account fully for any reasonable expenses and costs incurred by the Issuer and/or its designated affiliates in connection with the Issuer's obligations under the Notes or Warrants or any related hedging and/or funding arrangements as a result of such events. Noteholders and Warrantheolders may suffer a loss of some or all of their investment. As a result of early redemption or termination (as applicable), investors in the Notes or Warrants (as applicable), will forgo any future performance in the relevant Reference Asset(s) and, in the case of Notes only, future interest payments applicable to the Notes (if any).

The Conditions provide that it shall not be a default for the Issuer to withhold or refuse any payment of principal or interest under the Notes (other than Alternative English Law Conditions Notes) or any payment in respect of the Warrants (1) if the Issuer determines, acting in good faith and, in relation to French Law Notes only, in a commercially reasonable manner, that there is a material risk of the payment being contrary to any fiscal or other law or regulation or the order of any court of competent jurisdiction, or any statement, guidance, policy, recommendation or interpretation of any governmental or regulatory body (whether or not having the force of law), in each case applicable to such payment (and any such determination made by the Issuer in accordance with advice given at any time by independent legal advisers shall be conclusive and binding on the Noteholders or Warrantheolders (as applicable)) or (2) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time by independent legal advisers as to such validity or applicability. So long as such circumstances are continuing, investors in the Notes (other than Alternative English Law Conditions Notes) or Warrants may not receive any such payments in respect of them and will not be entitled to any additional payments of interest or otherwise as a result of such withholding or refusal.

#### *Regulation and reform of Benchmarks*

The Euro Interbank Offered Rate ("**EURIBOR**") and other indices which are deemed "benchmarks" are the subject of ongoing national, international and other regulatory guidance and reform. Some of these reforms are already effective whilst others are yet to apply. These reforms may cause such "benchmarks" to perform

differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to a "benchmark". For example, following an announcement by the FCA on 5 March 2021 (the "**FCA LIBOR Announcement**"), immediately after 31 December 2021, all sterling, euro, Swiss franc and Japanese yen settings, and the 1-week and 2-month U.S. dollar settings, either ceased to be provided by any administrator or became unrepresentative of the relevant underlying market. The FCA LIBOR Announcement also provided that the remaining U.S. dollar settings would similarly either cease to be provided or would become unrepresentative immediately after 30 June 2023.

Regulation (EU) 2016/1011, as amended (the "**EU Benchmarks Regulation**"), and Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK Benchmarks Regulation**"), apply to the provision of benchmarks and the contribution of input data to a benchmark within the EU or the UK (as applicable) and prevent certain uses by EU or UK supervised entities (as applicable) of "benchmarks" of unauthorised administrators.

The EU Benchmarks Regulation and the UK Benchmarks Regulation, together with other international, national or other reforms or the general increased regulatory scrutiny of "benchmarks" could have a material impact on any Notes or Warrants linked to a "benchmark". Such reforms could result in changes to the manner of administration of "benchmarks", with the result that such "benchmarks" may perform differently than in the past (and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level) or may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the discontinuance or unavailability of quotes for certain benchmarks.

*A Benchmark Trigger Event could occur in relation to the Notes or Warrants*

A "**Benchmark Trigger Event**" (as defined in the Conditions) may occur in relation to a Series of Notes or Warrants linked to a "benchmark" in a number of scenarios, including:

- where there is an event or circumstance which has the effect that the Issuer or the Calculation Agent is not or will not be, permitted under any applicable law or regulation to use a benchmark (as defined in the Conditions) to perform its or their obligations under the Notes; or
- certain other events (including, without limitation, an announcement by or on behalf of the administrator, regulatory supervisor for the administrator, the central bank for the currency of a benchmark, an insolvency official with jurisdiction over the administrator for a benchmark, a resolution authority with jurisdiction over the administrator for a benchmark or a court or an entity with similar insolvency or resolution authority over the administrator of a benchmark that such benchmark has ceased or will cease to be provided permanently or indefinitely) determined to have occurred by the Issuer.

*Determination of a Benchmark Trigger Event*

The circumstances with respect to a Relevant Benchmark that may lead to the occurrence of a Benchmark Trigger Event are beyond the Issuer's control. However, in all cases, the Issuer will make a determination as to whether the relevant circumstances have arisen.

In making a determination as to whether the occurrence of the relevant circumstances constitute a Benchmark Trigger Event the Issuer may take into consideration any factors the Issuer considers relevant to such determination (including prevailing market practice and the impact of such circumstances on any related hedging arrangement of the Issuer and/or its affiliates) and may exercise its discretion and make subjective judgements. The Issuer is under no obligation to act in the best interests of the holders of the Notes or Warrants in making such determination, and there is no guarantee that the determinations made by the Issuer will lead to the best possible outcome for investors.

*Consequences of the occurrence of a Benchmark Trigger Event*

The occurrence of a Benchmark Trigger Event in relation to a Relevant Benchmark to which the Notes or Warrants are linked could result in such Relevant Benchmark being deemed replaced (for the purposes of the Notes or Warrants) with an alternative benchmark (a "**Replacement Index**") selected by the Issuer (or any Alternative Pre-nominated Index specified in the Final Terms as applicable), adjustment to the terms and conditions pursuant to Condition 13A (*Consequences of a Benchmark Trigger Event*) of the English Law Conditions or the French Law Conditions (as applicable) (in the case of Notes) or Condition 9A (*Consequences of a Benchmark Trigger Event*) (in the case of Warrants), early redemption or termination, discretionary valuation by the Issuer and/or the



Calculation Agent, delisting or other consequences in relation to Notes or Warrants linked to such Relevant Benchmark.

There can be no assurance that the amounts payable to investors in relation to any Notes or Warrants following the application of a Replacement Index or the Alternative Pre-nominated Index pursuant to Condition 13A (*Consequences of a Benchmark Trigger Event*) of the English Law Conditions or the French Law Conditions (as applicable) (in the case of Notes), or a Replacement Index or the Alternative Pre-nominated Index pursuant to Condition 9A (*Consequences of a Benchmark Trigger Event*) (in the case of Warrants), and any related adjustments to the terms and conditions of the relevant Notes or Warrants, will correspond with the amounts that investors would have received if the original Relevant Benchmark had continued to apply, and investors may accordingly receive less than they would otherwise have received.

The determination and use of a Replacement Index or the Alternative Pre-nominated Index following the occurrence of a Benchmark Trigger Event may result in changes to the Conditions and/or payments that are lower than or that do not otherwise correlate over time with the payments that could have been made on such Notes or Warrants if the Relevant Benchmark remained available in its current form. Any such consequence could have a material adverse effect on the value of and return on any such Notes or Warrants.

#### *Modification, waiver and substitution*

Investors in the Notes or Warrants are subject to the risk that modifications to the Conditions of the Notes or Warrants may be made without the consent of any Noteholders or Warrantholders, as the case may be, where the Issuer determines that:

- the modification is not materially prejudicial to the interests of the Noteholders or the Warrantholders as a whole;
- where the modification of the Notes or Warrants is of a formal, minor or technical nature or is made to correct a manifest error or comply with mandatory provisions of the law of the Issuer's jurisdiction of incorporation; or
- where the Conditions are inconsistent with the term sheet relating to the relevant Notes or Warrants.

There is a commercial risk that the obligations of the Warrantholder or the Noteholder will be owed by a principal debtor other than the Issuer. The English Law Notes and the Warrants permit the substitution of an affiliate of the Issuer as principal debtor in respect of the English Law Notes and the Warrants, **provided that** the Issuer provides a guarantee.

#### *Risk of automatic early redemption*

The Notes may specify early redemption to be applicable if certain conditions set out in the relevant Final Terms are met. Investors should therefore be aware that such Notes may terminate prior to the stated maturity date. As a result investors in such Notes may forego any future interest or other payments as well as any appreciation or depreciation (as applicable) in the underlying Reference Assets.

#### *Currency Related Risks*

##### *FX Disruption Event*

Investors in the Notes or Warrants should be aware that, following the occurrence of a FX Disruption Event (as defined in the Conditions) the Issuer may (a) unless Redemption following FX Disruption or Termination following FX Disruption (as applicable) is specified as being not applicable in the relevant final terms, elect to redeem the Notes or terminate the Warrants (as applicable) against payment of an amount determined by the Calculation Agent to be the Early Redemption Amount of the Notes or Warrants, which (in the case of Warrants and Notes other than Alternative English Law Conditions Notes) may be an amount determined by the Calculation Agent to be the fair market value of the Notes or Warrants less the cost to the Issuer of unwinding any underlying and/or related hedging and/or funding arrangements (such amount may be less than any amount received at maturity or expiry or exercise and may result in a loss to the investors), or (b) (i) (in the case of Warrants and Notes other than Alternative English Law Conditions Notes) instruct the Calculation Agent to make such adjustments to the Conditions of the Notes or Warrants as it determines to be necessary or desirable to reflect any market practice which develops in respect of the FX Disruption Event or (ii) (in the case of Alternative English Law Conditions Notes) instruct the Calculation Agent to make such adjustment(s) to the Conditions as it

determines to be necessary or desirable to reflect or account for the FX Disruption Event with a view to produce a commercially reasonable result which will put the Issuer and the Noteholder in substantially the same economic position as prior to the relevant FX Disruption Event.

As a result of any such adjustment, Noteholders or Warrantholders may suffer a loss of some or all of their investment and may forego any future performance in the relevant Reference Asset(s). If an early redemption date is designated in respect of a Note or an early termination date is designated in respect of a Warrant, there is no guarantee that investors will be able to reinvest the proceeds from the Notes or Warrants at a comparable return for a similar level of risk.

Additionally, if, by reason of an FX Disruption Event, the Issuer is unable to settle payments in respect of the Notes or Warrants in the Settlement Currency the Issuer may settle payments by payment of the Alternative Payment Currency Equivalent (which will be an amount in USD or such other currency specified as the Alternative Payment Currency in the relevant Final Terms).

#### *Price Source Disruption*

If Price Source Disruption is specified in the relevant Final Terms as being applicable to any Notes or Warrants, then if for any reason a relevant rate of exchange is not available the Calculation Agent may (i) use alternative sources to determine an exchange rate (such source as may be determined by the Calculation Agent), (ii) postpone the determination of the rate of exchange (subject to a postponement cut-off of 30 calendar days (or such other number of calendar days as may be specified in the Final Terms) after which the Calculation Agent, acting in a commercially reasonable manner, shall determine its good faith estimate of the rate) and use exchange rates prevailing at later times or (iii) determine the rate of exchange as the arithmetic mean of exchange rates provided by leading dealers in the relevant foreign exchange market. The exchange rate so determined may differ from the rate which would have prevailed but for the occurrence of the disruption and this may lead to a decrease in the amount payable to the investors. In addition, if the Calculation Agent postpones the determination of the rate of exchange the due dates for any payments in respect of the Notes or Warrants (including, without limitation, the maturity date or cash settlement date) may also be postponed.

If a specified fixing date for the determination of a relevant exchange rate is an Unscheduled Holiday, the fixing date will be postponed to the next relevant currency business day which is not an Unscheduled Holiday, (subject to a postponement cut-off of 30 calendar days (or such other number of calendar days as may be specified in the Final Terms) after which the Calculation Agent, acting in a commercially reasonable manner, shall determine its good faith estimate of the relevant rate).

#### *Exchange control risks*

Investors in Notes and Warrants should also be aware that there is the risk that authorities with jurisdiction over the Investor's Currency or Settlement Currency such as government and monetary authorities may impose or modify (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or transfer of funds in and out of the country. It is impossible to predict whether the value of one such currency relative to another will rise or fall during the term of the Notes or Warrants.

As a result of exchange controls and restrictions the Issuer may not be able to make payments under the Notes or Warrants in the Settlement Currency and will therefore pay the equivalent of the amounts due under the Notes in U.S. dollars or another currency. Investors in the Notes or Warrants may therefore receive payment in a different currency than the currency expected, and may forego any future performance of the Settlement Currency.

#### *Payment of Alternative Payment Currency Equivalent*

If (i) "Payment of Alternative Payment Currency Equivalent" is specified to be applicable in the relevant Final Terms, or is applicable in accordance with the Conditions or (ii), the relevant clearing system(s) ceases to accept payments in the Settlement Currency (a "**Clearing System Currency Eligibility Event**"), then, if by reason of a FX Disruption Event, a Clearing System Currency Eligibility Event or any other event specified in the relevant Final Terms as an Additional Alternative Payment Currency Event, the Issuer is not able to satisfy its obligations to pay any amounts due under the relevant Notes or Warrants (as applicable) in the Settlement Currency, then the Issuer is entitled to make the payments in USD or any other currency specified as the Alternative Payment Currency in the relevant Final Terms (the "**Alternative Payment Currency**").

*Investor converting amounts paid in the Settlement Currency into the Investor's Currency*

If an investor anticipates that it will need to convert payments made under the Notes or Warrants from the Settlement Currency into a currency of its choice (the "**Investor's Currency**") (for instance, if other obligations of the investor are payable in the Investor's Currency), then the investor is subject to the risk that the currency conversion rate which it must pay for exchanging the Settlement Currency into the Investor's Currency becomes less attractive and therefore decreases the realisable value of its investment. It is impossible to predict whether the value of one such currency relative to another will rise or fall during the term of the Notes and Warrants.

An appreciation in the value of the Investor's Currency relative to the Settlement Currency at any time would decrease (i) the value of any redemption or exercise amount (as applicable) payable to the investor and (ii) the market value of the Notes and Warrants, in each case where converted into the Investor's Currency at that time. **As a result, the amount that the investors receive in respect of the Notes and/or Warrants, as converted, may be less than expected or zero.**

*Risks relating to disposal of Notes or Warrants prior to expiry or maturity*

*There may be no active trading market or secondary market liquidity for the Notes or Warrants*

Any Series of Notes or Warrants issued will be new securities which may not be widely distributed and for which there is no active trading market (even where, in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche which is already issued). If the Notes or Warrants are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar Notes or Warrants (as applicable), general economic conditions, commissions paid by the Issuer and the financial condition of the Issuer and existing liquidity arrangements (if any) might not protect Noteholders from having to sell the Notes at substantial discounts to their principal amount in case of financial distress of the Issuer. Accordingly, the investor is subject to the risk that its investment in the Notes and Warrants may be difficult or impossible to trade. If a market does develop, it may not be very liquid and such liquidity may be sensitive to changes in financial markets.

It is not possible to predict whether any trading market for the Notes and Warrants will develop or, if it does, the price at which Notes and Warrants will trade in the secondary market or whether such market will be liquid or illiquid. If any Notes and Warrants are not listed or traded on any exchange, pricing information for the Notes and Warrants may be more difficult to obtain and the liquidity of the Notes and Warrants may be adversely affected. Also, to the extent that Notes are redeemed or purchased and cancelled or Warrants are exercised or purchased and cancelled, the number of Notes or Warrants outstanding will decrease, resulting in a lessening of the liquidity of the Notes and Warrants. A lessening of the liquidity of the Notes and Warrants may cause, in turn, an increase in the volatility associated with the price of the Notes and Warrants. An investor in the Notes or Warrants is subject to the risk, therefore, that to the extent that there is no liquid market in the Notes and Warrants, an investor may have to wait until redemption of such Notes or until it is able to exercise such Warrants in order to realise the value of its investment and, as such, an investor should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes or Warrants until their maturity or exercise date (as applicable).

*Certain factors affecting the value and trading price of Notes and Warrants*

The value of Notes and Warrants prior to maturity or expiry (as applicable) is expected to depend on a number of factors including, without limitation: (i) the financial condition and funding costs of the Issuer; (ii) the value and volatility of the Reference Asset(s) and liquidity of the Reference Asset(s); (iii) the time remaining to expiration or maturity; (iv) any change(s) in interest rates and dividend yields and inflation rates; (v) any change(s) in currency exchange rates; (vi) economic and market conditions and (vii) any related transaction costs. As a result of these factors the price at which a Noteholder or Warrantholder will be able to sell the Notes or Warrants prior to maturity or expiry (as applicable) may be less than the initial amount invested in the Notes or Warrants. Each of these factors interrelate in complex ways (for example, one factor may offset an increase in the value of the Notes or Warrants caused by another factor). Investors are subject to the risk that the value of Notes or Warrants may be adversely affected by one or more of the following factors:

(a) *Fluctuations in the value or level of the Reference Asset(s)*

Fluctuations in the value or level of the Reference Asset(s) may affect the value of the Notes or Warrants, but equally an investor in the Notes or Warrants is subject to the risk that expectations of fluctuations in value or level of the Reference Asset during the remaining period to the maturity of the Notes or expiry

of the Warrants (as applicable) or any earlier redemption or exercise date would adversely affect amounts payable in respect of the Notes or Warrants. The level or value of the Reference Asset(s) may vary over time and may increase or decrease by reference to a variety of factors which may include corporate actions, macro-economic factors and speculation.

(b) *Interest rates*

Rising interest rates may lower the value of the Reference Asset(s), and thus, the value of the Notes and Warrants. Changes in interest rates may also affect the economy of a country in which the Reference Asset(s) or securities underlying the Reference Asset(s) (where such Reference Asset(s) is an equity index) are traded, and which may adversely affect the value of the Notes and Warrants.

(c) *Volatility of Reference Asset(s)*

If the size and frequency of market fluctuations in value of the Reference Asset(s) increase or decrease, the trading value of the Notes and Warrants may be adversely affected.

(d) *Time remaining to maturity or expiry*

The Notes and Warrants may trade at a value above that which would be expected based on the level of interest rates and the level of the Reference Asset(s). Any such difference will reflect a "time premium" resulting from expectations concerning the Reference Asset(s) during the period prior to the maturity of the Notes or expiry of the Warrants. An investor in the Notes and Warrants should be aware of the risk that, as the time remaining to the redemption or exercise (as applicable) of the Notes and Warrants decreases, this time premium would likely decrease, which would adversely affect the value of the Notes and Warrants.

(e) *Dividend rates*

An investor in the Notes and Warrants is subject to the risk that changes in dividend or other distribution rates on the Reference Asset(s) may adversely affect the trading value of the Notes and Warrants. If the dividend or other income rates on the Reference Asset(s) increase, the trading value of the Notes and Warrants are likely to decrease as the Notes and Warrants generally do not reflect such distributions by way of increase in amounts payable on exercise or redemption, or pass-through payments of such distributions.

***Potential conflicts of interest***

The Issuer and/or affiliates of the Issuer may from time to time: (i) advise or engage in business with the issuers of or obligors in respect of Reference Asset(s) or securities underlying Reference Asset(s) (where such Reference Asset(s) is an equity index) regarding transactions to be entered into by them; (ii) engage in transactions involving Reference Asset(s) or securities underlying Reference Asset(s) (where such Reference Asset(s) is an equity index) for their proprietary accounts, for other accounts under their management or to facilitate client orders; (iii) carry out hedging activities related to the Notes and Warrants by purchasing or entering into derivatives transactions relating to the Reference Asset(s) or securities underlying Reference Asset(s) (where such Reference Asset(s) is an equity index) (but will not be obliged to do so); (iv) publish research reports relating to Reference Asset(s) or securities underlying Reference Asset(s) (where such Reference Asset(s) is an equity index); or (v) have or acquire non-public information about Reference Asset(s) or securities underlying the Reference Asset(s) (where such Reference Asset(s) is an equity index). In undertaking any such activities, neither the Issuer nor any affiliate of the Issuer is under any obligation to consider the interests of the Noteholders or Warrantholders and any such activities may have a negative effect on the value or level of such Reference Asset(s) and therefore on the value of any Notes and Warrants to which they relate.

In addition, the conditions of the Notes or Warrants may provide for (a) the early redemption of the Notes, or early termination of the Warrants, as the case may be, and/or (b) a lesser amount being payable in respect of the Notes or Warrants, if the value of any Reference Asset(s) exceeds, falls below, is equal to or does not stay within pre-determined reference levels ("**Threshold Events**"). The activities described in the preceding paragraph may cause such Threshold Events to be triggered, which could potentially have a negative impact on the value of any Notes and Warrants to which they relate.

Certain affiliates of the Issuer or the Issuer itself may (i) be the counterparty to the hedge of the Issuer's obligations under an issue of Notes and Warrants; (ii) be the Calculation Agent responsible for making determinations and

calculations in connection with the Notes and Warrants; or (iii) publish research reports which express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes and Warrants referencing the Reference Asset(s) and/or interest rates. Accordingly, there is a risk that certain conflicts of interest may arise both among the Issuer or these affiliates and between the interests of the Issuer or these affiliates and the interests of Noteholders or Warrantholders (as applicable).

#### ***Calculation Agent's discretion and valuations***

Calculation of the interest payments (if applicable) and/or amount payable in respect of redemption or expiry or exercise may be by reference to certain specified screen rate(s), level(s) or value(s) published on an exchange or other quotation system, or if any such rate(s), level(s) or value(s) is not displayed at the relevant time, such rate(s), level(s) or value(s) (as applicable) determined by the Calculation Agent acting in good faith and a commercially reasonable manner, or otherwise, an exercise of its discretion in accordance with and pursuant to the terms and conditions of the applicable Notes and Warrants. The Calculation Agent may also have other discretionary powers (including without limitation, powers to (i) adjust terms and conditions of Notes and Warrants; (ii) in certain circumstances, substitute the Reference Asset; (iii) postpone payment; (iv) redeem or terminate the Notes and Warrants prior to their scheduled maturity or expiry, as applicable; or (v) apply any combination of the foregoing).

Investors should be aware that the exercise of its discretionary powers as Calculation Agent (which may be the Issuer or an affiliate of the Issuer) under the conditions of the Notes and Warrants, or (in circumstances where the Issuer has entered into hedging arrangements), as calculation agent under any related hedge, may have an adverse impact on the performance of the Notes and Warrants, which may result in a lower return, or no return at all. The Calculation Agent shall have no obligations to the holders of Notes or Warrants and all calculations and determinations made by the Calculation Agent in relation to the Notes and Warrants shall (save in the case of manifest error at the time the relevant determination is made) be final and binding on the Issuer and all Noteholders and Warrantholders. Further, the Calculation Agent may be permitted to use its proprietary models in setting the terms of an adjustment, and it may be difficult for investors to predict the resulting adjustments in advance. In such case, an investor would be subject to the risk that it would be difficult to verify that adjustments made to payments under the Notes and Warrants are legitimate and consistent with the terms of an issue of Notes and Warrants without expertise in applying valuation models.

#### ***Fees, commission and cost of hedging***

Investors may be liable for distribution commissions or fees charged by the Issuer and/or its affiliates and/or the cost or expected cost of hedging the Issuer's obligations under the Notes or Warrants (if any). Such fee, commission and cost of hedging may be deducted from the redemption or settlement amount payable in respect of the Notes (in the case of Notes other than Alternative English Law Conditions Notes) or Warrants, which may reduce the amounts payable on the Notes or Warrants. Alternately, if such fees, commissions and costs of hedging are included in the issue price of the Notes or Warrants, investors will be exposed to the risk that the price at which they may be able to sell the Notes or Warrants in any secondary market (including the price (if any) at which the Issuer or its affiliates may be willing to purchase Notes from the investor) would be lower than the original issue price. Such price differential may also be greater than may be the case if the investor had purchased a similar product from a different issuer as the issue price for the Notes or Warrants will be determined by pricing models used by the Issuer or affiliates which may differ from comparable models used by other issuers.

#### ***Hedging activities of the Issuer and affiliates***

The Issuer or its affiliates may carry out hedging activities relating to the obligations of the Issuer to make payments and/or deliveries under the Notes and Warrants, including purchasing Reference Asset(s) or securities underlying Reference Asset(s) (where such Reference Asset(s) is an equity index), but will not be obliged to do so. Certain of the Issuer's affiliates may also purchase and sell the Reference Asset(s) or securities underlying the Reference Asset(s) (where such Reference Asset(s) is an equity index) on a regular basis as part of their securities businesses. Trading activity in relation to such securities (including those undertaken by the Issuer, either as part of its hedging activities or as part of their securities businesses) may affect the value of such Reference Asset(s) or securities. For example, the Issuer's trading activities may contribute to increased demand for the securities which may lead to an increase in value (as the number of securities of any type available are limited to those in issue), or conversely may contribute to decreased demand for the securities, which may lead to a decrease in value. The value of an equity index is dependent on the value of the securities underlying such Index, thus any effect on the value of the securities underlying such an Index (either positive or negative) may affect the value of such Index and, accordingly, the value of the Notes or Warrants.

### ***Clearing systems***

English Law Notes and Warrants may be held by or on behalf of Euroclear and Clearstream, Luxembourg. While the English Law Notes and Warrants are represented by a global Note or Warrant held by or on behalf of Clearstream, Luxembourg, investors will be able to trade their interests only through Euroclear and/or Clearstream, Luxembourg. In addition, English Law Notes and Warrants may be issued as Uncertificated Registered Notes or Uncertificated Registered Warrants, in which case CREST will maintain records of the interests in such Notes or Warrants and investors will be able to trade their interests only through CREST. Investors in the English Law Notes or Warrants will have to rely on procedures of such clearing systems for transfer, payment and communication with the Issuer to receive payments under the English Law Notes or Warrants. Investors are therefore subject to the risk of those settlement procedures failing such that payments due under the English Law Notes may be delayed and that book entries or entries in the register are entered incorrectly which may lead to difficulties with an investor asserting ownership of its Notes or Warrants.

The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, interests in the global Notes or Warrants. Holders of interests in the global Notes or Warrants will not have a direct right to vote in respect of the relevant English Law Notes or Warrants. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and/or Clearstream, Luxembourg or CREST to appoint appropriate proxies.

### ***Change of law***

The Conditions are based on English or French law, as the case may be, and (where applicable) United Kingdom or French tax law in effect as at the date of this Base Prospectus. There is a risk that the interpretation and/or effect of the Conditions may be subject to change in such a manner as to adversely affect the contractual rights of Noteholders and Warrantheolders.

### ***Further and other issues of Notes and Warrants***

The Issuer shall be at liberty from time to time without the consent of the Noteholders or Warrantheolders to create and issue further notes or warrants to be consolidated with and form a single series with the outstanding Notes or Warrants. In addition, the Issuer may issue other notes, warrants and/or other instruments, the value of which is linked to the relevant Reference Asset(s). Any such issue of further notes or warrants may increase the availability of such instruments and consequently may have an adverse effect on the value of Notes or Warrants.

### ***Specific risk factors relating to Index-Linked Notes and Warrants***

#### ***Successor Index, Index Modification, Index Cancellation***

In certain circumstances, certain adjustments may be made to an Index, which may result in a loss to the Noteholders or Warrantheolders. The Issuer considers the following to be material risks of adjustment:

- (i) the replacement of the relevant Index by a successor index if the relevant Index is not calculated or announced by the relevant Index Sponsor or is replaced by a successor index;
- (ii) the modification of the relevant Index by the relevant Index Sponsor which may have a material effect on the Notes and Warrants; and
- (iii) the cancellation of the relevant Index by the relevant Index Sponsor which may result in either (A) the redemption of the relevant Notes or the termination of the relevant Warrants upon payment of such amount as may be determined by the Calculation Agent to be the Fair Market Value of the Notes or Warrants immediately prior to such redemption or termination (or, in the case of Alternative English Law Conditions Notes, the Early Redemption Amount, but only if the Issuer determines that the continuation of the Notes is impossible or would result in a significant alteration of the economic balance of the Notes compared to that which existed at Issue Date) or (B) the continuation of the Notes and Warrants, in which case the relevant level of the Index will be determined by the Calculation Agent.

As a result of any such replacement, modification or cancellation, Noteholders or Warrantheolders may suffer a loss of some or all of their investment and may forego any future performance in the relevant Index. If an early redemption date is designated in respect of a Note or an early termination date is designated in respect of a Warrant, there is no guarantee that investors will be able to reinvest the proceeds from the Notes or Warrants at a comparable return for a similar level of risk.

***Specific risk factors relating to Equity-Linked Notes and Warrants***

*Extraordinary Events*

There is a risk in respect of Equity-Linked Notes or Warrants that certain Extraordinary Events may occur in respect of Reference Asset(s) (such as a merger, a takeover or exchange offer, delisting, nationalisation or transfer to a governmental agency or the insolvency or bankruptcy of the issuer of the Reference Asset(s)). If such event has occurred, the Calculation Agent may take certain actions, such as adjusting certain Conditions or redeeming the Notes or terminating the Warrants.

Upon the occurrence of such an early redemption or termination of the relevant Equity-Linked Notes or Warrants, the holders thereof may suffer a loss of some or all of their investment and will forego any future performance in the relevant Reference Asset(s) that may occur following such redemption or termination.

*Potential Adjustment Events*

Investors in Equity-Linked Notes or Warrants are subject to the risk that certain circumstances in respect of Reference Asset(s) occur (such as a subdivision, consolidation or reclassification of securities, a distribution of dividend or extraordinary dividend or any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Reference Asset(s)). If the Calculation Agent determines that such circumstances have occurred, the Calculation Agent may (but is not obliged to) make such corresponding adjustment(s) as it determines to be appropriate, to the number of Reference Asset(s) to which each Equity-Linked Note or Warrant relates and to any other exercise, settlement, payment or other term of the relevant Equity-Linked Notes or Warrants to account for that diluting or concentrative effect, and determine the effective date(s) of such adjustment(s). In the case of Alternative English Law Conditions Notes only, such adjustment(s) must be made with a view to produce a commercially reasonable result which will put the Issuer and the Noteholder in substantially the same economic position as prior to the relevant Potential Adjustment Event. Such adjustments may adversely affect the value of the relevant Equity-Linked Notes or Warrants and/or any amount payable on redemption or termination of the Notes or Warrants and the holders thereof may suffer a loss of some or all of their investment as a result.

*Substitution of Securities*

If 'Substitution of Securities' is specified as being applicable in the relevant Final Terms to any Notes or Warrants, then following the occurrence of an Extraordinary Event (other than a Delisting in respect of any Depository Receipts) or an Additional Disruption Event in relation to a Security, the Issuer may (but is not required to) replace the relevant Security (the "**Affected Security**") with a substitute security (the "**Substitute Security**") (as selected by the Calculation Agent in accordance with the Conditions). If there is a substitution of a Security, investors will be exposed to the performance of the Substitute Security in place of the Affected Security. As a result, investors may receive a significantly lower return as compared with what they would have received had such substitution not occurred.

*Events relating to DR-Linked Notes and DR-Linked Warrants*

Investors in DR-Linked Notes and Warrants are subject to the risk that a delisting may occur in relation to the Depository Receipts or that the related Deposit Agreement is or will be terminated. Following such event, the Issuer may determine (a) that the DR-Linked Notes or Warrants shall continue, in which case it shall elect whether the security shall thereafter be Replacement DRs or the Underlying Security and the Calculation Agent may make such adjustment(s) as it determines to be appropriate to the terms of the Notes or (b) that (in the case of Warrants and Notes other than Alternative English Law Conditions Notes) the Warrants or Notes shall not continue or that (in the case of Alternative English Law Conditions Notes) the continuation of the Notes is impossible or would result in a significant alteration to the economic balance of the Notes compared to that which existed at the Issue Date, in which case the Notes or Warrants will be terminated and investors will receive the Early Redemption Amount (in the case of Alternative English Law Conditions Notes) or the Fair Market Value (in the case of Warrants and Notes other than Alternative English Law Conditions Notes). Such adjustments or termination may adversely affect the value of the relevant DR-Linked Notes and Warrants and/or any amount payable on redemption or termination of the DR-Linked Notes or Warrants and the holders thereof may suffer a loss of some or all of their investment as a result.

***Specific risks relating to Equity-Linked Notes and Warrants where the Securities are Units in an exchange-traded fund***

In respect of Equity-Linked Notes and Warrants where the Reference Asset(s) are units in an exchange-traded fund, one of the following events may occur:

- (i) the relevant fund is (or is to be) wound-up or similar, or makes a restructuring arrangement with its creditors or certain insolvency proceedings or similar are commenced against the fund;
- (ii) breach by the relevant fund of any applicable leverage restriction or any contractual restriction binding on or affecting the fund or any of its assets;
- (iii) resignation, termination or replacement of the fund adviser;
- (iv) any change or modification of the fund documents that could reasonably be expected to affect the value of the Units or the rights or remedies of any holders thereof from those prevailing on the Issue Date;
- (v) any breach of any strategy or investment guidelines stated in the fund documents that is reasonably likely to affect the value of the Units or the rights or remedies of any holders thereof;
- (vi) in the case of Warrants and Notes other than Alternative English Law Conditions Notes, it becomes impractical or impossible for the Issuer to hedge its obligations under the Notes or Warrants, as applicable;
- (vii) cancellation, suspension or revocation of the registration or approval of the Units or the fund by any governmental, legal or regulatory entity with authority over the Units or the fund;
- (viii) any change in the legal, tax, accounting or regulatory treatments of the fund or the fund adviser that is reasonably likely to have an adverse impact on the value of the Units or on any investor therein;
- (ix) the relevant fund becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged breach of applicable law for any activities relating to or resulting from the operation of the fund;
- (x) it becomes impractical or impossible for the Calculation Agent to be able to determine the value of the units in the fund and this is likely to continue for the foreseeable future, or if there is an information failure which would make it difficult to monitor the fund;
- (xi) in the case of Warrants and Notes other than Alternative English Law Conditions Notes, the Calculation Agent has determined that it has become illegal to hold the units in the fund or that the Issuer would incur a materially increased cost in performing its obligations under the Notes or Warrants;
- (xii) in the case of Warrants and Notes other than Alternative English Law Conditions Notes, the Issuer would incur a materially increased amount of tax on its hedge of the Notes and Warrants except for where this is solely due to a deterioration in the Issuer's creditworthiness;
- (xiii) the index underlying a fund is cancelled, or there is a material change in the formula or method of calculating the underlying index or other material modification of the relevant index, or the index sponsor fails to calculate and announce the underlying index; or
- (xiv) in the case of Alternative English Law Conditions Notes, the Calculation Agent determines in good faith that the Issuer will incur a materially increased cost in performing its obligations under the Notes due to any change in any applicable law or regulation (including tax law) or due to the change in the interpretation of any applicable law or regulation by any court or tribunal (including a taxing authority).

Following the occurrence of such event ("**Extraordinary ETF Event**"), the Calculation Agent may make certain adjustments to or substitutions for the Affected Units as the Calculation Agent may determine or the Calculation Agent may determine that the relevant Notes or Warrants shall be terminated upon payment to the holders thereof of the Fair Market Value (or, in the case of Alternative English Law Conditions Notes, the Early Redemption Amount) of the Notes or Warrants (as applicable), each of which may result in a loss to such holders.



### *Tax and Currency Risk*

The tax status of funds in those jurisdictions in which they conduct their business and/or any change in taxation rules or treatment in such jurisdictions could affect the value of the assets of such funds or the ability of funds to achieve their investment objectives. Consequently this could adversely affect the value of the Notes or Warrants linked to such funds. In addition, remittance of income and capital gains generated by underlying investments of funds in certain countries may be dependent on there being liquidity in the relevant local currency and the absence of foreign exchange controls which inhibit or prevent the repatriation of such gains. In any such circumstances, the value of the notional shares of funds may be adversely affected and as a result the relevant funds and the value of the Notes or Warrants may be adversely affected.

### *Class of Investments*

Prospective purchasers or investors should note that funds may have legal or other discretions in relation to their investments and no assurance can be given that the exercise of such discretions will achieve the investment objectives of such funds. Therefore, there is a risk that return on an investment in funds may not be achieved. This would have an adverse effect on the value of the Notes or Warrants and any amounts payable thereunder.

### *Investment Risk*

There can be no assurance that any fund will achieve its investment objectives. The investment income of each fund is based on the income earned on the securities it holds, less expenses incurred. Therefore, the funds' investment income may be expected to fluctuate in response to changes in such expenses or income and this may have an adverse effect on the value of the Notes or Warrants and any amounts payable thereunder.

### *High yield*

Some reference funds may invest in high yield securities. High yield securities are typically medium or lower rated securities and are sometimes referred to as "junk bonds". Such securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which primarily react to movements in the general level of interest rates. The risk of loss due to default by issuers of high yield securities is significantly greater because lower rated and unrated securities of comparable quality generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness. In addition, funds which invest in such securities may find it more difficult to sell high yield securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Furthermore, such funds may experience difficulty in valuing certain securities at certain times. Prices realised upon the sale of such lower rated (or unrated) securities, under these circumstances, may be less than the prices used in calculating the value of such funds. All such risks could adversely affect the value of Notes or Warrants linked to funds which invest in high yield securities.

## **(6) Risks relating to taxation of the Notes or Warrants**

### ***Taxation and other charges in relation to the Notes and Warrants***

Transactions involving Notes or Warrants may have tax consequences for potential purchasers which may depend, amongst other things, upon the status of the potential purchaser and laws relating to transfer and registration taxes.

Transactions involving Notes and Warrants issued by HBEU may be subject to United Kingdom stamp duty or stamp duty reserve tax, and are subject to the risk that instruments effecting or evidencing transfers of Notes or Warrants and executed in the United Kingdom may not be admissible in evidence in civil proceedings unless duly stamped. An instrument of transfer executed outside the United Kingdom is also subject to the risk that it may be inadmissible in United Kingdom civil proceedings unless duly stamped after it has been first received in the United Kingdom.

Under the terms and conditions of the Notes all payments and deliveries will be subject to any fiscal or other laws and regulations in the place of payment and Noteholders may be responsible for paying, or suffer a deduction for, any applicable duties, taxes or other charges imposed by such laws and regulations, subject only to HBEU's obligation to gross-up in relation to certain United Kingdom taxes under Condition 6B (*Taxation - Gross-up*) or Condition 6B (*Taxation - Gross-up (HBEU)*) (as applicable), or HBCE's obligation to gross-up in relation to certain French taxes under Condition 6C (*Taxation - Gross-up (HBCE)*). This respective gross-up obligation is applicable provided Condition 6B (*Taxation - Gross-up*) or Condition 6B (*Taxation - Gross-up (HBEU)*) (as applicable) is specified as applying to a Series of Notes issued by HBEU or Condition 6D *Taxation - No gross-up (HBCE)* is not specified as applying to a Series of Notes issued by HBCE and is subject to a number of

exceptions and covers only certain withholdings and deductions on account of taxes imposed by the United Kingdom, in relation to HBEU, or taxes imposed by France, in relation to HBCE; in particular, it does not cover stamp duty, stamp duty reserve tax and/or similar transfer taxes.

If Condition 6B (*Taxation - Gross-up*) or Condition 6B (*Taxation – Gross-up (HBEU)*) (as applicable), or Condition 6C (*Taxation – Gross-up (HBCE)*) is not applicable to a Series of Notes, the Issuer will not be required to gross-up or pay any additional amounts in respect of the Notes in respect of which any withholding or deduction has been required to be made in respect of any tax. Accordingly, investors may receive a lower return than would be received on an investment where no withholding tax is payable or where the relevant issuer has an obligation to gross-up for such withholdings or deductions.

Under the terms and conditions of the Warrants, Warrantholders are responsible for paying all stamp duties, stamp duty reserve tax and/or other taxes or duties, securities transfer taxes and any other charges, if any, payable in connection with the subscription, purchase or exercise of the Warrants. The Issuer will not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer or exercise of any Warrants nor shall it be obliged to pay any additional amounts to the Warrantholders in respect of any withholdings or deductions that are made on payments to them on account of any taxes.

Potential investors who are in any doubt about the tax consequences of purchasing any Notes or Warrants should consult and rely on their own tax advisors.

### **French FTT**

Pursuant to Article 235 *ter* ZD of the French tax code, acquisitions for consideration of equity securities (*titre de capital*) within the meaning of Article L 212-1 A of the French Monetary and Financial Code or similar instruments within the meaning of Article L 211-41 of the French Monetary and Financial Code that provide or could provide access to capital or voting rights, resulting in a transfer of ownership within the meaning of Article L 211-17 of the French Monetary and Financial Code (that is resulting from the registration of the acquired securities in the securities accounts of the purchaser), admitted to trading on a French, European or foreign regulated market within the meaning of Articles L 421-4, L 422-1 or L 423-1 of the French Monetary and Financial Code and issued by a company having its head office in France and whose market capitalisation as of 1 December of the year preceding the year in which the acquisition occurs exceeds EUR 1 billion ("**French Qualifying Securities**"), are subject to the French financial transactions tax ("**French FTT**"), levied at the rate of 0.3 per cent. The French FTT also applies to an acquisition of securities (irrespective of which entity issued such securities) when these securities represent French Qualifying Securities ("**Synthetic French Qualifying Securities**"). If applicable, the cost of the French FTT may be deducted from the amounts payable to the Warrantholders and/or Noteholders.

The French FTT could also be triggered if the Issuer and/or its affiliates choose to purchase Reference Asset(s) or securities underlying the Reference Asset(s) (where such Reference Asset(s) is an equity index) to hedge their exposure under the Notes and/or Warrants if such Reference Asset(s) or securities underlying the Reference Asset(s) (where such Reference Asset(s) is an equity index) are French Qualifying Securities or Synthetic French Qualifying Securities and assuming none of the French FTT exemptions provided for by Article 235 *ter* ZD of the French tax code applies to the relevant acquisition. Therefore, Noteholders and/or Warrantholders are subject to the risk that payments under the Notes and/or the Warrants may be adversely affected by the French FTT, where applicable, as this tax may be deducted from the Final Redemption Amount or Cash Settlement Amount amounts payable to the Noteholders and/or Warrantholders (as applicable).

### **Italy**

*Italian financial transaction tax may apply to Notes and Warrants linked to Reference Assets that are securities issued by Italian issuers or are Indices in respect of which the underlying securities are securities issued by an Italian issuer*

A financial transaction tax has been introduced under Italian law, ("**Italian FTT**"), pursuant to Article 1, paragraphs 491 – 500, of Law 24 December 2012, no. 228, as implemented by Ministerial Decree issued on 21 February 2013 and amended by Ministerial Decree issued on 16 September 2013. The Italian FTT applies, *inter alia*, on cash settled derivatives ("**Italian FTT on Derivatives**") executed or modified on or after 1 September 2013, both traded or not on Qualifying Markets (as defined below) and unlisted, whose underlying are mainly shares or participating financial instruments issued by Italian resident companies or the value of shares issued by Italian resident companies, including warrants and certificates. The condition is met when more than 50 per cent.

of the equity portion of the underlying is represented by the market value of shares or participated financial instruments issued by Italian resident companies.

Accordingly, there is a risk that the Italian FTT on Derivatives could be triggered where the issuer of a Reference Asset relating to the Warrants and, where deemed to represent the underlying equity instruments or characterised as derivative instruments, the Notes (together with the Warrants, the "**Affected Instrument**") is an Italian resident or the issuer of a security underlying an Index is an Italian resident. The residence and nationality of the Issuer and any holder of the Affected Instrument and the place of execution of the Affected Instrument would be irrelevant as the application of the Italian FTT on Derivatives is exclusively dependent on the residence of the issuer of the underlying Reference Asset(s) or of the securities underlying the Reference Asset(s) (where such Reference Asset(s) is an equity index).

The Italian FTT on Derivatives applies at a fixed amount, due from both parties equally, as follows:

- Index-linked Affected Instruments where a security that forms part of the Reference Asset is issued by an Italian-resident company: from EUR 0.01875 to EUR 15, depending on the notional value of the contract;
- Equity-Linked Affected Instruments where the underlying Reference Asset is issued by an Italian-resident company: from EUR 0.125 to EUR 100, depending on the notional value of the contract; and
- Affected Instruments linked to a basket of Reference Assets: from EUR 0.25 to EUR 200 depending on the notional value of the contract.

The above amounts are reduced by 80 per cent. where the transaction is implemented in a regulated market or in a multilateral trading facility. An investor in the Affected Instruments is subject to the risk that payments under the Affected Instrument will be adversely affected by this Italian transaction tax as these charges will be deducted from the Cash Settlement Amount, Final Redemption Amount and/or other amount(s) payable thereunder.

The issuance of financial instruments qualifying as transferable securities (*valori mobiliari*) according to article (1)(1-bis)(c) of Legislative Decree no. 58 of 24 February 1998, is exempt from Italian FTT on Derivatives. The Italian Ministry of finance clarified that, following the issuance, if a number of intermediate transfers (e.g. intermediate transfers between financial intermediaries) are required before the initial placement of the warrants to the ultimate investors, said intermediate transfers are exempt from Italian FTT. However, Italian FTT will apply to the transactions following the initial placement. In the case of cash-settled transferable securities, the cash settlement of such transferable securities is a transaction outside the scope of Italian FTT on Derivatives.

Besides the Italian FTT on Derivatives, the Italian FTT also applies to transfers of certain shares and participating financial instruments issued by Italian resident companies and other instruments representing the latter ("**Italian FTT on Shares**"), both traded or not on Qualifying Markets (as defined below) and unlisted.

Italian FTT on Shares applies on transactions negotiated and settled as from 1 March 2013. Accordingly, there is a risk that the Italian FTT on Shares could be triggered where the Issuer and/or its Affiliates purchase Reference Asset(s) or securities underlying the Reference Asset(s) (where such Reference Asset(s) is an equity index) to hedge their exposure under the Notes and/or Warrants if such securities are shares and participating financial instruments issued by Italian resident companies and other instruments representing the latter and are not exempted from the Italian FTT requirement ("**in-scope securities**"). The residence and nationality of the parties to the transaction and the place of execution of the transaction would be irrelevant as the application of the Italian FTT on Shares is exclusively dependent on the residence of the issuer of the in-scope securities.

The Italian FTT on Shares is levied at the following rates, which would be due from the Issuer and/or its Affiliates on acquisition of the shares:

- 0.1 per cent. of the acquisition price on transfers transacted on a Qualifying Market (as defined below); and
- 0.2 per cent. of the acquisition price otherwise.

For the purpose of the application of the lower rate, "**Qualifying Markets**" are deemed to be:

- (i) regulated markets or multilateral trading facilities pursuant to Article 4, paragraph 1, points 21 and 22 of Directive 2014/65/EU, of an EU Member State and of an EEA Member State which allows an adequate exchange of information with Italy; and
- (ii) markets recognised by the Italian regulator Consob, established in an EU Member State or a state which allows for an adequate exchange of information with Italy.

Italian FTT on Derivatives and Italian FTT on Shares are required to be levied and subsequently paid to the Italian tax authority by financial intermediaries (e.g. banks, trusts and investment companies) or other subjects involved in the execution of the transaction. Where more intermediaries are involved in the execution of the transaction, Italian FTT on Derivatives and Italian FTT on Shares is payable by the subject who receives the order of execution directly from the ultimate purchaser or counterparty. Intermediaries and other non-Italian resident subjects having no permanent establishment in Italy which are liable to collect and pay Italian FTT on Derivatives and Italian FTT on Shares to the Italian tax authority may appoint an Italian tax representative for the purposes of collecting and paying Italian FTT on Derivatives and Italian FTT on Shares. If no intermediary or other subjects are involved in the transaction, Italian FTT on Derivatives and Italian FTT on Shares is directly paid by the ultimate purchaser or counterparty.

An investor in the Notes and/or Warrants is subject to the risk that payments under the Affected Instruments will be adversely affected by the Italian FTT as these charges may be deducted from the Cash Settlement Amount, Final Redemption Amount and/or other amount(s) payable thereunder.

#### **Spain – Spanish Financial Transactions Tax**

On 16 October 2020, the Spanish Parliament approved the Law 5/2020, of 15 October, on the Tax on Financial Transactions ("**Spanish FTT Law**") introducing the Spanish FTT that has entered into force on 16 January 2021.

The Spanish FTT is aligned with the French and Italian financial transactions tax. Specifically, the Spanish FTT is an indirect tax levied on the acquisitions for consideration of shares issued by Spanish companies regardless of the residency of the parties involved in the transaction, or of the jurisdiction where the shares are traded, **provided that** they comply with the following conditions: (i) the shares should be admitted to trading on a regulated market under Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (or in a foreign market declared equivalent by the European Commission), and (ii) the stock market capitalisation value of the company should exceed €1,000,000,000 (the "**Qualifying Shares**").

The taxable base of the Spanish FTT is the total consideration paid excluding certain items such as transaction costs and intermediary fees. The applicable rate is 0.2 per cent.

In principle, Spanish FTT does not apply to the acquisition of financial instruments (including derivatives) different from Qualifying Shares or certificates of deposit representing such Qualifying Shares (the "**Qualifying Certificates of Deposit**") such as the Notes or Warrants. However, if the liquidation or settlement of such financial instrument results in the physical delivery of Qualifying Shares or Qualifying Certificates of Deposit, Spanish FTT may be triggered.

#### ***U.S. withholding tax may apply to Notes or Warrants linked to Reference Asset(s) that are securities issued by U.S. issuers***

Where Notes or Warrants are linked to Reference Asset(s) and some or all of the Reference Asset(s) are securities of U.S. issuers, certain payments on the Notes or Warrants could be subject to U.S. withholding tax (up to 30 per cent., depending on the applicable treaty or other exemption). In addition, U.S. withholding tax could be imposed on holders of the Notes or Warrants to the extent U.S.-source dividends are paid on the Reference Asset(s), even if no corresponding payment is made on the Notes or Warrants to such holders.

If U.S. withholding tax is required on Notes or Warrants linked to Reference Asset(s) that are securities issued by U.S. issuers, the Issuer will not be required to pay any additional amounts with respect to the withheld amounts. See "*Taxation— Other Taxation Matters – Notes and Warrants – U.S. Withholding on Dividend Equivalent Payments*" below.

(7) **Risks relating to the Notes**

*General*

***Risks relating to Fixed Rate Notes***

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

Investors will not benefit from any increases in market interest rates above the fixed rate payable in respect of the relevant Notes.

***Notes issued at a substantial discount or premium***

The market values of Notes issued at a substantial discount to or premium above their principal 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 Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

***The offer price of the Notes may not reflect the market implied credit risk of the Issuer***

The offer price of the Notes may be determined based on various factors including the Issuer's appetite for funding at the relevant time which may not reflect the market implied credit risk of the Issuer. In highly volatile market conditions, the credit spreads of the Issuer may be substantially higher than usual. In such a case, taking into account the Issuer's credit spreads, the offer price of the Notes may be substantially higher than (i) the Issuer's internal valuation and market implied value of the Notes as at the trade date of such Notes and (ii) the price of the Notes in the secondary market (if any). As a result, (a) the price at which a Noteholder purchases the Notes may be substantially higher than the market implied value of the Notes, and (b) the price at which a Noteholder may be able to sell the Notes in the secondary market (if any) may be substantially less than the amount invested in the Notes.

***Notes subject to optional redemption by the Issuer***

The Final Terms in respect of a Tranche of Notes may specify early redemption at the option of the Issuer to be applicable, in which case the Issuer may exercise its right to redeem the Notes on any of the optional redemption dates against payment of an optional redemption amount, each as specified in the relevant Final Terms. As a result of the exercise of a call right by the Issuer, investors will forego any further interest payments (if any) in respect of the Notes and, if so specified in the Final Terms, the early redemption amount payable may be less than an investor's invested amount.

Although the Issuer may exercise its right to redeem the Notes on any early redemption date specified in the Final Terms, the Issuer is likely 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. Investors should consider reinvestment risk in light of other investments available at that time.

*If early redemption at the option of the Issuer is specified to be applicable, the market value of those Notes is unlikely to rise substantially above the price at which they can be redeemed. Consequently, if investors in Notes to which early redemption at the option of the Issuer is specified to be applicable were to sell such Notes in the secondary market, the price at which they are able to do so may be lower than if such feature did not apply to the Notes.*

***Early Redemption for Taxation Reasons***

Noteholders are subject to the risk, unless (in the case of Notes issued by HBEU) the Final Terms do not specify Condition 6B (*Taxation – Gross-up*) or Condition 6B (*Taxation – Gross-up (HBEU)*) (as applicable) as applicable or (in the case of Notes issued by HBCE) the Final Terms specify Condition 6D (*Taxation – No gross up (HBCE)*) as applicable, that the Issuer may terminate its obligations under the Notes if the Issuer determines that it would be required to gross-up payments to the holders following a withholding or deduction required by law of taxes, duties, assessments or governmental charges imposed or levied by or on behalf of the United Kingdom (in the case of Notes issued by HBEU) or France (in the case of Notes issued by HBCE). Following such a determination, the Issuer may terminate its obligations under the Notes against payment of the Early Redemption Amount

specified in the relevant Final Terms. In the case of Notes other than Alternative English Law Conditions Notes, the Final Terms may specify the Early Redemption Amount as being the Fair Market Value of such Note immediately prior to such termination. The Fair Market Value of a Note will be adjusted to account fully for any reasonable expenses and costs incurred by the Issuer and/or its affiliates in connection with the Issuer's obligations under the Notes, unwinding any underlying and/or related hedging and/or funding arrangements as a result of such events. Noteholders may suffer a loss of some or all of their investment as a result of such early termination and will forego any future performance in the relevant Reference Asset(s) and future interest payments applicable to such Notes (if any).

#### ***English Law Notes with multiple denominations***

Where the English Law Notes are specified as having a denomination consisting of a minimum denomination plus a higher integral multiple of another smaller amount, it is possible that such English Law Notes may be traded in the clearing systems in amounts in excess of such minimum denomination that are not integral multiples of the minimum denomination. In such a case, should Definitive Notes be required to be issued, Noteholders who, as a result of trading such amounts, hold a principal amount that is less than the minimum denomination may not receive a Definitive Note in respect of such holdings and would need to purchase a principal amount of English Law Notes such that their holding amounts to, or is an integral multiple of, the minimum denomination.

#### ***Risks relating to Floating Rate Notes***

##### ***Variable Returns***

Floating Rate Notes have returns that are variable as a result of the method by which the interest is calculated. The rate of interest is not fixed and is tied to the performance of an underlying benchmark and, if so specified in the relevant Final Terms, may be subject to a maximum rate or minimum rate on the interest payable. The rate of interest can periodically go down and therefore return on the Notes is not guaranteed and may in a worst case become zero. Investors should be aware that, in respect of Floating Rate Notes which are subject to a maximum interest rate, investors will not benefit from any increases of the underlying benchmark above such maximum interest rate.

##### ***The market continues to develop in relation to near risk-free rates which may be reference rates for Floating Rate Notes***

To avoid the problems associated with the potential manipulation and financial stability risks of interbank offered rates ("**IBORs**"), regulatory authorities in a number of key jurisdictions are requiring financial markets to transition away from IBORs to near risk-free rates which exclude the risk-element of interbank lending. Near risk-free rates may differ from IBORs in a number of material respects. In particular, in the majority of relevant jurisdictions, the chosen near risk-free rate is an overnight rate (for example, the Sterling Overnight Index Average ("**SONIA**") in respect of GBP, the Secured Overnight Financing Rate ("**SOFR**") in respect of USD, the euro short-term rate ("**€STR**") in respect of EUR, the Singapore Overnight Rate Average ("**SORA**") in respect of SGD and the Tokyo Overnight Average Rate ("**TONA**") in respect of JPY), with the interest rate for a relevant period calculated on a backward looking (compounded or simple weighted average) basis, rather than on the basis of a forward-looking term. As such, investors should be aware that near risk-free rates may behave materially differently from LIBOR, EURIBOR and other IBORs as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore may perform differently over time to an unsecured rate.

Investors should also be aware that the market continues to develop in relation to near risk-free rates such as SONIA, SOFR, €STR, SORA and TONA as reference rates in the capital markets. In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA, SOFR, €STR, SORA and TONA including various ways to produce term versions of risk-free rates (which seek to measure the market's forward expectation of an average of such rates over a designated term).

The market or a significant part thereof (including the Issuer) may adopt an application of SONIA, SOFR, €STR, SORA, TONA and/or any other near risk-free rate that differs significantly from that set out in the Conditions (including in relation to fallbacks in the event that such rates are discontinued or fundamentally altered) and used in relation to Floating Rate Notes referencing near risk-free rates such as SONIA, SOFR, €STR, SORA and/or TONA issued under this Programme.

Since near risk-free rates are relatively new in the market, Notes linked to such rates may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities linked to SONIA, SOFR, €STR, SORA, TONA and/or any other near risk-free rate, such as the spread over the rate reflected in interest rate provisions, may evolve over time, and trading prices of the Notes linked to SONIA, SOFR, €STR, SORA, TONA and/or any other near risk-free rate may be lower than those of later-issued debt securities linked to the same rate as a result.

In addition, the manner of adoption or application of SONIA, SOFR, €STR, SORA or TONA and/or any other near risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of such rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of any Notes referencing SONIA, SOFR, €STR, SORA, TONA and/or any other near risk-free rates. Investors should consider these matters when making their investment decision with respect to any such Notes.

*Historical levels are not an indication of future levels*

Hypothetical or historical performance data and trends are not indicative of, and have no bearing on, the potential performance of near risk-free rates and therefore Noteholders should not rely on any such data or trends as an indicator of future performance. Daily changes in near risk-free rates have, on occasion, been more volatile than daily changes in comparable benchmark or market rates. As a result, the return on and value of debt securities linked to near risk-free rates may fluctuate more than floating rate securities that are linked to less volatile rates. The future performance of any near risk-free rate is impossible to predict, and therefore no future performance of any near risk-free rate should be inferred from any hypothetical or historical data or trends.

*Calculation of Interest Rates based on near risk-free rates are only capable of being determined at the end of the relevant Interest Period*

Interest on Notes which reference near risk-free rates such as SONIA, SOFR, €STR, SORA and TONA is only capable of being determined at the end of the relevant Interest Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes that reference such rates to reliably estimate the amount of interest that will be payable on such Notes. Further, if the Notes become due and payable under Condition 9 (*Events of Default*), the Rate of Interest applicable to the Notes shall be determined on the date the Notes became due and payable and shall not be reset thereafter.

*The Issuer has no control over the determination, calculation or publication of near risk-free rates*

The Issuer has no control over the determination, calculation or publication SONIA, SOFR, €STR, SORA, TONA and/or any other near risk-free rate. There can be no guarantee that such rates will not be fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Notes linked to the relevant rate. If the manner in which the relevant near risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

*Near Risk-Free rates may cease to be available*

There can be no guarantee that SONIA, SOFR, €STR, SORA, TONA and/or any other near risk-free rate will not cease to be published, be discontinued, be suspended and/or be otherwise unavailable for use by the Issuer.

In relation to a near risk-free rate, a discontinuation (or certain other events which may affect the Reference Rate) may constitute a Benchmark Trigger Event (as further described above in the risk factor entitled "*A Benchmark Trigger Event could occur in relation to the Notes or Warrants*").

If (i) an Index Cessation Event and an Index Cessation Effective Date have both occurred, or (ii) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have both occurred (the "**RFR triggers**"), this may result in the relevant near risk-free rate applicable to the Notes being replaced with a rate which has been recommended as a replacement for that near risk-free rate by a relevant government or regulatory body or committee. These replacement rates are uncertain and no market convention currently exists, or may ever exist for their determination. In the event that the relevant replacement rate is not available, or if the relevant RFR triggers subsequently occur with respect to the relevant replacement rate, then the rate applicable to the Notes may be determined by reference to a further fallback rate, which may be an official central bank rate.

In each of these circumstances, the Issuer may without the consent of the Noteholders be entitled to make adjustments to the Conditions to give effect to the relevant replacement rate in a manner that may be materially adverse to the interests of investors in the Notes, including, without limitation, adjustments to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Notes.

Any of the above-mentioned determinations may require the exercise of discretion and the making of subjective judgements. The rate applicable to the Notes may be set by the Calculation Agent or the Issuer in its discretion.

The circumstances which can lead to the trigger of an Index Cessation Event or Benchmark/Administrator Event are beyond the Issuer's control and the subsequent use of a replacement rate following any such event may result in changes to the Conditions and/or interest payments that are lower than or that do not otherwise correlate over time with the payments that could have been made on any such Notes if the relevant near risk-free rate remained available in its current form. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

#### ***Early Redemption upon the occurrence of an Event of Default***

If the Notes have become immediately due and payable following an Event of Default (as defined in the Conditions) with respect to the Notes such Notes may be redeemed early against payment of the Early Redemption Amount. The Final Terms may specify the Early Redemption Amount as being the Fair Market Value of such Note immediately prior to such redemption. The Fair Market Value of a Note will be adjusted to account fully for any reasonable expenses and costs incurred by the Issuer and/or its affiliates of unwinding any underlying and/or related hedging and/or funding arrangements. Noteholders may suffer a loss of some or all of their investment as a result of such early redemption and will forego any future performance in the relevant Reference Asset(s) and future interest payments applicable to such Notes (if any).

#### ***Meetings of Noteholders***

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. In addition, the French Law Conditions provide that holders of French Law Notes will, in respect of all Tranches comprised in a Series, be grouped automatically for the defence of common interests in a *masse*. 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, so investors in the Notes are subject to the risk that the Conditions may be modified without their consent.

#### ***The environmental, social or sustainable impact of any Reference Asset may not meet investor expectations***

There is a risk that the Reference Asset(s) or securities underlying any Reference Asset(s) (if the Reference Asset is an equity index), may not satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any direct or indirect environmental, social or sustainable impact of the businesses or products of the Reference Asset(s) or issuers of such Reference Asset(s) or securities underlying such Reference Asset(s) (if the Reference Asset is an equity index).

#### **(8) Risks relating to the Warrants**

##### ***Limitations on exercise***

If so indicated in the relevant Final Terms, a Holder must tender a specified minimum number of Warrants and integral multiples of Warrants thereafter at any one time in order to exercise. Thus, Holders with fewer than the specified minimum number of Warrants or specified multiples thereof will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise their investment. Therefore Holders of such Warrants incur the risk that they may have to sell their holding at a trading price below the Cash Settlement Amount, or purchase additional Warrants at a trading price above the Cash Settlement Amount in order to realise their investment.

#### **(9) Risks relating to emerging markets currencies**

Notes and Warrants issued may be denominated and/or settle in an emerging market currency. Investors in such Notes and Warrants should be aware that these markets are subject to greater risks than well developed markets. Investment in the Notes and Warrants will involve additional risks and special considerations not typically associated with investing in Notes and Warrants which are settled in more conventional currencies such as euros or U.S. dollars.



### ***Emerging market risk***

Economies in emerging markets may be heavily dependent upon international trade and, accordingly, may be affected adversely by trade barriers, foreign exchange controls (including taxes), managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also may be affected adversely by their economic, financial, military and political conditions, volatile exchange rates, high inflation and the supply and demand for such Settlement Currencies or currencies of denomination in the global markets. Investors should be aware that the value of investments denominated and/or settling in an emerging markets currency can fluctuate significantly due to the foregoing factors.

### **Exchange and FX Risk**

The rapid pace of political and social change in emerging market countries increases the likelihood that currency exchange risks will eventuate where the Settlement Currency is linked to an emerging market country. The risks set out in the section entitled "*Risks relating to all issues of Notes and Warrants – Currency Related Risks*" may be more likely to arise in relation to Notes or Warrants which are denominated and/or settle in an emerging market currency, and investors should consider such risks carefully.

### **Risks relating to Notes and Warrants settled in Offshore RMB outside mainland China**

Notes and Warrants settled in Offshore RMB outside mainland China may be issued. Set out below is a description of some of the risks that should be taken into consideration by prospective investors in such Notes and Warrants.

- (a) ***RMB is not freely convertible; Restrictions on RMB conversion through relevant Offshore RMB Centres (as specified in the relevant Final Terms) may adversely affect the liquidity of the Notes and Warrants***

Renminbi is not freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

In the event that funds cannot be repatriated out of mainland China in Renminbi, this may affect the overall availability of Renminbi outside mainland China, which may negatively impact on the liquidity of the Notes and Warrants and the value of the Notes and Warrants. In addition, if Renminbi outside mainland China is unavailable, this will impact on the ability of the Issuer to source Renminbi to perform its obligations under Notes and Warrants denominated in Renminbi as set out in the paragraph below.

Additional information relating to liberalisation of convertibility of Renminbi is set out Section I.6 "**Additional Information regarding Offshore RMB**".

- (b) ***There is only limited availability of Renminbi outside mainland China, which may affect the liquidity of the Renminbi-denominated Notes and Warrants and the Issuer's ability to source Renminbi outside mainland China to service such Renminbi-denominated Notes and Warrants***

As a result of the restrictions imposed by the PRC Government on cross border Renminbi fund flows, the availability of Renminbi outside mainland China is limited. The PBoC (as defined below) has established a Renminbi clearing and settlement mechanism for participating banks in various jurisdictions and entered into settlement agreements with certain financial institutions to act as Renminbi clearing banks (each a "**RMB Clearing Bank**").

However, the current size of Renminbi-denominated financial assets outside mainland China is limited. There are restrictions imposed by PBoC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with enterprises in mainland China. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBoC. RMB Clearing Bank only has access to onshore liquidity support from the PBoC for the purpose of squaring open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross border trade settlement. The relevant RMB Clearing Bank is not obliged to square for participating banks any open positions as a result of other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from outside mainland China to square such open positions.

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 laws and regulations in mainland China on foreign exchange. There is no assurance that new regulations will not be promulgated or the settlement agreements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside mainland China. The limited availability of Renminbi outside mainland China may affect the liquidity of the Renminbi-denominated Notes and Warrants. To the extent the Issuer is required to source Renminbi outside mainland China to service the Renminbi-denominated Notes and Warrants, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

(c) ***RMB payment risk***

If the Settlement Currency for the Notes or Warrants is Offshore RMB and (i) "Payment of Alternative Payment Currency Equivalent" is specified to be applicable in the relevant Final Terms, or is applicable in accordance with the Conditions or (ii), a Clearing System Currency Eligibility Event has occurred and is continuing, an investor is subject to the risk that payments in respect of such Notes or Warrants will be made in the Alternative Payment Currency specified in the relevant Final Terms instead of Offshore RMB. To the extent the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay the Final Redemption Amount and/or Cash Settlement Amount (as applicable) and/or any other amounts due as a result of Offshore RMB Disruption (as defined in the Conditions), the Issuer will be entitled to settle any such payment in the Alternative Payment Currency specified in the relevant Final Terms on the due date at the Alternative Payment Currency Equivalent (as defined in the Conditions) of any such Final Redemption Amount and/or Cash Settlement Amount (as applicable) and/or any other amounts due. In this case, the risk factors in the section entitled "*Risks relating to all issues of Notes and Warrants – Currency Related Risks*" would apply as if the relevant Alternative Payment Currency were the Settlement Currency.

(d) ***RMB interest rate risk***

The PRC Government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility and, as a result, the value of the Notes and Warrants may fluctuate as well. In addition, the interest rate for Renminbi in markets outside mainland China may significantly deviate from the interest rate for Renminbi in mainland China as a result of foreign exchange controls imposed by laws and regulations in mainland China and prevailing market conditions.

Renminbi-denominated Notes may carry a fixed interest rate ("**Fixed Rate Notes**") or have a resettable interest rate ("**Resettable Notes**"). Consequently, the trading price of Renminbi-denominated Notes which are Fixed Rate Notes or Resettable Notes will vary with the fluctuations in the Renminbi interest rates. If holders of such Renminbi-denominated Notes propose to sell their Renminbi-denominated Notes before their maturity, they may receive an offer lower than the amount they have invested.

(e) ***RMB exchange rate risk***

Offshore RMB represents a market which is different from that of RMB deliverable in mainland China. The exchange rate of Offshore RMB against the U.S. dollar, Hong Kong dollar or other foreign currencies may be different from the exchange rate of RMB deliverable in mainland China against such currencies. Apart from its own supply and demand, the Offshore RMB exchange rate may be influenced by the onshore exchange rate (which currently trades within a band set by authorities in the onshore interbank market), and the two rates may converge with or diverge from each other.

The value of Renminbi against other foreign currencies is susceptible to internal factors in mainland China and external factors. Recently, the People's Bank of China ("**PBoC**") implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies.

If the value of Offshore RMB depreciates against the U.S. dollar, Hong Kong dollar or other foreign currencies, the value of a Noteholder or a Warrantholder's investment in U.S. dollar, Hong Kong dollar or other applicable foreign currency terms will decline.

(f) ***Payments with respect to the Notes and Warrants may be made only through Renminbi bank accounts maintained at banks in the relevant Offshore RMB Centre***

Investors in the Notes and Warrants should be aware that all Offshore RMB payments under the Notes and Warrants will be made solely by credit to Renminbi bank accounts maintained at banks in the relevant Offshore RMB Centre as specified in the relevant Final Terms in accordance with the law and applicable regulations and guidelines issued by the relevant authorities in the relevant Offshore RMB Centre as specified in the relevant Final Terms. Investors are subject to the risk that they may not be able to receive amounts due under the Notes or Warrants if they do not hold such an offshore RMB account at the time the relevant payment is due.

(g) ***The Renminbi Notes and Warrants may be subject to Inconvertibility, Non-transferability or Illiquidity.***

The Renminbi Notes and Warrants may provide that, if Renminbi is not available at or about the time when a payment is due to be made under the Renminbi Notes and Warrants or it is impracticable for the Issuer to satisfy its obligations to pay any amounts due under the Renminbi Notes and Warrants because of Offshore RMB Inconvertibility, Offshore RMB Non-transferability or Offshore RMB Illiquidity (each as defined in the Terms and Conditions of the Notes and Warrants) the Issuer shall be entitled to settle payments in an Alternative Payment Currency (as specified in the relevant Final Terms). These circumstances could include the imposition of exchange controls or a disruption in the currency market which prevents the Issuer from obtaining Renminbi. In this case, the investment considerations in the section entitled "*Risks relating to all issues of Notes and Warrants – Currency Related Risks*" would apply as if the Alternative Payment Currency were the Settlement Currency.

(h) ***Gains on the transfer of the Renminbi Notes and Warrants may become subject to income taxes under tax laws in mainland China.***

Under the Enterprise Income Tax Law of the People's Republic of China ("**EIT Law**"), the Individual Income Tax Law of the People's Republic of China ("**IIT Law**") and the relevant implementation rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes and Warrants by non-mainland China resident enterprise or individual holders may be subject to EIT or individual income tax ("**IIT**") in mainland China if such gain is regarded as income derived from sources within mainland China. While the EIT Law levies EIT at the rate of 20 per cent. of the gains derived by such non-mainland China resident enterprise Noteholders or Warrantholders from the transfer of the Notes or Warrants, its implementation rules have reduced the EIT rate to 10 per cent. In accordance with the IIT Law and its implementation rules (as amended from time to time), any gain realised by a non-mainland China resident individual Noteholder or Warrantholder from the transfer of the Notes or Warrants may be regarded as being sourced from mainland China and thus be subject to IIT at a rate of 20 per cent. of the gains derived by such non-mainland China resident individual Noteholder or Warrantholder from the transfer of the Notes or Warrants. However, there remains uncertainty as to whether the gain realised from the transfer of the Renminbi Notes and Warrants by non-mainland China resident enterprise or individual holders would be treated as income derived from sources within mainland China and be subject to tax in mainland China. This will depend on how the tax authorities in mainland China interpret, apply or enforce the EIT Law, the IIT Law and their respective implementation rules. If such gains are determined as income sourced in mainland China by the relevant tax authorities in mainland China, (i) the non-mainland China resident enterprise Noteholders or Warrantholders may be subject to EIT at the rate of 10 per cent. of the gains derived by such non-mainland China resident enterprise Noteholders or Warrantholder and (ii) the non-mainland China resident individual Noteholders or Warrantholders may be subject to IIT at the rate of 20 per cent. of the gains derived by such non-mainland China resident individual Noteholders or Warrantholders, unless there is an applicable tax treaty between the PRC and the jurisdiction in which such non-mainland China resident enterprise or individual resident holders of Renminbi Notes and Warrants reside, or newly issued specific tax regulations that reduces or exempts the relevant EIT or IIT), in which case the value of their investment in Renminbi Notes and Warrants may be materially and adversely affected.

(10) **Risks relating to Green Notes**

***The use of proceeds of the Notes may not meet investor expectations or requirements.***

In relation to Tranches of Notes which are specified in the relevant Final Terms as being "Green Notes" (hereinafter referred to as "**Green Notes**"), HSBC Holdings plc and its subsidiary undertakings (the "**HSBC**

**Group**) will exercise its judgement and sole discretion in determining the businesses and projects that satisfy certain eligibility requirements that purport to promote green initiatives ("**Green Assets**") to which an amount equivalent to the net proceeds of the issuance of the Green Notes (the "**Proceeds**") will be allocated, as described in "*Green Notes*" below. If the use of the proceeds of the Notes is a factor in an investor's decision to invest in the Notes, they should consider the disclosure in "*Green Notes*" below and in the relevant Final Terms relating to any specific Tranche of Notes and consult with their legal or other advisers before making an investment in the Notes. There is no contractual obligation to allocate the Proceeds or to provide annual progress reports as described in "*Green Notes*" below and/or in the relevant Final Terms. HSBC Group's failure to so allocate or report, the failure of any of the businesses and projects to which the Proceeds are allocated to meet a specific framework or the failure of external assurance providers to opine on the Green Assets conformity with a specific framework, will not constitute an Event of Default (as defined in the terms and conditions of the Notes) with respect to the Notes and may affect the value of the Notes and/or have adverse consequences for certain investors with portfolio mandates to invest in Green Notes, which may in turn affect the liquidity of the Notes. Furthermore, any such failure will not lead to an obligation of the Issuer to redeem such Notes.

The Green Notes will be subject to the bail-in power and in general to the powers that may be exercised by the relevant UKRA, to the same extent and with the same ranking as any other equivalent Notes which are not Green Notes. As such, the proceeds of the issuance of any Green Notes will be fully available to cover any and all losses arising on the balance sheet of the Issuer regardless of their "green" or any such other equivalent label and whether such losses stem from "green" assets or other assets of the Issuer without any such label.

No assurance can be given that the Green Notes or any Green Assets will meet investor expectations or requirements regarding "green" or similar labels (including Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy**") or Regulation (EU) 2020/852 as it forms part of the domestic law of the UK by virtue of the EUWA), or that any adverse environmental and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any of the businesses and projects to which the Proceeds are allocated, which may affect the value of the Notes. Legal or regulatory definitions or market views as to what constitutes a "green" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" or any such other equivalent label may vary. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any of the businesses and projects to which the Proceeds are allocated will meet any or all investor expectations regarding such "green" or other equivalently-labelled performance objectives. The HSBC Green Bond Framework (as defined in "*Green Notes*" below) may be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. The HSBC Green Bond Framework does not form part of, nor is incorporated by reference, in this Base Prospectus.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the HSBC Group) which may be made available in connection with the issue of the Notes and in particular with any of the businesses and projects to which the Proceeds are allocated to fulfil any environmental and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall it be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold the Notes. Any such opinion or certification is only current as at the date that opinion was initially issued. The criteria and/or considerations which form the basis of any opinion or certification may change at any time and any opinion may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in the Notes. The providers of such opinions and certifications are not currently subject to any specific regulatory or other regime or oversight.

***There is no direct financial link between Green Notes and Green Assets, Green Notes are not linked to the performance of the Green Assets and do not benefit from any arrangements to enhance the performance of the Green Assets or any contractual rights derived solely from the intended use of proceeds of such Green Notes***

There is no direct financial link between the Green Notes and any Green Assets. The performance of the Green Notes is not linked to the performance of the relevant Green Assets or the performance of the Issuer in respect of any environmental or similar targets. There will be no segregation of assets and liabilities in respect of the Green Notes and the Green Assets. Consequently, neither payments of principal and/or interest on the Green Notes nor any rights of Noteholders shall depend on the performance of the relevant Green Assets or the performance of the Issuer in respect of any such environmental or similar targets. Holders of any Green Notes shall have no

preferential rights or priority against any Green Assets nor benefit from any arrangements to enhance the performance of the Green Notes.

See also the risk factor "*The environmental, social or sustainable impact of any Reference Asset may not meet investor expectations*".

***The listing of any Notes on any dedicated 'green', or other equivalently-labelled segment of any stock exchange or securities market is subject to change and may not meet investor expectations or requirements***

If a Tranche of Notes is at any time listed or admitted to trading on any dedicated "green", "environmental" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental impact of any projects or uses, the subject of or related to, any of the businesses and projects to which the Proceeds are allocated. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of a Tranche of Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes, and any failure to obtain or maintain such listing may affect the value of the Notes.

**(11) Additional risks relating to Alternative English Law Conditions Notes**

***The Issuer may redeem the Notes if the economic balance is significantly altered***

The Issuer may redeem the Notes upon the occurrence of events that are not attributable to the Issuer, but that have as a consequence that the economic balance between the Issuer and the Noteholders as at the Issue Date is significantly altered. This would include, without limitation, circumstances where such economic balance is altered as a consequence of actions being taken by a regulator, additional or increased solvency or regulatory capital requirements being imposed on the Issuer, nationalisation and similar circumstances. The Early Redemption Amount payable by the Issuer in such circumstances may be less than the amount invested in the Notes or what would have been received under the Notes if the Notes had not been so redeemed and investors will forego any further interest payments (if any) in respect of the Notes.

***Noteholders may receive a Monetisation Amount if they do not elect to receive the applicable Early Redemption Amount***

The relevant Final Terms may specify that, in the event of an early redemption of the Notes, the Monetisation Option will apply. In that case, the notice of early redemption will specify the applicable Early Redemption Amount as well as the Monetisation Amount. Noteholders that do not elect to receive the Early Redemption Amount in accordance with the procedure set out in the notice of early redemption will not receive the Early Redemption Amount on the date fixed for redemption, but will receive the Monetisation Amount (on the original Maturity Date of the relevant Notes) and will not receive any interest or other amounts between the date fixed for redemption and the payment of the Monetisation Amount on the original Maturity Date.

### SECTION I.3 – INCORPORATION BY REFERENCE

*This section provides details of the documents incorporated by reference which form part of this Base Prospectus and which are publicly available.*

The following documents which have been filed with the Central Bank of Ireland shall be deemed to be incorporated in, and to form part of, this Base Prospectus, save that any documents incorporated by reference in any of the documents set forth below do not form part of this Base Prospectus:

- (a) the HBEU 2022 Form 20-F, save for the sections entitled "*Report of Independent Registered Public Accounting Firm to the Board of Directors and Shareholder of HSBC Bank plc*", "*Financial Statements*" and "*Notes on the Financial Statements*" that fall within pages 114 to 179.
- (b) the audited consolidated financial statements of HBEU, the independent auditor's report thereon and the notes thereto, in respect of the financial year ended 31 December 2022, as set out on pages 105 to 190 of the HBEU annual report and accounts for the year ended 31 December 2022 published on 21 February 2023 (the "**2022 HBEU Annual Report and Accounts**") submitted to and filed with the Central Bank of Ireland, and the notes to such audited consolidated financial statements of HBEU that are identified as '(Audited)' and are presented within the section of the 2022 HBEU Annual Report and Accounts entitled "*Risk*", which section is set out on pages 26 to 93 of the 2022 HBEU Annual Report and Accounts;
- (c) the audited consolidated financial statements of HBEU, the independent auditor's report thereon and the notes thereto, in respect of the financial year ended 31 December 2021, as set out on pages 99 to 178 of the HBEU annual report and accounts for the year ended 31 December 2021 published on 21 February 2022 (the "**2021 HBEU Annual Report and Accounts**") submitted to and filed with the Central Bank of Ireland, and the notes to such audited consolidated financial statements of HBEU that are identified as '(Audited)' and are presented within the section of the 2021 HBEU Annual Report and Accounts entitled "*Report of the Directors*", which section is set out on pages 21 to 96 of the 2021 HBEU Annual Report and Accounts;
- (d) the registration document of HBEU dated 31 May 2023 submitted to and filed with the Central Bank of Ireland (the "**HBEU Registration Document**");
- (e) the English translation of HBCE's *Document d'enregistrement universel et rapport financier annuel 2022* filed with the *Autorité des marchés financiers* on 22 February 2023, which includes the HBCE consolidated annual financial statements for the year ended 31 December 2022 (the "**HBCE 2022 Universal Registration Document**");
- (f) the English translation of HBCE's *Document d'enregistrement universel et rapport financier annuel 2021* filed with the *Autorité des marchés financiers* on 23 February 2022, which includes the HBCE consolidated annual financial statements for the year ended 31 December 2021 (the "**HBCE 2021 Universal Registration Document**");
- (g) the Terms and Conditions of the Notes (the "**2019 Note Conditions**") and Terms and Conditions of the Warrants (the "**2019 Warrant Conditions**") as set out on pages 123 – 171 and 216 to 247, respectively, of the base prospectus relating to Index-Linked Notes and Warrants issued under the Programme dated 1 July 2019 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Directive (together, the "**2019 Conditions**");
- (h) the Terms and Conditions of the Notes (the "**2020 Note Conditions**") and Terms and Conditions of the Warrants (the "**2020 Warrant Conditions**") as set out on pages 93 – 141 and 187 to 218, respectively, of the base prospectus relating to Index-Linked Notes and Warrants issued under the Programme dated 9 July 2020 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation (together, the "**2020 Conditions**");
- (i) the Terms and Conditions of the Notes (the "**2021 Note Conditions**") and Terms and Conditions of the Warrants (the "**2021 Warrant Conditions**") as set out on pages 114 – 346 and 421 to 462, respectively, of the base prospectus relating to Index and Equity-Linked Notes and Warrants issued under the Programme dated 30 November 2021 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation (together, the "**2021 Conditions**");

- (j) the form of Final Terms for Notes (General English Law Conditions and French Law Conditions) issued pursuant to the 2021 Note Conditions (the "**2021 Final Terms**") as set out on pages 347 to 368 of the base prospectus relating to Index and Equity-Linked Notes and Warrants issued under the Programme dated 30 November 2021 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation;
- (k) the Terms and Conditions of the Notes (the "**2022 Note Conditions**") and Terms and Conditions of the Warrants (the "**2022 Warrant Conditions**") as set out on pages 146 – 418 and 505 to 548, respectively, of the base prospectus relating to Index and Equity-Linked Notes and Warrants issued under the Programme dated 30 December 2022 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation (together, the "**2022 Conditions**"); and
- (l) the form of Final Terms for Notes (General English Law Conditions and French Law Conditions) issued pursuant to the 2022 Note Conditions (the "**2022 Final Terms**") as set out on pages 419 to 447 of the base prospectus relating to Index and Equity-Linked Notes and Warrants issued under the Programme dated 30 December 2022 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation,

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference and in respect of which a supplement to this Base Prospectus is prepared modifies or supersedes such statement.

Any information incorporated by reference in the above documents does not form part of this Base Prospectus and to the extent that only certain parts of the above documents are specified to be incorporated by reference herein, the non-incorporated parts of such documents are either not relevant for investors or are covered elsewhere in this Base Prospectus.

Each Issuer will at its registered office make available for inspection during normal business hours, upon reasonable notice, and free of charge, upon oral or written request, a copy of this Base Prospectus (or any document incorporated by reference in this Base Prospectus). Written or oral requests for inspection of such documents should be directed to the specified office of the Principal Paying Agent or the Principal Warrant Agent. Additionally, this Base Prospectus and all the documents incorporated by reference herein will be available for viewing at the following websites:

1. In relation to the HBEU 2022 Form 20-F:  
<https://www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=1&take=20>
2. In relation to the 2022 HBEU Annual Report and Accounts:  
[www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=1&take=20](http://www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=1&take=20)
3. In relation to the 2021 HBEU Annual Report and Accounts:  
[www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=2&take=20](http://www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=2&take=20)
4. In relation to the HBEU Registration Document:  
[www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20)

5. In relation to the HBCE 2022 Universal Registration Document:  
<https://www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=1&take=20&company-new=hsbc-continental-europe-formerly-france>
6. In relation to the HBCE 2021 Universal Registration Document:  
<https://www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=1&take=20&company-new=hsbc-continental-europe-formerly-france>
7. In relation to the 2019 Conditions:  
[www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20)
8. In relation to the 2020 Conditions:  
[www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20)
9. In relation to the 2021 Conditions and the 2021 Final Terms:  
[www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20)
10. In relation to the 2022 Conditions and the 2022 Final Terms:  
[www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20)

For the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, any websites referred to in this Base Prospectus or any information appearing on such websites and pages do not form part of this Base Prospectus.



## SECTION I.4 – USE OF PROCEEDS

*This section provides details of what each Issuer intends to do with the subscription monies it receives for the Notes or Warrants it issues.*

The net proceeds from each issue of Notes or Warrants (other than Green Notes (as defined below)) will be used by the Issuer for profit making or risk hedging purposes unless otherwise specified in the relevant Final Terms. The net proceeds from each issue of Green Notes (as defined below) will be used as described below.

### GREEN NOTES

If the relevant Final Terms specify that a Series of Notes are "Green Notes" then, unless otherwise specified in the relevant Final Terms, the Issuer intends to allocate an amount equivalent to the net proceeds of the issuance of such Series of Notes to finance or refinance eligible businesses and projects in eligible green sectors as further described within the applicable framework specified in the relevant Final Terms (the "**Applicable Framework**"), being either the HSBC Green Bond Framework dated 6 November 2015 (the "**Green Bond Framework**") or such other framework as specified in the relevant Final Terms which, in each case, will be available on the following webpage: <https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>.

The HSBC Group will track the use of such amount via its internal information systems, and provide a progress report (the "**Progress Report**") on an annual basis (as further described in the Applicable Framework). In addition, a second party opinion has been or will be obtained from an appropriate provider to confirm the validity of the Applicable Framework. The second party opinion will be published on the following webpage: <https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>. For each issuance of Notes that are specified in the relevant Final Terms as being "Green Notes", the HSBC Group will engage an appropriate external provider to provide independent assurance with regards to the relevant Progress Report, on an annual basis as described in the Applicable Framework. The Progress Report and related assurance report will be made available to the public on the following webpage: <https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>.

## SECTION I.5 – TAXATION

*This section provides a summary of the withholding tax position in relation to the Notes and Warrants in the Republic of Ireland, the United Kingdom, Belgium, France and Italy.*

**The tax laws of the investor's jurisdiction and of the Issuer's jurisdiction of incorporation may have an impact on the income received from the Notes. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries.**

**Transactions involving the Notes and Warrants may have tax consequences for investors which may depend, amongst other things, upon the status of the investor and laws relating to transfer and registration taxes. Investors who are in any doubt about the tax position of any aspect of transactions involving the Notes and Warrants should consult their own tax advisers.**

### IRELAND

The following is a summary of the Irish withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes and Warrants. It is based on current law and the practice of the Revenue Commissioners of Ireland which may be subject to change, sometimes with retrospective effect. The comments do not deal with other Irish tax aspects of acquiring, holding or disposing of Notes and Warrants. The comments relate only to the position of persons who are absolute beneficial owners of the Notes and Warrants. Prospective Noteholders and Warranholders should be aware that the particular terms of issue of any of the Notes and Warrants may affect the tax treatment of that and other series of Notes and Warrants. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Noteholders and Warranholders should ensure that they understand their tax position before acquiring any Notes and Warrants. Noteholders and Warranholders who may be liable to taxation in jurisdictions other than the Republic of Ireland in respect of their acquisition, holding or disposal of the Notes and Warrants are particularly advised to make sure they understand their tax position and whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain Irish taxation aspects of payments in respect of the Notes and Warrants. In particular, Noteholders and Warranholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes and Warrants even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the Republic of Ireland.

This summary is prepared on the assumption that the relevant Issuer is not and will not be an Irish resident for Irish tax purposes and any transactions in connection with the Notes and Warrants are not and will not be attributed or attributable to an Irish branch, permanent establishment or other fixed place of business of the relevant Issuer in the Republic of Ireland.

This summary does not extend to cover the tax treatment of any investors who are subject to Irish tax by reason of Irish tax residence or by reason of having an Irish branch or permanent establishment in the Republic of Ireland.

### **Irish Withholding Tax - Notes**

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The Issuer will not be obliged to withhold Irish income tax from payments of interest on any Notes so long as such payments do not constitute Irish source income. Interest paid on Notes should not be treated as having an Irish source unless:

- (a) the relevant Issuer is resident in the Republic of Ireland for tax purposes; or
- (b) the Issuer has a branch or permanent establishment in the Republic of Ireland, the assets or income of which is used to fund the payments on such Notes; or
- (c) the Issuer is not resident in the Republic of Ireland for tax purposes but the register for such Notes is maintained in the Republic of Ireland; or (if the Notes are in bearer form) the Notes are physically held in the Republic of Ireland.

On the basis that the Issuer is not, and will not become, resident in the Republic of Ireland for tax purposes, that the assets or income of any branch or permanent establishment of the Issuer in the Republic of Ireland will not be used to fund the payments on the Notes, and that the Issuer will not maintain a register of any Registered Notes in the Republic of Ireland and bearer notes will not be physically located in the Republic of Ireland, payments on the Notes may be made without withholding or deduction for or on account of Irish withholding tax.

If the payments of interest were deemed to have an Irish source, the Issuer will not be obliged to withhold Irish income tax from payments of interest on any Notes where:

- (a) the Notes carry a right to interest, and are, and continue to be, quoted on a recognised stock exchange for the purposes of section 64 of the Irish Taxes Consolidation Act 1997; and
- (b) the person by or through whom the payment is made is not in the Republic of Ireland, or if such person is in the Republic of Ireland, either:
  - (i) the Notes are held in a clearing system recognised by the Irish Revenue Commissioners (Euroclear, Clearstream, Luxembourg and Euroclear France are, amongst others, so recognised); or
  - (ii) the Noteholder is not resident in the Republic of Ireland and has made a declaration to a relevant person (such as a paying agent located in the Republic of Ireland) in the prescribed form.

Euronext Dublin is a recognised stock exchange for these purposes. The Italian Stock Exchange should also be a recognised stock exchange for these purposes.

#### *Irish Withholding Tax – Warrants*

No Irish withholding tax will be deducted from payments on the issue, exercise, sale or other disposition of the Warrants.

#### *Stamp Duty – Warrants*

No Irish stamp duty should be payable on the issue or transfer of the Warrants on the basis that the Warrants constitute stocks or marketable securities of a company which is not registered in the Republic of Ireland for the purposes of section 88 of the Stamp Duties Consolidation Act 1999 ("SDCA").

In addition, section 90 SDCA provides that no Irish stamp duty is payable in respect of certain financial services instruments including financial futures agreements, forward agreements and option agreements. This exemption is also applicable to the Warrants.

#### *Encashment Tax*

In certain circumstances, Irish tax will be required to be withheld at the rate of tax (currently 25 per cent.) from payments on Notes or potentially the Warrants issued by a company not resident in Ireland, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder who is Irish resident. Encashment tax does not apply where the Noteholder is not resident in Ireland and has made a declaration in the described form to the encashment agent or bank.

### **UNITED KINGDOM**

*The following sections entitled "United Kingdom Taxation – Notes" and "United Kingdom Taxation – Warrants" provide information only on Notes and Warrants issued by HBEU.*

**United Kingdom Taxation – Notes** *The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest and certain other payments in respect of the Notes. It is based on current law and the published practice of His Majesty's Revenue and Customs ("HMRC"), which may not be binding on HMRC and which may be subject to change, sometimes with retrospective effect. The comments do not deal with any other United Kingdom tax aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Noteholders should be aware that the particular terms of issue of any Series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other Series of Notes. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice*

*and it does not purport to describe all of the tax considerations that may be relevant to a purchaser. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.*

**(A) United Kingdom Withholding Tax – Interest**

1. Any payments made with respect to the Notes which are considered to be payments of interest for United Kingdom taxation purposes and where such Notes are issued for a term of less than one year (and which are not issued under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) may be paid by the Issuer without withholding or deduction for or on account of United Kingdom income tax.
2. Notes issued by the Issuer which carry a right to interest will constitute "quoted Eurobonds" provided they are and continue to be listed on a recognised stock exchange (within the meaning of Section 1005 of the Income Tax Act 2007 (the "**Income Tax Act**") for the purposes of Section 987 of the Income Tax Act) or admitted to trading on a "multilateral trading facility" operated by a regulated recognised stock exchange (within the meaning of Section 987 of the Income Tax Act). Whilst the Notes are and continue to be quoted Eurobonds, payments on such Notes which are considered to be payments of interest for United Kingdom tax purposes may be made without withholding or deduction for or on account of United Kingdom income tax. Notes will be regarded as "listed on a recognised stock exchange" for this purpose if (and only if) they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom official list (within the meaning of Part VI of the FSMA) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange. Euronext Dublin is a recognised stock exchange for these purposes, and accordingly the Notes will constitute quoted Eurobonds provided they are and continue to be officially listed on Euronext Dublin and admitted to trading on the regulated market of Euronext Dublin. The Borsa Italiana S.p.A. is also a recognised stock exchange for these purposes. The Issuer's understanding of current HMRC practice is that securities which are officially listed on the Borsa Italiana S.p.A. and are admitted to trading on the Electronic Bond Market, being the regulated market of the Borsa Italiana S.p.A. (also known as the "**MOT**") may be regarded as "listed on a recognised stock exchange" for these purposes.
3. In addition to the exemptions set out in paragraphs 1 and 2 above, payments on the Notes which are considered to be interest for United Kingdom taxation purposes may be paid without withholding or deduction for or on account of United Kingdom income tax so long as the Issuer is a "bank" for the purposes of Section 878 of the Income Tax Act and so long as such payments are made by the Issuer in the ordinary course of its business.
4. In all other cases, falling outside the exemptions described in paragraphs 1, 2 and 3 above, payments on the Notes which are considered to be interest for United Kingdom tax purposes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty or to any other exemption which may apply.
5. Any payments made by the Issuer under the Deed of Covenant may not qualify for the exemptions from United Kingdom withholding tax described above.

**(B) United Kingdom Withholding Tax – Other Payments**

Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes, it would potentially be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment, a manufactured payment, rent or similar income or royalties for United Kingdom tax purposes (which will be determined by, amongst other things, the terms and conditions specified by the Final Terms of the Note). In such a case, the payment may fall to be made under deduction of United Kingdom tax at the applicable

rate, subject to any exemption from withholding which may apply and to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double tax treaty.

**(C) Other Rules Relating to United Kingdom Withholding Tax**

1. Where interest or any other payment has been paid under deduction of United Kingdom income tax, Noteholders or Couponholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.
2. The references to "**interest**" above mean "interest" as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation. Noteholders or Couponholders should seek their own professional advice as regards the withholding tax treatment of any payment on the Notes which does not constitute "interest" or "principal" as those terms are understood in United Kingdom tax law.
3. The above summary under the heading of "*United Kingdom Taxation – Notes*" assumes that there will be no substitution of the Issuer pursuant to Condition 14 (*Meetings of Noteholders, Modification and Substitution*) of the English Law Conditions of the Notes or otherwise and does not consider the tax consequences of any such substitution.

**United Kingdom Taxation – Warrants**

*The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments in respect of the Warrants and of the treatment of Warrants for the purposes of United Kingdom stamp duty and stamp duty reserve tax. It is based on current law and the published practice of HMRC, which may not be binding on HMRC and which may be subject to change, sometimes with retrospective effect.*

*The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Warrants. The comments in relation to United Kingdom withholding tax relate only to the position of persons who are absolute beneficial owners of the Warrants. The following is a general guide and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a purchaser.*

*Warrantholders who are in any doubt as to their tax position should consult their professional advisers. Warrantholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Warrants are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Warrants. In particular, Warrantholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Warrants even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.*

**(A) United Kingdom Withholding Tax**

***Warrants that are not derivatives***

Payments under the Warrants which do not amount to interest, rent or annual payments (and are not treated as, or as if they were, interest, rent or annual payments for United Kingdom tax purposes) may be made without any withholding or deduction for or on account of United Kingdom tax.

***Payments where the Warrants constitute derivative contracts***

The Issuer should not be required to withhold or deduct sums for or on account of United Kingdom income tax from payments under Warrants that are treated as derivative contracts for the purposes of Part 7 of the Corporation Tax Act 2009.

**(B) United Kingdom Stamp Duty and Stamp Duty Reserve Tax**

United Kingdom stamp duty or stamp duty reserve tax may be payable on any issue, transfer or agreement to transfer the Warrants or any interest in the Warrants.

## FRANCE

*The following section entitled "French Taxation – Notes and Warrants issued by HBEU" provides information only on Notes and Warrants issued by HBEU.*

### **French Taxation – Notes and Warrants issued by HBEU**

*This summary is prepared on the assumption that HBEU is not and will not be a French resident for French tax purposes and any transactions in connection with the Notes and the Warrants are not and will not be attributed or attributable to a French branch, permanent establishment or other fixed place of business of HBEU in France.*

#### **French Taxation - Notes**

*The following is a general description of certain French tax considerations relating to the Notes held by French tax residents to the extent that payments under the Notes would qualify as interest payments. It is not a description of general French tax considerations relating to the Notes. Prospective investors are advised to consult their own professional advisors to obtain information about the tax consequences of the acquisition, ownership, or disposition of the Notes. Only personal advisors are in a position to adequately take into account special tax aspects of the Notes as well as the Noteholder's personal circumstances and any special tax treatment applicable to the Noteholder. This summary is based on French law as in force when drawing up this Base Prospectus. The laws and their interpretation by the tax authorities may change and such changes may have retroactive effect.*

Payments of interest and principal by HBEU, acting out of its head office or one of its non-French branches, under the Notes will not be viewed as French-source income and therefore will not be subject to withholding tax in France, in accordance with the applicable French law.

Pursuant to Articles 125 A and 125 D of the French *Code Général des Impôts*, and subject to certain limited exceptions, interest and other similar revenues received by French tax resident individuals are subject to a 12.8 per cent. mandatory (non-final) withholding tax which is creditable against the applicable personal income tax liability in respect of the year in which the payment has been made. Social contributions on such interest and other similar revenues are also withheld at source at an aggregate rate of 17.2 per cent. (CSG, CRDS and other related contributions), subject to certain limited exceptions. Practical steps to be taken for purposes of levying this withholding tax will depend on the place where the paying agent is located.

French tax resident individuals holding the Notes as part of their private assets should consult their own tax advisers to determine declarative and payment obligations applicable to them in France in relation to the mandatory withholding tax and social security contributions referred to above. HBEU does not assume responsibility for French withholding tax at source and is not obliged to make additional payments in case of French withholding tax deductions.

Prospective purchasers of Notes who are French resident for tax purposes or who would hold such Notes through a permanent establishment or a fixed base in France should be aware that transactions involving the Notes, including any purchase or disposal of, or other dealings in, the Notes, may have French tax consequences. The tax consequences regarding interest, premium on redemption and capital gains in particular may depend, amongst other things, upon the status of the prospective purchaser (i.e. legal entities or individuals). Prospective purchasers of the Notes should consult their own tax advisers about the French tax implications of purchasing, holding, disposing the Notes and more generally, of any transactions involving Notes.

#### **French Taxation – Warrants**

*The following is a general description of certain French withholding tax considerations relating to the payments under the Warrants. It is not a description of general French tax considerations relating to the Warrants. Prospective investors are advised to consult their own professional advisors to obtain information about the tax consequences of the acquisition, ownership, exercise or disposition of the Warrants. Only personal advisors are in a position to adequately take into account special tax aspects of the Warrants as well as the Warrants holder's personal circumstances and any special tax treatment applicable to the Warrants holder. This summary is based on French law as in force when drawing up this Base Prospectus. The laws and their interpretation by the tax authorities may change and such changes may have retroactive effect.*

Assuming that the Warrants issued by HBEU do not constitute debt instruments within the meaning of Article 125 A of the French tax code, payments in respect of such Warrants issued by HBEU should not be subject to any mandatory withholding tax in France but the potential gain could be taxed in France. Legal entities subject to

corporate income tax in France would be taxable on a gain on the Warrants following specific rules. French resident individuals would be subject to personal income tax on a gain made on the Warrants either at the flat tax rate (tax at 12.8 per cent and social contributions at 17.2 per cent, applicable if the transaction is occasional) or at the progressive personal income tax rate (for customary transactions or transactions carried out in a professional capacity, or upon election for occasional transactions).

*The following section entitled "French Taxation – Notes issued by HBCE" provides information only on Notes issued by HBCE.*

#### **French Taxation – Notes issued by HBCE**

*The following is a summary of certain French withholding tax considerations pertaining to the Notes that may be relevant to holders that: (i) do not hold their Notes in connection with a business or profession conducted in France through a permanent establishment or a fixed base in France, (ii) do not hold shares of HBCE, and (iii) are neither shareholders nor related parties of HBCE within the meaning of Article 39.12 of the French tax code. Comments which are included herein are reported only for information purposes and do not aim at giving a complete analysis of the tax rules that may affect HBCE, the Notes or investors. This summary is based on the provisions of French tax laws and regulations, as in force and applied by the French tax authorities on the date of this Base Prospectus, all of which are subject to change, possibly with retrospective effect, or to different interpretations. Accordingly, no opinion is expressed herein with regard to any system of law other than the laws of France as applied by French courts as of the date of this Base Prospectus. Any investor contemplating acquiring Notes should therefore consult its own tax advisers about the tax consequences that may arise for it as a result of the acquisition, ownership, disposal or redemption of the Notes.*

#### ***Payments of interest and other assimilated revenue in respect of the Notes (including those paid upon redemption of the Notes)***

Payments of interest and assimilated revenues made by HBCE with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French tax code unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French tax code (a "**Non-Cooperative State**") other than those States or territories mentioned in 2° of 2 bis of the same Article 238-0 A, irrespective of the holder's fiscal domicile or registered headquarters. If such payments are made outside France in a Non-Cooperative State other than those States or territories mentioned in 2° of 2 bis of Article 238-0 A of the French tax code, a 75 per cent. withholding tax is applicable to such payments (subject to certain exceptions and to more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French tax code. The list of Non-Cooperative States is published by a ministerial executive order (*arrêté*) and amended from time to time. The list of Non-Cooperative States other than those mentioned in 2° of 2 bis of Article 238-0 A of the French tax code was last published on 6 February 2023, and currently includes Anguilla, the Bahamas, the British Virgin Islands, Panama, the Seychelles, the Turks and Caicos Islands and Vanuatu.

Furthermore, according to the third and fourth paragraphs of Article 238 A of the French tax code, interest and assimilated revenues with respect to the Notes will not be deductible from the taxable result of HBCE if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on an account held in a financial institution established in such a Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and assimilated revenues may be re-characterised as constructive dividends pursuant to Articles 109 *et seq.* of the French tax code, in which case they may be subject to the withholding tax set out under Article 119 bis 2 of the French tax code, at (i) the standard corporate income tax rate set forth in the first sentence of the second paragraph of Article 219-I of the French tax code (i.e. 25 per cent. for fiscal years beginning as from January 1, 2022) for payments benefiting legal persons who are not French tax residents, (ii) a rate of 12.8 per cent. for payments benefiting individuals who are not French tax residents or (iii) a rate of 75 per cent. for payments made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 bis of Article 238-0 A of the French tax code (in each case subject to certain exceptions and to more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French tax code nor, to the extent that the relevant interest and assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion and the related withholding tax set out under Article 119 bis 2 of the French tax code that may be levied as a result of such Deductibility Exclusion will apply in respect of the Notes if HBCE can prove that the main purpose and effect of the issue of the Notes was not that of locating the interest and assimilated revenues in a Non-Cooperative State (the "**Exception**").

Pursuant to the administrative guidelines published by the French tax authorities regarding this legislation (BOI-INT-DG-20-50-30 dated June 14, 2022, § 150 and BOI-INT-DG-20-50-20 dated February 24, 2021, § 290 (the "BOFIP")), the Notes will benefit from the Exception without HBCE having to provide any evidence supporting the main purpose and effect of the issue of the Notes, and accordingly will be able to automatically benefit from the Exception (the "Safe Harbour"), if the Notes are:

- offered by means of a public offering within the meaning of Article L.411-1 of the French Monetary and Financial Code for which the publication of a prospectus is mandatory or pursuant to an equivalent offer in a state other than a Non-Cooperative State (for this purpose, an "equivalent offering" means any offering requiring the registration or submission of an offering document by or with a foreign securities market authority); and/or
- admitted to trading on a French or foreign regulated market or multilateral financial instruments trading facility provided that such market or facility is not located in a Non-Cooperative State and that such market is operated by a market operator, an investment services provider, or by such other similar foreign entity that is not located in a Non-Cooperative State; and/or
- admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payment systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

The Notes issued by HBCE under this Base Prospectus qualify as debt securities under French commercial law *provided that* (i) as of the date of their admission to trading, the Notes will be admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin and that such market is operated by a market operator which is not located in a Non-Cooperative State and/or (ii) the Notes will be admitted, at the time of their issue, to the operations of Euroclear, Euroclear France and Clearstream, Luxembourg, which are securities delivery and payment systems operators within the meaning of Article L. 561-2 of the French Monetary and Financial Code and are not located in a Non-Cooperative State, payments made by HBCE in respect of the Notes to their holders will fall under the Safe Harbour and will thus not be subject to the withholding tax set out under Article 125 A III of the French tax code, as construed by the French tax authorities under the BOFIP. Moreover, under the same conditions, pursuant to the BOFIP and to the extent that the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, interest and assimilated revenues paid by HBCE on the Notes should not be subject to the Deductibility Exclusion and, as a result, should not be subject to the withholding tax set out under Article 119 bis 2 of the French tax code solely on account of their being paid on an account held in a financial institution established in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

#### ***Withholding Taxes on Payments Made to Individuals Fiscally Domiciled in France***

Pursuant to Article 125 A I of the French tax code, when the paying agent (*établissement payeur*) is established in France and subject to certain exceptions, interest and similar income received by individuals fiscally domiciled (*domiciliés fiscalement*) in France may be subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at an aggregate rate of 17.2 per cent. on such interest and similar income received by individuals fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

#### ***Sale, disposal or redemption of the Notes***

Pursuant to Article 244 bis C of the French tax code, a holder of the Notes who is not a resident of France for French tax purposes and who does not hold its Notes in connection with a permanent establishment or a fixed place of business in France, will not be subject to any income or withholding taxes in France in respect of the gains realised on the sale, exchange or other disposal of Notes.

In addition, no stamp or registration fee or duty or similar transfer taxes will be payable in France in connection with the sale, disposal or redemption of Notes, except in the case of filing with the French tax authorities on a voluntary basis, or except to the extent that the FTT would become applicable – See "*Taxation and other charges in relation to the Notes and Warrants - France – French FTT*".



## **BELGIUM**

*This summary is prepared on the assumption that the relevant Issuer is not and will not be a Belgian resident for Belgian tax purposes and any transactions in connection with the Notes and the Warrants are not and will not be attributed or attributable to a Belgian branch, permanent establishment or other fixed place of business of the relevant Issuer in Belgium.*

### **Belgian Taxation – Notes and/or Warrants**

*The following is a general description of the principal Belgian tax consequences for investors receiving interest in respect of, or disposing of, the Notes and/or Warrants and is of a general nature. It does not purport to be a complete analysis of tax considerations relating to the Notes and/or Warrants whether in Belgium or elsewhere.*

*This general description is based upon the law as in effect on the date of this Base Prospectus and is subject to any changes in law after such date (including any changes which may have retroactive effect). Investors should appreciate that, as a result of changes in law or practice, the tax consequences may be different from those set out below. Investors should consult their professional advisers on the possible tax consequences of subscribing for, purchasing, holding or selling the Notes and/or Warrants under the laws of their countries of citizenship, residence, ordinary residence or domicile.*

### **Direct taxation of the Notes and/or the Warrants**

#### *Individuals resident in Belgium*

Belgian residents subject to Belgian personal income tax are normally subject to the following tax treatment with regard to the Notes and/or Warrants.

Any periodic coupon payment as well as any cash payment and/or delivery of a physical delivery amount made by the Issuer in excess of the issue price (upon full or partial redemption, whether or not at maturity, or upon purchase by the Issuer) will be treated as interest for Belgian tax purposes and will be subject to a Belgian withholding tax of 30 per cent. if collected through a financial intermediary established in Belgium. The Belgian withholding tax constitutes the final income tax for Belgian resident individuals (*Bevrijdende roerende voorheffing/Précompte mobilier libérateur*). This means that they do not have to declare the interest obtained in their personal income tax return, provided Belgian withholding tax was levied on these interest payments. However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return and will be taxed at a flat rate of 30 per cent., unless progressive personal income tax rates are more favourable.

Even if Belgian withholding tax has been retained, Belgian resident individuals may nevertheless elect to declare the interest in their personal income tax returns. Where an individual opts to declare such interest payments, he/she will normally be taxed separately at a flat tax rate of 30 per cent. (in the present case not increased by communal surcharges) or at the progressive personal tax rates taking into account the taxpayer's other declared income, whichever is lower. If the interest payment is declared, any retained Belgian withholding tax may be credited, and any excess will normally be reimbursed.

Capital gains realised on the sale of the Notes and/or Warrants on the secondary market before maturity are generally not taxable for individuals, except if the purchaser is the Issuer. In the latter case, capital gains are taxable as interest and subject to withholding tax if collected through a financial intermediary established in Belgium. The accrued interest part of a capital gain realised on a sale of Notes and/or Warrants which qualify as fixed income Notes and/or Warrants in the meaning of article 2, §1, 8° Belgian Income Tax Code is also taxable as interest. Capital losses realised on a sale of the Notes and/or Warrants are not tax deductible.

Other rules may be applicable in certain specific cases, especially when the investors hold the Notes and/or Warrants within the framework of their professional activity, or when transactions regarding the Notes and/or Warrants fall outside the scope of ordinary private asset management transactions.

#### *Belgian resident companies*

Companies that are subject to Belgian corporate tax are normally subject to the tax treatment described below with regard to the Notes and/or Warrants.

The total amount of income from the Notes and/or Warrants derived by Belgian corporate investors who are Belgian residents for tax purposes, i.e. who are subject to Belgian corporate income tax (*Vennootschapsbelasting/Impôt des sociétés*) and capital gains realised on the Notes and/or Warrants will be subject to Belgian corporate income tax, the ordinary rate of which is equal to 25 per cent. (with a reduced rate of 20 per cent. applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies as defined by article 1:24, §1 to §6 of the Belgian Companies and Associations Code).

The total amount of income from the Notes and/or Warrants will be part of the taxable profit of the company.

Income which is treated as interest for Belgian tax purposes is subject to a Belgian withholding tax of 30 per cent. if it is collected through a financial intermediary established in Belgium. An exemption of withholding tax may apply if the company receiving the interest delivers a specific residence certificate. The exemption does not apply for income on zero coupon or capitalisation bonds.

In addition, the Belgian withholding tax that has been levied is creditable in accordance with the applicable legal provisions, but only in proportion to the period during which the company held the Notes and/or Warrants.

Capital gains realised on the sale of the Notes and/or Warrants are taxable while capital losses are in principle tax deductible.

Other tax rules apply to investment companies within the meaning of Article 185 bis of the Belgian Income Tax Code 1992 (*Wetboek van inkomstenbelastingen 1992/Code des impôts sur les revenus 1992*) (the "**BITC 1992**").

#### *Other Belgian legal entities*

Any periodic coupon payment as well as any cash payment and/or delivery of a physical delivery amount made by the Issuer in excess of the issue price (upon full or partial redemption, whether or not at maturity, or upon purchase by the Issuer) will be subject to a Belgian withholding tax of 30 per cent. if collected through a financial intermediary established in Belgium. If Belgian withholding tax has been withheld, the interest will not be taxed further. Holders of the Notes and/or Warrants who collect the payment abroad without Belgian withholding tax are required to declare this income and to pay the withholding tax on their own initiative.

Capital gains realised on the sale of the Notes and/or Warrants on the secondary market before maturity are generally not taxable for non-profit entities, except if the purchaser is the Issuer. In the latter case, capital gains are taxable as interest and subject to withholding tax if collected through a financial intermediary established in Belgium. The accrued interest part of a capital gain realised on a sale of Notes and/or Warrants which qualify as fixed income Notes and/or Warrants in the meaning of article 2, §1, 8° Belgian Income Tax Code are also taxable as interest. Capital losses realised on a sale of the Notes and/or Warrants are not tax deductible.

#### *Taxation applicable to Organisations for Financing Pensions ("OFP")*

Interest and capital gains derived by Organisations for Financing Pensions in the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision, are in principle exempt from Belgian corporate income tax. Capital losses are in principle not tax deductible. Subject to certain conditions, any Belgian withholding tax that has been levied can be credited against any corporate income tax due and any excess amount is in principle refundable.

#### *Belgian non-residents*

Investors who are non-residents of Belgium for Belgian tax purposes and are not holding the Notes and/or Warrants through a Belgian establishment and do not invest the Notes and/or Warrants in the course of their Belgian professional activity will in principle not incur or become liable for any Belgian tax on income or capital gains (save as the case may be, in the form of withholding tax).

Any periodic coupon payment as well as any cash payment and/or delivery of a physical delivery amount made by the Issuer in excess of the issue price (upon full or partial redemption, whether or not at maturity, or upon purchase by the issuer) will be subject to a Belgian withholding tax of 30 per cent. if collected through a financial intermediary established in Belgium, unless the investor is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested affidavit.

If the income is not collected through a financial institution or other intermediary established in Belgium, no Belgian withholding tax is due.

Non-resident investors that do not hold the Notes and/or Warrants through a Belgian establishment can also obtain an exemption of Belgian withholding tax on interest from the Notes and/or Warrants paid through a Belgian credit institution, a Belgian stock market company or a Belgian-recognised clearing or settlement institution, **provided that** they deliver an affidavit from such institution or company confirming (i) that the investors are non-residents, (ii) that the Notes and/or Warrants are held in full ownership or in usufruct and (iii) that the Notes and/or Warrants are not held for professional purposes in Belgium.

### **Inheritance duties**

No Belgian inheritance duties will be due in respect of the Notes and/or Warrants if the deceased holder of the Notes and/or Warrants was not a Belgian resident at the time of his or her death, even if the Notes and/or Warrants were held in custody in Belgium.

### **Tax on stock exchange transactions**

The acquisition of Notes and/or Warrants upon their issuance (primary market) is not subject to the tax on stock exchange transactions (*Taks op de beursverrichtingen/Taxe sur les opérations de bourse*).

A stock exchange tax will be levied on the purchase and sale of the Notes and/or Warrants on the secondary market carried out by a Belgian resident investor through a professional intermediary if (i) entered into or carried out in Belgium through a professional intermediary, or (ii) deemed to be entered into or carried out in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals having their usual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium.

In the scenario under (ii), the tax on stock exchange transactions is due by the Belgian Investor, unless the Belgian Investor can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside of Belgium. In such a case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*bordereau/borderel*), at the latest on the business day after the day the transaction concerned was realised. The qualifying order statements must be numbered in series and a duplicate must be retained by the financial intermediary. The duplicate can be replaced by a qualifying day-to-day listing, numbered in series. Alternatively, professional intermediaries established outside of Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities ("**Stock Exchange Tax Representative**"). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions due and for complying with the reporting obligations and the obligations relating to the order statement (*bordereau/borderel*) in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is 0.12 per cent. with a maximum amount of Euro 1,300 per transaction and per party or, as the case may be, 0.35 per cent. with a maximum amount of Euro 1,600 per transaction and per party. The tax is due separately from each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

The tax on stock exchange transactions will not be payable by exempt persons acting for their own account including investors who are not Belgian residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors as defined in Article 126/1, 2° of the Code of miscellaneous taxes and duties (*Code des droits et taxes divers/Wetboek diverse rechten en taksen*) for the tax on stock exchange transactions.

### **Tax on securities accounts**

The tax on securities accounts applies as of tax assessment year 2022 (income year 2021).

An annual tax of 0.15 per cent. is levied on securities accounts of which the average value of the taxable financial instruments (covering, amongst others, financial instruments such as the Notes and/or the Warrants but also cash and money market instruments) held thereon during a reference period of twelve consecutive months (in principle) starting on 1 October and ending on 30 September of the subsequent year, would exceed EUR 1 million. The tax due is capped at 10 per cent. of the part of the said average value exceeding the EUR 1 million threshold.

The tax targets securities accounts held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held with a financial intermediary which is established or located in Belgium or abroad. The tax also applies to securities accounts held by non-resident individuals, companies and legal entities with a financial intermediary established or located in Belgium.

There are exemptions, such as securities accounts held by specific types of regulated entities for their own account. These regulated entities include, amongst others, (i) financial undertakings as listed in Article 198/1, §6, 1° to 12° of the BITC 1992, (ii) central banks, (iii) stockbroking firms as defined by Article 1, §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies, and (iv) institutions listed in Article 2, §1, 13°/1, first section, a) to c) of the BITC 1992, with the exception of institutions and compartment listed in Article 2, §1, 13°/1, second and third sections of the BITC 1992.

A new retroactive anti-abuse provision applies as from 30 October 2020, for certain transactions carried out in order to avoid the application of this tax.

In cases where a Belgian financial intermediary is responsible for the tax – i.e. either incorporated under Belgian law, established in Belgium or having appointed a Belgian representative – that intermediary has to submit a return on the twentieth day of the third month following the end of the reference period at the latest. The tax must be paid on this day. In any other case, the taxpayer itself has to submit a tax return within the same time limit as that provided for the filing of its personal income tax return. The tax will have to be paid on the 31<sup>st</sup> of August of the year following the end of the reference period at the latest.

## ITALY

### Italy Taxation - Notes

*The following is a general overview of certain tax consequences of acquiring, holding and disposing of Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to the decision to purchase, own or dispose of Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of Notes, some of which may be subject to special rules. This section is based upon Italian tax laws and/or practice in force as at the date of this Base Prospectus, which are subject to any changes in law and/or practice occurring after such date, which could be made on a retroactive basis. The Issuer will not update this section to reflect changes in law and, if any such change occurs, the information in this section could be superseded.*

*Prospective purchasers of Notes should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.*

### General

Legislative Decree No. 239 of 1 April 1996, as subsequently amended ("**Decree No. 239**") sets out the applicable regime regarding the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") deriving from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by non-Italian resident issuers. The provisions of Decree No. 239 only apply to notes issued by the Issuer to the extent that they qualify as bonds or debentures similar to bonds pursuant to Article 44 of Presidential Decree No. 917 of 22 December 1986, as amended and supplemented ("**Decree no. 917**").

For these purposes, debentures similar to bonds (*titoli similari alle obbligazioni*) are securities that incorporate an unconditional obligation of the issuer to pay at maturity an amount not lower than their nominal value, with or without the payment of periodic interest, and do not give any right to directly or indirectly participate in the management of the issuer or to the business in connection to which the securities were issued, nor to control the same.

Otherwise, Notes that do not qualify as debentures similar to bonds are characterised for Italian tax purposes as "atypical securities" and as such regulated by Law Decree No. 512 of 30 September 1983.

**Notes qualifying as debenture similar to bonds**

*Italian Resident Noteholders*

Pursuant to Decree No. 239, where the Italian resident Noteholder, who is the beneficial owner of the Notes, is:

- (a) an individual not engaged in an entrepreneurial activity to which the Notes are connected; or
- (b) a partnership (other than a *società in nome collettivo* or *società in accomandita semplice* or similar partnership) or a *de facto* partnership not carrying out commercial activities or professional associations; or
- (c) a private or public institution (other than companies), trusts not carrying out mainly or exclusively commercial activities, the Italian State and public and territorial entities; or
- (d) an investor exempt from Italian corporate income taxation;

Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent., either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Notes (unless the Noteholder described in paragraphs (a), (b) and (c) above has entrusted the management of their financial assets, including the Notes, to an authorised intermediary and they have opted for the application of the "*risparmio gestito*" regime pursuant to Article 7 of Italian Legislative Decree No. 461 of 21 November 1997, as amended and supplemented from time to time ("**Decree No. 461**").

All the above categories are qualified as "**net recipients**".

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the *imposta sostitutiva*, on Interest if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1, (100-114) of Law No. 232 of 11 December 2016 ("**Law No. 232**") and in Article 1 (211 – 215) of Law No. 145 of 30 December 2018 ("**Law No. 145**") and, for long-term individual savings accounts established from 1 January 2020, Article 13-bis of Law Decree No. 124 of 26 October 2019 ("**Law Decree No. 124**"), each of them as amended and applicable from time to time. Pursuant to Article 1, paragraphs 219-225 of Law no. 178 of 30 December 2020 ("**Law No. 178**"), it is further **provided that** Italian resident individuals investing, by 31 December 2021, in long-term individual savings account compliant with Article 13-bis, paragraph 2-bis of Law Decree No. 124 may benefit from a tax credit corresponding to possible capital losses, losses and negative differences realised in respect of certain qualifying financial instruments comprised in the long-term individual savings account, **provided that** certain conditions and requirements are met (e.g. including the loss of the possibility to subsequently set off the relevant capital losses, losses and negative differences against future capital gains).

Where the resident holders of the Notes described in paragraphs (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, *imposta sostitutiva* applies as a provisional income tax. Interest will be included in the relevant beneficial owner's Italian income tax return and will be subject to Italian ordinary income taxation and the *imposta sostitutiva* may be recovered as a deduction from Italian income tax due.

Pursuant to Decree No. 239, the 26 per cent. *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* (so called "**SIMs**"), fiduciary companies, *società di gestione del risparmio* (so called "**SGRs**"), stockbrokers and other qualified entities resident in Italy ("**Intermediaries**", and each, an "**Intermediary**") or by permanent establishments in Italy of a non-Italian resident Intermediary, that intervene, in any way, in the collection of Interest or, also as transferees, in transfers or disposals of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant notes or in a change of the Intermediary with which the notes are deposited.

Where the Notes and the relevant coupons are not deposited with an authorised Italian Intermediary (or with a permanent establishment in Italy of a foreign Intermediary), the *imposta sostitutiva* is applied and withheld by any Italian Intermediary paying Interest to the holders of the Notes.

Payments of Interest in respect of Notes that fall within the definitions set out above are not subject to the 26 per cent. *imposta sostitutiva* if made to beneficial owners who are:

- (a) Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected;
- (b) Italian resident partnerships carrying out commercial activities ('*società in nome collettivo*' or '*società in accomandita semplice*');;
- (c) Italian resident open-ended or closed-ended collective investment funds (together, the "**Funds**", and each, a "**Fund**"), SICAVs, Italian resident pension funds referred to in Legislative Decree No. 252 of 5 December 2005 ("**Decree No. 252**"), Italian resident real estate investment funds, investment companies with fixed capital (SICAFs); and
- (d) Italian resident Noteholders described in paragraphs (a), (b) and (c) above who have entrusted the management of their financial assets, including the Notes, to an authorised financial Intermediary and have opted for the asset management regime ('*regime del risparmio gestito*').

Such categories are qualified as "gross recipients".

To ensure payment of Interest in respect of the Notes without the application of 26 per cent. *imposta sostitutiva*, gross recipients indicated above under paragraphs (a) to (d) must:

- (a) be the beneficial owners of payments of Interest on the Notes, and
- (b) deposit the Notes in due time, together with the coupons relating to such Notes, directly or indirectly with an Italian authorised Intermediary (or a permanent establishment in Italy of a foreign Intermediary).

Gross recipients that are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct *imposta sostitutiva* suffered from income taxes due.

Interest accrued on the Notes would be included in the corporate taxable income (and in certain circumstances, depending on the "status" of the Noteholder, also in the net value of production for purposes of regional tax on productive activities – IRAP) of beneficial owners who are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected, subject to tax in Italy in accordance with ordinary tax rules.

Italian resident individuals holding Notes not in connection with entrepreneurial activity who have opted for the asset management regime ('*regime del risparmio gestito*') are subject to a 26 per cent. annual substitute tax (the "**Asset Management Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised Intermediary.

If the investor is resident in Italy and is a Fund, a non-real estate SICAF or a SICAV and the relevant Notes are held by an authorised intermediary, Interest accrued during the holding period on such Notes will not be subject to *imposta sostitutiva*, but must be included in the financial results of the Fund, non-real estate SICAF or SICAV. The Fund, non-real estate SICAF or SICAV will not be subject to taxation on such result, but a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the "**Collective Investment Fund Substitute Tax**").

Where a Noteholder is an Italian resident real estate investment fund, to which the provisions of Law Decree No. 351 of 25 September, 2001, as subsequently amended, apply, or a real estate SICAF, Interest accrued on the Notes will be subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the real estate investment fund or real estate SICAF. The income of the real estate fund or real estate SICAF is subject to tax, in the hands of the unitholder, depending on the status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an Italian resident intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but

must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. annual substitute tax (the "**Pension Fund Tax**").

Subject to certain conditions (including minimum holding period requirement) and limitations, Interest relating to the Notes may be excluded from taxable base of the Pension Fund Tax if the Notes are included in long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Law No. 232 and in Article 1 (211 – 215) of Law No. 145 and, for the long-term individual savings account established from 1° January 2020, Article 13-bis of Law Decree No. 124, each of them as amended and applicable from time to time.

#### *Non-Italian resident Noteholders*

Interest payments relating to Notes received by non-Italian resident beneficial owners are not subject to taxation in Italy.

If the Notes are deposited with an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign Intermediary) or are sold through an Italian Intermediary (or permanent establishment in Italy of foreign Intermediary) or in any case an Italian resident Intermediary (or permanent establishment in Italy of foreign Intermediary) intervenes in the payment of Interest on such Notes, to ensure payment of Interest without application of Italian taxation, a non-Italian resident Noteholder may be required to produce to the Italian bank or other intermediary a statement (*autocertificazione*) stating that he or she is not resident in Italy for tax purposes.

#### *Notes qualifying as atypical securities*

Notes that do not qualify as *obbligazioni* (bonds) or as *titoli similari alle obbligazioni* (securities similar to bonds) pursuant to Article 44, paragraph 2, lett. c) of Decree No. 917 are characterised for Italian tax purposes as "atypical securities". Pursuant to Article 44 of Decree No. 917, securities can be qualified, for income tax purposes, as *titoli similari alle obbligazioni* (securities similar to bonds) only to the extent that they incorporate an unconditional obligation to pay at maturity or upon redemption (to the Noteholder) an amount not less than therein indicated without providing any right to the Noteholders to participate in, or to control, the activity carried on by the Issuer.

Income of any kind, including interest and any sum paid to Noteholders at maturity in excess over the issue price and relating to Notes characterised as "atypical securities" may be subject to withholding tax levied at the rate of 26 per cent. The 26 per cent. withholding tax mentioned above does not apply to interest payments made to a non-Italian resident Noteholder and to an Italian resident Noteholder which is (a) a commercial partnership, (b) a company or similar commercial entity, (c) a permanent establishment in Italy of a foreign entity, and (d) a commercial private or public institution.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the withholding tax on interest, premium and other income relating to the Notes not falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) and qualify as *titoli atipici* ("**atypical securities**") pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, if such Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114), of Law No. 232 and in Article 1 (211 – 215) of Law No. 145 and, for long-term individual savings accounts established from 1 January 2020, Article 13-bis of Law Decree No. 124, each of them as amended and applicable from time to time. Pursuant to Article 1, paragraphs 219-225 of Law No. 178, it is further **provided that** Italian resident individuals investing, by 31 December 2021, in long-term individual savings account compliant with Article 13-bis, paragraph 2-bis of Law Decree No. 124 may benefit from a tax credit corresponding to possible capital losses, losses and negative differences realised in respect of certain qualifying financial instruments comprised in the long-term individual savings account, **provided that** certain conditions and requirements are met (e.g. including the loss of the possibility to subsequently set off the relevant capital losses, losses and negative differences against future capital gains).

#### *Capital Gains*

Pursuant to Decree No. 461, a 26 per cent. substitute tax on capital gains referred to as "*imposta sostitutiva*" is applicable to capital gains realised by:

- (a) an Italian resident individual not engaged in entrepreneurial activities to which the Notes are connected;
- (b) an Italian resident partnership not carrying out commercial activities; or

- (c) an Italian private or public institution not carrying out mainly or exclusively commercial activities.

Under the so called tax declaration regime (*'regime della dichiarazione'*), which is the standard regime for taxation of capital gains, the 26 per cent. *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains net of any relevant incurred capital losses realised pursuant to all investment transactions carried out during any given fiscal year. The capital gains realised in a year net of any relevant incurred capital losses must be detailed in the relevant annual tax return to be filed with Italian tax authorities and *imposta sostitutiva* must be paid on such capital gains together with any balance income tax due for the relevant tax year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding fiscal year.

Alternatively to the tax declaration regime, holders of the Notes who are:

- (a) Italian resident individuals not engaged in entrepreneurial activities to which the Notes are connected;
- (b) Italian resident partnerships not carrying out commercial activities;
- (c) Italian private or public institutions not carrying out mainly or exclusively commercial activities,

may elect for the administered savings regime (*'risparmio amministrato'* regime) to pay *imposta sostitutiva* separately on capital gains realised on each sale or transfer or redemption of the Notes. Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with banks, SIMs and any other Italian qualified intermediary (or permanent establishment in Italy of foreign intermediary) and (ii) an express election for the administered savings regime being made in writing in due time by the relevant holder of the Notes. The intermediary is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or transfer or redemption of the Notes, as well as on capital gains realised as at revocation of its mandate, net of any relevant incurred capital losses, and is required to pay the relevant amount to the Italian tax authorities on behalf of the holder of the Notes, deducting a corresponding amount from proceeds to be credited to the holder of the Notes. Where a sale or transfer or redemption of the Notes results in a capital loss, the intermediary is entitled to deduct such loss from gains of the same kind subsequently realised on assets held by the holder of the Notes within the same relationship of deposit in the same tax year or in the following tax years up to the fourth.

Special rules apply if the Notes are part of a portfolio managed in an asset management regime (*'risparmio gestito'* regime) by an Italian asset management company or an authorised intermediary. The capital gains realised upon sale, transfer or redemption of the Notes will not be subject to 26 per cent. *imposta sostitutiva* on capital gains but will contribute to determine the annual accrued appreciation of the managed portfolio, subject to the Asset Management Tax. Any depreciation of the managed portfolio accrued at year end may be carried forward against appreciation accrued in each of the following years up to the fourth. Also under the asset management regime the realised capital gain is not required to be included in the annual income tax return of the Noteholder.

In the case of Notes held by Funds, SICAFs and SICAVs, capital gains on Notes contribute to determinate the increase in value of the managed assets of the Funds, SICAFs or SICAVs accrued at the end of each tax year. The Funds, SICAFs or SICAVs will not be subject to taxation on such increase, but the Collective Investment Fund Substitute Tax will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Any capital gains realised by a Noteholder that is an Italian real estate fund to which the provisions of Law Decree No. 351 of 25 September, 2001, as subsequently amended, apply, or a real estate SICAF, shall not be subject to any substitute tax at the fund level nor to any other income tax in the hands of the fund or real estate SICAF. The income of the real estate fund or real estate SICAF is subject to tax, in the hands of the unitholder, depending on the status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Any capital gains realised by a Noteholder that is an Italian pension fund (subject to the regime provided for by article 17 of the Decree No. 252) will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the Pension Fund Tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains in respect of Notes realised upon sale, transfer or redemption by Italian pension fund may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Law 232 and in Article 1 (211 – 215) of Law No. 145 and, for long-term individual savings accounts established from 1 January 2020 of Law Decree No. 124, each of them as amended and applicable from time to time.



Any capital gains realised by Italian resident corporations or similar commercial entities or permanent establishments in Italy of non-Italian resident corporations to which the Notes are connected, will be included in their business income (and, in certain cases, may also be included in the taxable net value of production for IRAP purposes), subject to tax in Italy according to the relevant ordinary tax rules.

Subject to certain limitations and requirements (including a minimum holding period), capital gains in respect of Notes realised upon sale, transfer or redemption by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may be exempt from taxation, including the 26 per cent. *imposta sostitutiva*, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant Article 1, (100 – 114), of Law No. 232 and in Article 1 (211 – 215) of Law No. 145 and, for long-term individual savings accounts established from 1 January 2020 of Law Decree No. 124, each of them as amended and applicable from time to time. Pursuant to Article 1, paragraphs 219-225 of Law No. 178, it is further **provided that** Italian resident individuals investing, by 31 December 2021, in long-term individual savings account compliant with Article 13-bis, paragraph 2-bis of Law Decree No. 124 may benefit from a tax credit corresponding to possible capital losses, losses and negative differences realised in respect of certain qualifying financial instruments comprised in the long-term individual savings account, **provided that** certain conditions and requirements are met (e.g. including the loss of the possibility to subsequently set off the relevant capital losses, losses and negative differences against future capital gains).

The 26 per cent. *imposta sostitutiva* on capital gains may in certain circumstances be payable on any capital gains realised upon sale, transfer or redemption of the Notes by non-Italian resident individuals and corporations without a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held in Italy.

However, pursuant to Article 23 of Presidential Decree No. 917, any capital gains realised by non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected through the sale for consideration or redemption of the Notes are exempt from taxation in Italy to the extent that the Notes are listed on a regulated market in Italy or abroad, and in certain cases subject to timely filing of required documentation (in the form of a declaration (*autocertificazione*) of non-residence in Italy) with Italian qualified intermediaries (or permanent establishments in Italy of foreign intermediaries) with which the Notes are deposited, even if the Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty.

Where the Notes are not listed on a regulated market in Italy or abroad:

- (a) pursuant to the provisions of Decree No. 461 non Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected are exempt from the *imposta sostitutiva* in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Notes if they are resident, for tax purposes, in a state or territory listed in the Italian Ministerial Decree dated 4<sup>th</sup> September, 1996, as amended and supplemented from time to time (the "**White List**"). According to Article 11, par. 4, let. c), of Decree 239, the White List will be updated every six months period. Under these circumstances, if non Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the asset management regime or are subject to the administrative savings regime, exemption from Italian capital gains tax will apply upon condition that they file in time with the authorised financial intermediary an appropriate declaration (*autocertificazione*) stating that they meet the requirement indicated above. The same exemption applies where the beneficial owners of the Notes are (i) international entities or organisations established in accordance with international agreements ratified by Italy; (ii) certain foreign institutional investors established in countries which allow for an adequate exchange of information with Italy; or (iii) Central Banks or entities which manage, *inter alia*, the official reserves of a foreign state; and
- (b) in any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double taxation treaty with Italy, providing that capital gains realised upon sale or redemption of Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon sale for consideration or redemption of Notes.

### Italy Taxation - Warrants

*The following is a general summary of current Italian law and practice relating to certain Italian tax considerations concerning the purchase, ownership and disposal of the Warrants by Italian resident holders. It does not purport to be a complete analysis of all tax considerations that may be relevant to a decision to purchase, own or dispose of the Warrants and does not purport to deal with the tax consequences applicable to all categories*

*of prospective beneficial owners of the Warrants, some of which may be subject to special rules. This summary is based upon Italian tax laws and practice in effect as at the date of this Base Prospectus, which may be subject to change, potentially with retroactive effect.*

*Prospective holders should consult their own tax advisers as to the consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Warrants.*

## **General**

The Warrants may be subject to different tax regimes depending on whether:

- (a) they represent derivative financial instruments or bundles of derivative financial instruments, through which the Warranholders purchase indirectly underlying financial instruments; or
- (b) they represent a debt instrument implying a "use of capital" (*impiego di capitale*), through which the Warranholders transfer to the Issuer a certain amount of capital, for the economic exploitation of the same, subject to the right to obtain a (partial or entire) reimbursement of such amount at maturity.

### ***Warrants representing derivative financial instruments or bundles of derivative financial instruments***

Payments in respect of Warrants qualifying as securitised derivative financial instruments received by Italian Warranholders as well as capital gains realised by Italian Warranholders (not engaged in entrepreneurial activities to which the Warrants are connected) which are Italian resident individuals on any sale or transfer for consideration of the Warrants or redemption thereof are subject to a 26 per cent. capital gains tax, which applies under the following taxation regime: tax declaration regime ("*Regime della dichiarazione*"), administrative savings regime ("*Regime del risparmio amministrato*") and asset management regime ("*Regime del risparmio gestito*") as described under paragraph "Capital Gains Tax" below.

### ***Capital Gains Tax***

A 26 per cent. *imposta sostitutiva* is applicable on capital gains realised on the disposal of the Warrants by Warranholders included among the following categories of Italian resident persons:

- (a) an Italian resident individual not engaged in entrepreneurial activities to which the Warrants are connected, or
- (b) an Italian resident partnership not carrying out commercial activities, or
- (c) an Italian private or public institution not carrying out mainly or exclusively commercial activities.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below:

- (a) Under the tax declaration regime ("*regime della dichiarazione*"), which is the default regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Warrants are effectively connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any offsetable capital losses, realised by the Italian resident individual holding the Warrants. In this instance, "capital gains" means any capital gain not connected with an entrepreneurial activity pursuant to all sales or redemptions of the Warrants carried out during any given fiscal year. Italian resident individuals holding the Warrants not in connection with an entrepreneurial activity must report the overall amount of the capital gains realised in any fiscal year, net of any offsetable capital losses, in the annual tax return and pay the *imposta sostitutiva* on those gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding fiscal years.
- (b) As an alternative to the tax declaration regime, Italian resident individual holding the Warrants not in connection with an entrepreneurial activity may elect to pay under the administrative savings regime ("*regime del risparmio amministrato*") the *imposta sostitutiva* separately on any capital gain realised on each sale or redemption of the Warrants. Such separate taxation of capital gains is allowed subject to:
  - (1) the Warrants being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and

- (2) an express election for the administrative savings regime being timely made in writing by the relevant Warrantholder.

The depository must account for the *imposta sostitutiva* in respect of any capital gain realised on each sale or redemption of the Warrants (as well as in respect of any capital gain realised upon the revocation of its mandate), net of any incurred capital loss. The depository must also pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Warrantholder or using funds provided by the Warrantholder for this purpose. Under the administrative savings regime, where a sale or redemption of the Warrants results in a capital loss, which may be deducted from any capital gain subsequently realised, within the same securities management, in the same fiscal year or in the following fiscal years up to the fourth. Under the administrative savings regime, the Warrantholder is not required to declare the capital gains in the annual tax return.

- (c) Under the asset management regime ("*regime del risparmio gestito*"), any capital gain realised by Italian resident individuals holding the Warrants not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Warrants, to an authorised intermediary, will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. *imposta sostitutiva*, to be paid by the managing authorised intermediary. Any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding fiscal years. The Warrantholder is not required to report the capital gains realised in the annual tax return.

Any capital gain deriving from the sale or redemption of the Warrants and realised by Italian resident companies (including Italian permanent establishments of foreign entities to which the Warrants are connected), similar commercial entity, commercial partnership or Italian resident individuals engaged in an entrepreneurial activity to which the Warrants are effectively connected would not be subject to *imposta sostitutiva*, but must be included in the relevant Warrantholder's income tax return and therefore subject to IRES (and, in certain circumstances, depending on the "status" of the Warrantholder, also as part of the net value of the production for regional tax on business activities ("**IRAP**") purposes).

In the case of Warrants held by Funds, SICAFs and SICAVs, capital gains on Warrants contribute to determinate the increase in value of the managed assets of the Funds, SICAFs or SICAVs accrued at the end of each tax year. The Funds, SICAFs or SICAVs will not be subject to taxation on such increase, but the Collective Investment Fund Substitute Tax will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Any capital gains realised by a Warrantholder that is an Italian real estate fund to which the provisions of Law Decree No. 351 of 25 September, 2001, as subsequently amended, apply, or a real estate SICAF, shall not be subject to any substitute tax at the fund level nor to any other income tax in the hands of the fund or real estate SICAF. The income of the real estate fund or real estate SICAF is subject to tax, in the hands of the unitholder, depending on the status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Any capital gains realised by a Warrantholder that is an Italian pension fund (subject to the regime provided for by article 17 of the Decree No. 252) will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the Pension Fund Tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains in respect of Warrants realised upon sale, transfer or redemption by Italian pension fund may be excluded from the taxable base of the Pension Fund Tax if the Warrants are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100 - 114), of Law 232 and in Article 1 (211 – 215) of Law No. 145 and, for long-term individual savings accounts established from 1 January 2020, Article 13-bis of Law Decree No. 124, each of them as amended and applicable from time to time.

Subject to certain limitations and requirements (including a minimum holding period), capital gains in respect of Warrants realised upon sale, transfer or redemption by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may be exempt from taxation, including the 26 per cent. *imposta sostitutiva*, if the Warrants are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant Article 1 (100 – 114), of Law No. 232 and in Article 1 (211 – 215) of Law No. 145 and, for long-term individual savings accounts established from 1 January 2020, Article 13-bis of Law Decree No. 124, each of them as amended and applicable from time to time. Pursuant to Article 1, paragraphs 219-225

of Law No. 178, it is further **provided that** Italian resident individuals investing, by 31 December 2021, in long-term individual savings account compliant with Article 13-bis, paragraph 2-bis of Law Decree No. 124 may benefit from a tax credit corresponding to possible capital losses, losses and negative differences realised in respect of certain qualifying financial instruments comprised in the long-term individual savings account, **provided that** certain conditions and requirements are met (e.g. including the loss of the possibility to subsequently set off the relevant capital losses, losses and negative differences against future capital gains).

Capital gains realised by non-Italian resident Warrantholders are not subject to Italian taxation **provided that** the Warrants are held outside Italy or the capital gain derived from transaction executed in regulated market.

#### ***Warrants not having 100% capital protection guaranteed by the Issuer***

In accordance with a different interpretation of the current legislation it is possible to consider the Warrants as "atypical securities" pursuant to Article 8 of Law Decree N° 512 of 30 September 1983. In this event any payment relating to the Warrants may be subject to a withholding tax, levied at the rate of 26 per cent.

The 26 per cent. withholding tax is levied by any Italian resident entity which intervenes in the collection of payments on the Warrants or in their repurchase or transfers. In case the payments on the Warrants are not received through any aforementioned Italian resident entity, Italian resident individual Warrantholders are required to report the payments in their income tax return and subject them to a final withholding tax at 26 per cent. rate. Italian resident individual Warrantholders may elect instead to pay ordinary income tax at the progressive rates applicable to them in respect of the payments; if so, the Italian resident individual Warrantholders should generally benefit from a tax credit for any withholding tax possible applied outside Italy.

The 26 per cent. withholding tax does not apply to payments made to a non-Italian resident Warrantholder and to an Italian resident Warrantholder which is (i) a company (including Italian permanent establishments of foreign entities) or similar commercial entity, (ii) a commercial partnerships or (iii) a private or public institution carrying out commercial activities.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the withholding tax on interest, premium and other income relating to the Warrants not falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) and qualify as *titoli atipici* ("atypical securities") pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, if such Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114), of Law No. 232 and in Article 1 (211 – 215) of Law No. 145 and, for long-term individual savings accounts established from 1 January 2020, Article 13-bis of Law Decree No. 124, each of them as amended and applicable from time to time. Pursuant to Article 1, paragraphs 219-225 of Law No. 178, it is further **provided that** Italian resident individuals investing, by 31 December 2021, in long-term individual savings account compliant with Article 13-bis, paragraph 2-bis of Law Decree No. 124 may benefit from a tax credit corresponding to possible capital losses, losses and negative differences realised in respect of certain qualifying financial instruments comprised in the long-term individual savings account, **provided that** certain conditions and requirements are met (e.g. including the loss of the possibility to subsequently set off the relevant capital losses, losses and negative differences against future capital gains).

#### **Inheritance and Gift Tax**

The transfer of any valuable assets (including the Notes and the Warrants) as a result of death or donation (or other transfers for no consideration) and the creation of liens on such assets for a specific purpose are taxed as follows:

- (a) 4 per cent. if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on the value exceeding EUR 1,000,000 (per beneficiary);
- (b) 6 per cent. if the transfer is made to brothers and sisters; in this case, the transfer is subject to the tax on the value exceeding EUR 100,000 (per beneficiary);
- (c) 6 per cent. if the transfer is made to relatives up to the fourth degree, to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree;
- (d) 8 per cent. in all other cases.

If the transfer is made in favour of persons with severe disabilities, the tax applies on the value exceeding EUR 1,500,000.

Moreover, an anti-avoidance rule is provided by Law No. 383 of 18 October 2001 for any gift of assets (such as the Notes) which, if sold for consideration, would give rise to capital gains subject to the substitute tax (*imposta sostitutiva*) provided for by Decree No. 461 of 21 November 1997. In particular, if the donee sells the Notes for consideration within five years from the receipt thereof as a gift, the donee is required to pay the relevant *imposta sostitutiva* on capital gains as if the gift has never taken place.

### **Stamp duty**

According to Article 13 par. 2-ter of the tariff Part I attached to Presidential Decree No. 642 of 26 October, 1972, a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to their clients in respect of any Notes and/or Warrants which may be deposited with such financial intermediary in Italy. The stamp duty applies at a rate of 0.2 per cent. and it cannot exceed EUR14,000 for taxpayers which are not individuals. This stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the Notes and/or the Warrants.

The statement is considered to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable on a pro-rata basis.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 20 June 2012) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

### **Wealth tax on financial assets deposited abroad**

According to Article 19 of Decree No. 201/2011, Italian resident individuals and, starting from fiscal year 2020, non-commercial entities, non-commercial partnerships and similar institutions holding financial assets – including the Notes – outside of the Italian territory are required to pay a wealth tax at the rate of 0.2 per cent. (*VAFE*). Starting from fiscal year 2020, the wealth tax cannot exceed €14,000 for taxpayers which are not individuals. This tax is calculated on the market value at the end of the relevant year or – if no market value figure is available – on the nominal value or redemption value, or in the case the nominal or redemption values cannot be determined, on the purchase value of any financial asset (including the Notes and/or the Warrants) held outside of the Italian territory.

A tax credit is granted for any foreign property tax levied abroad on such financial assets. The financial assets held abroad are excluded from the scope of the wealth tax if administered by Italian financial intermediaries pursuant to an administration agreement.

### **Tax monitoring obligations**

Pursuant to Law Decree No. 167 of 28 June 1990, as amended from time to time, individuals, non-profit entities and certain partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy who hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner of the instrument.

Furthermore, the above reporting requirement is not required to comply with respect to (i) Notes and/or Warrants deposited for management with qualified Italian financial intermediaries, (ii) with respect to contracts entered into through their intervention, upon condition that the items of income derived from the Notes and/or Warrants have been subject to tax by the same intermediaries or (iii) if the foreign investments are only composed by deposits and/or bank accounts and their aggregate value does not exceed a EUR 15,000 threshold throughout the year.

## OTHER TAXATION MATTERS – NOTES AND WARRANTS

### Withholding of U.S. tax on account of FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, 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 a foreign financial institution for these purposes. A number of jurisdictions (including the jurisdiction of the Issuer) have entered into, or have agreed in substance to, intergovernmental agreements (each an "**IGA**") with the United States to implement FATCA, 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 and Warrants, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes or Warrants, 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 or Warrants, such withholding would not apply prior to the second anniversary of the date on which final regulations defining the term "foreign passthru payments" are published in the U.S. Federal Register, and Notes or Warrants treated as debt for U.S. federal income tax purposes 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). However, if additional Notes (as described under "*Terms and Conditions of the English Law Notes – Further Issues*" or "*Terms and Conditions of the French Law Notes – Further Issues*") or Warrants (as described under "*Terms and Conditions of the Warrants – Further Issues*") that are not distinguishable from previously issued Notes or Warrants are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes or Warrants, including the Notes or Warrants offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes or Warrants. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes or Warrants, no person will be required to pay additional amounts as a result of the withholding.

### U.S. Withholding on Dividend Equivalent Payments

Section 871(m) of the Code and Treasury regulations promulgated thereunder ("**Section 871(m)**") generally impose a 30 per cent. withholding tax on "dividend equivalents" paid or deemed paid to certain persons with respect to certain financial instruments linked to U.S. equities or indices that include U.S. equities (such equities and indices, "**U.S. Underlying Equities**"). A "**dividend equivalent**" is any payment that references a dividend on any U.S. Underlying Equity. Section 871(m) generally applies to instruments that substantially replicate the economic performance of one or more U.S. Underlying Equities, as determined upon issuance, based on tests set forth in the applicable Treasury regulations (such an instrument, a "**Specified Security**").

If a Note or a Warrant is a Specified Security, the relevant Final Terms will specify that the Note is a "Section 871(m) Note" or the Warrant is a "Section 871(m) Warrant" for the purposes of Section 871(m) and also specify the method of Section 871(m) withholding that will be applied to the Note or Warrant.

If "Dividend Withholding" is specified in the relevant Final Terms as being applicable, the Issuer will report the appropriate amount of each payment under the Note or Warrant (including possibly a portion of the payments at maturity of the Note or Warrant) that are attributable to dividends on U.S. Underlying Equities, and the applicable withholding agent is expected to withhold 30 per cent. from such payment unless the payee establishes an exemption from or reduction in the withholding tax. In addition, non-U.S. investors may be subject to U.S. withholding tax on proceeds from the sale of a Note or Warrant, to the extent those proceeds reflect dividends on U.S. Underlying Equities.

If "Issuer Withholding" is specified in the relevant Final Terms as being applicable, the Issuer will withhold 30 per cent. of any dividend equivalent payments payable under the Note or Warrant (including possibly a portion of the payments at maturity of the Note or Warrant). If the terms of the Note or Warrant provide that all or a portion of the dividends on U.S. Underlying Equities are reinvested in the Underlyings during the term of the Note or Warrant, the terms of the Note or Warrant will also provide that only 70 per cent. of a deemed dividend equivalent will be reinvested. The remaining 30 per cent. of such deemed dividend equivalent will be treated, solely for U.S. federal income tax purposes, as having been withheld from a gross dividend equivalent payment due to the

investor and remitted to the IRS on behalf of the investor. The Issuer will withhold such amounts without regard to either any applicable treaty rate or the classification of an investor as a U.S. or non-U.S. investor for U.S. federal income tax purposes.

If payments to an investor are subject to withholding tax and the investor believes it is eligible for an exemption from, or reduced rate of, withholding tax, the investor may be able to claim a refund of the amounts over-withheld. The Issuer makes no representation regarding investors' eligibility to claim such a refund, and investors may not be able to obtain an IRS Form 1042 from the Issuer or any custodian that would assist investors in obtaining the refund. Furthermore, the Issuer will not be required to pay any additional amounts as a result of this withholding tax, regardless of which withholding method is applicable to the Notes or Warrants, and regardless of whether the investor may have been eligible for an exemption or reduction in the withholding tax on payments from the applicable withholding agent.

The Section 871(m) regulations require complex calculations to be made with respect to Notes or Warrants linked to U.S. securities and their application to a specific issue of Section 871(m) Notes or Section 871(m) Warrants may be uncertain. Prospective investors should consult their tax advisers on the potential application of Section 871(m) to the Notes or Warrants, including, if applicable, the availability of, and process for, claiming a refund of such withholding tax.

### **SECTION I.6 - ADDITIONAL INFORMATION REGARDING OFFSHORE RMB**

Renminbi is not freely convertible at present. The PRC Government continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar. However, there has been a significant reduction in exchange control on Renminbi by the PRC Government in recent years, particularly over trade transactions involving the import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi into and out of mainland China for the purposes of capital account items, such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in mainland China on the remittance of Renminbi into and out of mainland China for settlement of capital account items are developing gradually.

Although, Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund in 2016 and policies further improving accessibility to Renminbi to settle cross-border transactions were implemented by the People's Bank of China ("**PBoC**") in 2018, there is no assurance that the PRC Government will continue to liberalise control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in mainland China will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of mainland China. Despite the Renminbi internationalisation programme and efforts in recent years to internationalise the currency, there can be no assurance that the PRC Government will not impose interim or long-term restrictions on the cross-border remittance of Renminbi.

In the event that funds cannot be repatriated out of mainland China in Renminbi, this may affect the overall availability of Renminbi outside mainland China, which may negatively impact on the liquidity of the Notes and Warrants and thus the value of the Notes and Warrants. In addition, if Renminbi outside mainland China is unavailable, this will impact on the ability of the Issuer to source Renminbi to perform its obligations under Notes and Warrants denominated in Renminbi.



### SECTION I.7 – GENERAL INFORMATION

*This section provides additional, general disclosure in relation to the Programme.*

1. The continuation of the Programme and the issue of Notes and Warrants under the Programme by HBEU have been authorised by a resolution of the board of directors of HBEU passed on 20 March 2023.
2. The continuation of the Programme and the issue of Notes under the Programme by HBCE have been authorised pursuant to resolutions of the board of directors (*conseil d'administration*) of HBCE passed on 20 July 2022.
3. The English Law Notes and Warrants have been accepted for clearance through Euroclear and Clearstream, Luxembourg, and may also be accepted for clearance through CREST. French Law Notes have been accepted for clearance through the Euroclear, Clearstream, Luxembourg and Euroclear France systems. The appropriate International Securities Identification Number ("**ISIN**"), common code ("**Common Code**"), Valoren number ("**Valoren Number**"), Stock Exchange Daily Official List ("**SEDOL**") number and any other identifier and/or code (as applicable) in relation to the Notes and Warrants of each Series will be set out in the relevant Final Terms. French Law Notes will be issued in bearer dematerialised form (*au porteur*) and will be inscribed in the books of Euroclear France (acting as central depository) and accepted for clearance through Euroclear France. The address of Euroclear Bank SA/NV is 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium. The address of Clearstream Banking, S.A. is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Euroclear UK & International Limited is Watling House, 33 Cannon St, London EC4M 5SB, United Kingdom. The address of Euroclear France is 66, rue de la Victoire, 75009 Paris, France.
4. Settlement arrangements will be agreed between the relevant Issuer, the relevant Dealer(s) or Manager(s), the Registrar, Warrant Registrar or CREST Register and the Principal Paying Agent or Principal Warrant Agent, as applicable.
5. In relation to each Issuer, any transfer of, or payment in respect of, a Note, Warrant or Coupon involving (i) any individual or entity ("**Person**") who or which is the subject of United Nations, European Union, Swiss, United Kingdom or United States sanctions (collectively, "**Sanctions**"), (ii) any Person located or resident in or incorporated in or constituted under the laws of any country, region or territory that is the subject of Sanctions, or (iii) any Person owned or controlled by any of the foregoing or by any Person acting on behalf of the foregoing, may be subject to restrictions, including under Sanctions or other similar measures.
6. Generally, any notice, document or information to be sent or supplied by HBEU to its shareholder(s) may be sent or supplied in accordance with the Companies Act 2006 (the "**Companies Act**") (whether authorised or required to be sent or supplied by the Companies Act or otherwise) in hard copy form or in electronic form. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom HBEU is unable effectively to convene a general meeting by notices sent through the post, subject to the Companies Act, a general meeting may be convened by a notice advertised in at least one United Kingdom national newspaper. Such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day on which the advertisement first appears. In any such case HBEU shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
7. Notices to the Noteholders or Warrantholders are made in accordance with the Conditions of the relevant Notes or Warrants, as applicable.
8. In relation to each Tranche of Notes, the indication of yield (if any) referred to in the relevant Final Terms will be calculated at the Issue Date of such Tranche on the basis of the Issue Price of such Tranche. It is not an indication of future yield.
9. Any tranche of Notes or Warrants intended to be admitted to listing on the Official List of Euronext Dublin and admitted to trading on the regulated market of Euronext Dublin will be so admitted to listing and trading upon submission to the Central Bank of Ireland and Euronext Dublin of the relevant Final Terms and any other information required by the Central Bank of Ireland and/or Euronext Dublin, subject in each case to the issue of the relevant Notes or Warrants (as the case may be). Prior to listing and admittance to trading of Notes or Warrants (as the case may be), dealings will be permitted by Euronext

Dublin in accordance with its rules. Transactions will normally be effected for delivery on the second working day in Dublin after the date of the transaction.

10. Application may be made for a listing of Notes or Warrants on Borsa Italiana S.p.A. and admission to trading on the Electronic Bond Market, being the regulated market of the Borsa Italiana S.p.A. ("MOT").
11. There has been no significant change in the financial position or financial performance of HBEU and its subsidiary undertakings nor any material adverse change in the prospects of HBEU since 31 December 2022.
12. There has been no significant change in the financial position or financial performance of HBCE and its subsidiary undertakings nor any material adverse change in the prospects of HBCE since 31 December 2022.
13. Save as disclosed in Note 25 "Provisions" on pages 172 to 173, and Note 32 "Legal proceedings and regulatory matters" on pages 181 to 183, of the 2022 HBEU Annual Report and Accounts (incorporated by reference herein), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which HBEU is aware) during the 12-month period before 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 HBEU and its subsidiary undertakings.
14. Save as disclosed in Note 27 "Provisions" on page 233 and Note 34 "Legal proceedings and regulatory matters relating to HSBC group entities generally" on pages 238 to 239 of the HBCE 2022 Universal Registration Document (incorporated by reference herein), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which HBCE is aware) during the 12-month period before 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 HBCE and its subsidiary undertakings.
15. The relevant Issuer or Dealer may pay to distributor(s) (which may include affiliates of such Issuer or Dealer) of Notes or Warrants issued under this Base Prospectus commissions or fees (including in the form of a discount to the issue price of such Notes or purchase price of such Warrants). Such commissions, fees or discounts will be as such parties may agree from time to time.
16. The date of the articles of association of HBEU is 28 October 2021.
17. The date of the constitutive documents (*statuts*) of HBCE is 23 November 2022.
18. This Base Prospectus and all the documents incorporated by reference herein will be available for viewing, in relation to HBEU, via [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20) and in relation to HBCE, via <https://www.about.hsbc.fr/investor-relations/debt-issuance> or the relevant link included for such document in the section entitled "Incorporation by Reference". For the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.
19. The Legal Entity Identifier ("LEI") code of HBEU is: MP6I5ZYZBEU3UXPYFY54.
20. The Legal Entity Identifier ("LEI") code of HBCE is: F0HUI1NY1AZMJMD8LP67.
21. As at the date of this Base Prospectus, details of the administrator(s) of the following benchmarks, as set out in the table below, appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to the EU Benchmarks Regulation.

Benchmark	Administrator Full Name
CAC 40 Index	Euronext Paris
DAX® Index	STOXX Ltd.
Dow Jones Industrial Average Index	S&P Dow Jones Indices LLC
EURO STOXX 50® Index	STOXX Ltd.

<b>Benchmark</b>	<b>Administrator Full Name</b>
IBEX 35® Index	Sociedad de Bolsas, S.A.
Nikkei Stock Average	Nikkei Inc.
S&P 500 Index	S&P Dow Jones Indices LLC

22. As at the date of this Base Prospectus, the administrators of the following benchmarks, as set out in the table below, do not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to the EU Benchmarks Regulation and, as far as each Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that they are not currently required to obtain authorisation/registration (or, if located outside the EU, recognition, endorsement or equivalence).

FTSE® 100 Index	FTSE International Limited
Hang Seng Index	Hang Seng Indexes Company Limited
KOSPI 200 Index	Korean Exchange
MSCI Indices	MSCI Limited
NASDAQ 100 Index	Nasdaq Inc.
Russell 2000 Index	FTSE International Limited
Taiwan Stock Exchange Capitalization Weighted Stock Index	Taiwan Stock Exchange

23. With effect from 13 June 2023, Adam Bagshaw was appointed to HBEU's Executive Committee and his principal outside activities (if any) of significance to the Issuer are as follows:

<b>Name</b>	<b>Function</b>	<b>Other principal activities outside the Issuer</b>
Adam Bagshaw	Global Co-Head of Capital Financing and Investment Banking Coverage	-

24. Each Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes or Warrants, prepare and publish a supplement to this Base Prospectus or prepare and publish a new base prospectus for use in connection with any subsequent issue of Notes or Warrants. For the avoidance of doubt, the Issuers shall have no obligation to supplement this Base Prospectus after the end of its 12-month validity.

## PART II – INFORMATION RELATING TO THE NOTES

### SECTION II.1 – DESCRIPTION OF THE NOTES

*This section provides details of how an investment in the Notes works and how payments under the Notes are calculated, including a number of worked examples.*

*Please note: The worked examples provided in this "Section II.1 – Description of the Notes" are produced for illustrative purposes only. The analysis is based on simplifying assumptions and hypothetical figures, levels, prices and thresholds and does not reflect a complete analysis of all possible gain and loss scenarios that may arise under any actual investment in the Notes. No representation or warranty is made by either Issuer or any of their affiliates that any scenario shown below can be duplicated under any actual investment in the Notes. Actual results may vary from the results shown below, and variations may be material. The mark-to-market value of the Notes can fluctuate either upward or downward due to changes in prevailing market conditions. Accordingly, if an investment in the Notes is unwound, repurchased or otherwise redeemed whether at or prior to its stated maturity, investors in such Notes may receive less than the purchase price of the Notes and therefore sustain a loss which in a worst-case scenario may be equal to their invested amount.*

#### (1) **Introduction**

The Issuers may from time-to-time issue Notes. A document known as the "**Final Terms**" will be prepared in respect of each issue of Notes. The Final Terms will give further details of the amounts payable under the Notes.

This section sets out the various types of amounts which may be payable under a Note and the valuation methods which may be used to ascertain the performance of indices or securities.

#### *Amounts payable on redemption*

Unless a Note has been redeemed (i.e. repaid) early, a Note will be redeemed at the end of its term on the "**Maturity Date**". The amount that an investor will receive at maturity (the "**Final Redemption Amount**") will be calculated using the redemption provisions specified in the relevant Final Terms. The relevant Final Terms will specify one of the following redemption provisions as applying to a particular issue of Notes:

- Booster with Barrier Redemption;
- Airbag with Barrier Redemption;
- Barrier Redemption;
- Digital with Barrier Redemption;
- Digital Growth with Barrier Redemption;
- Growth with Full Protection Redemption;
- Growth with Partial Protection Redemption;
- Digital with Partial Protection Redemption;
- Buffer Redemption;
- Booster with Buffer Redemption;
- Digital with Buffer Redemption;
- Digital Growth with Buffer Redemption;
- Step-Down Growth with Partial Protection Redemption; and
- Fixed Amount Redemption.

The amount of the Final Redemption Amount will (except where Fixed Amount Redemption is specified to apply) depend on the performance of the index or basket of indices ("**Index**" and "**Basket of Indices**", respectively) or security or basket of securities ("**Security**" and "**Basket of Securities**", respectively) to which the Note is linked and the relevant redemption provision. In this section, an "**Underlying**" shall mean an Index or Security, as the case may be, and a "**Basket of Underlyings**" shall mean a Basket of Indices or Basket of Securities, as the case may be.

Further details and explanations of the above-listed redemption provisions and the various Final Redemption Amounts which may be payable depending on which of the above redemption provisions is specified in the relevant Final Terms are set out in sub-section (3) below, together with some worked examples illustrating the calculations of such amounts.

#### *Additional redemption features*

In addition, some Notes may specify in the relevant Final Terms that:

- "**Lock-In Redemption Event**" provisions are applicable. In this case, the Final Redemption Amount of the Notes may also depend on whether a Lock-In Redemption Event has occurred. If a Lock-In Redemption Event has occurred, investors will receive a fixed percentage return (the "**Lock-In Redemption Percentage**") of the calculation amount regardless of the performance of the Underlying or Basket of Underlyings to which the Notes are linked or the other specified redemption provisions. Details of the amounts which may be payable in these circumstances are set out in sub-section (4) below, together with a worked example; and/or
- "**Early Redemption for Autocallable Notes**" provisions are applicable. In this case, the Notes may be redeemed on certain specified dates prior to their stated Maturity Date, depending on the performance of the Underlying(s) to which the Notes are linked. Details of the amounts which may be payable in these circumstances are set out in sub-section (5) below, together with a worked example; and/or
- "**Redemption at the Option of the Issuer (Call Option)**" provisions are applicable. In this case, the Notes may, at the election of the Issuer and in its discretion, be redeemed on certain specified dates prior to their stated Maturity Date. Details of the amounts which may be payable in these circumstances are set out in sub-section (6) below, together with a worked example.

#### *Other amounts which may be payable*

The Final Terms relating to a Note may specify that "**Fixed Rate Note provisions**" or "**Floating Rate Note provisions**" are applicable. If this is the case, an investor will receive on certain specified dates interest payments (each, an "**Interest Amount**"), which will be calculated either by reference to a fixed rate of interest or a floating rate of interest, respectively. Details of the how Interest Amounts are calculated are set out in sub-sections 7(a) and 7(b) (and, in respect of Fixed Rate Notes for which "**Interest Step-up**" or "**Interest Step-down**" are specified to apply, sub-sections 7(f) and 7(g)) below, together with some worked examples illustrating how the calculations are made in practice.

Some Notes may specify in their Final Terms that "**Coupon Trigger Event**" provisions are applicable (for the avoidance of doubt, these are alternative provisions to the Fixed Rate Note provisions and the Floating Rate Note provisions detailed above and, if Coupon Trigger Event is specified as applicable in the relevant Final Terms, the Fixed Rate Note provisions and/or the Floating Rate Note provisions will not be applicable). In this case, a coupon payment may be made by the Issuer to an investor, depending on the performance of the Underlying(s) to which a Note is linked. Details of the amounts which may be payable in these circumstances are set out in sub-section 7(c) below, together with a worked example illustrating how the calculations are made in practice.

Where "Coupon Trigger Event" is specified, the Notes may further specify in their Final Terms that:

- "**Lock-In Coupon Event**" is applicable in relation to the Notes. In this case, if the performance of the Underlying or Basket of Underlyings exceeds a specified threshold, then coupon payments will be made with respect to each future Coupon Trigger Event payment date regardless of the future performance of the Underlying or Basket of Underlyings. Details of the amounts which may be payable in these circumstances are set out in sub-sections 7(d) below, together with a worked example illustrating how the calculations are made in practice; or

- **"Coupon Trigger Recovery Event"** is applicable in relation to the Notes. In this case, if the performance of the Underlying or Basket of Underlyings exceeds a specified threshold, investors will receive an additional payment equivalent to the sum of all coupons which were not originally payable on their related valuation date due to the performance of the Underlying or Basket of Underlyings (and which have not subsequently been paid in accordance with the Coupon Trigger Recovery Event provisions). Details of the amounts which may be payable in these circumstances are set out in sub-section 6(e) below, together with a worked example illustrating how the calculations are made in practice.

\*\*\*\*\*

The following table sets out for each valuation method relating to the Underlying or Basket of Underlyings which may apply to the Notes (other than Fixed Income Notes) details of where an explanation of such valuation method and a related worked example can be found in this Base Prospectus.

<b>Ascertaining the Specified Level or Specified Price</b>	
Specified Level or Specified Price of a single Underlying	Pages 74 to 78
Specified Level or Specified Price of a Basket of Underlyings	Pages 78 to 80
<b>Ascertaining the performance of each Underlying and Basket of Underlyings</b>	
Relevant Performance of an Underlying or Basket of Underlyings	Pages 80 to 81
Relevant Final Performance	Pages 81 to 81
Relevant Observation Performance	Pages 82 to 82
Barrier Event	Pages 82 to 83

The following table sets out for each set of redemption provisions (and additional redemption features) and interest/coupon provisions which may apply to the Notes details of where an explanation of such provisions and a related worked example can be found in this Base Prospectus.

<b>If the Final Terms specify that the following is applicable</b>	<b>... an explanation and worked example in this Base Prospectus may be found at:</b>
<b>Redemption Provisions</b>	
Booster with Barrier Redemption	Pages 83 to 86
Airbag with Barrier Redemption	Pages 86 to 90
Barrier Redemption	Pages 90 to 92
Digital with Barrier Redemption	Pages 92 to 94
Digital Growth with Barrier Redemption	Pages 94 to 97
Growth with Full Protection Redemption	Pages 97 to 99
Growth with Partial Protection Redemption	Pages 99 to 101
Digital with Partial Protection Redemption	Pages 101 to 102
Buffer Redemption	Pages 103 to 104

<b>If the Final Terms specify that the following is applicable</b>	<b>... an explanation and worked example in this Base Prospectus may be found at:</b>
Booster with Buffer Redemption	Pages 104 to 106
Digital with Buffer Redemption	Pages 106 to 108
Digital Growth with Buffer Redemption	Pages 108 to 110
Step-Down Growth with Partial Protection Redemption	Pages 110 to 112
Fixed Amount Redemption	Pages 112 to 114
<b>Additional Redemption Features</b>	
Lock-In Redemption Event	Pages 112 to 113
Early Redemption for Autocallable Notes	Pages 113 to 115
Redemption at the Option of the Issuer (Call Option)	Page 115
<b>Interest/Coupon Provisions</b>	
Fixed Rate Notes	Pages 116 to 117
Floating Rate Notes	Pages 117 to 119
Coupon Trigger Event	Pages 119 to 121
<b>Additional Interest/Coupon Features</b>	
Coupon Trigger Event - Lock-In Coupon Event	Pages 121 to 122
Coupon Trigger Event – Coupon Trigger Recovery Event	Pages 122 to 125
Interest Step-up	Page 125
Interest Step-down	Page 126

(2) ***Ascertaining the Specified Level or Specified Price***

Each Final Redemption Amount (other than Fixed Amount Redemption), Automatic Early Redemption Amount and Coupon Trigger Amount which may be payable in respect of a Note will be determined by reference to the performance of the Underlying or Basket of Underlyings to which the Note is linked. Details of how to ascertain the performance of an Underlying or Basket of Underlyings are set out below, together with worked examples illustrating how the calculations are made in practice.

(a) ***Specified Level or Specified Price of a single Underlying***

In order to make calculations with respect to the Notes (other than Fixed Income Notes), the Calculation Agent will first be required to determine the value of the relevant Underlying or, with respect to a Basket of Underlyings, each Underlying comprising such Basket.

In order to determine the value of an Underlying the Calculation Agent will need to determine the "**Specified Level**" (with respect to an Index) or "**Specified Price**" (with respect to a Security) with respect to such Underlying.

The value of the Underlying will depend on the valuation method specified with respect to the relevant determination being made in relation to the Underlying.

The Calculation Agent will determine the Specified Level of an Index or the Specified Price of a Security in accordance with the provisions specified in relation to such determination in the relevant Final Terms. Each of the potential valuation methods (together with a worked example) are described below.

- Where "**Single Observation**" is specified as being applicable with respect to such determination:
  - the Specified Level of an Index with respect to the relevant date for determination shall be (i) in the case of an Index other than a Multiple Exchange Index, the level of the Index quoted on a particular exchange or quotation system or (ii) in the case of a Multiple Exchange Index, the level of the Index as calculated by an index sponsor, in each case at a particular valuation time on a particular valuation date (the "**Closing Level**"); and
  - the Specified Price of a Security with respect to the relevant date for determination shall be the price of the Security quoted on a particular exchange or quotation system at a particular valuation time on a particular valuation date (the "**Closing Price**").

**Single Observation worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to the FTSE®100 Index.
- "Single Observation" is specified in the Final Terms to be applicable with respect to the relevant determination.
- The Valuation Date specified in the Final Terms with respect to the relevant determination is 30 June 2024.
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).
- The level of the FTSE®100 Index on 30 June 2024 at 5.00 p.m. (London time) is 6,000.

***What is the Specified Level?***

The Specified Level of the FTSE®100 Index will be the level of the FTSE®100 Index at the Valuation Time on the Valuation Date.

The level of the FTSE®100 Index on 30 June 2024 at 5.00 pm (London time) is 6,000, thus the Specified Level will be 6,000.

- Where:
  - "**Highest Level**" is specified as being applicable with respect to such determination, the Specified Level of an Index with respect to the relevant date for determination shall be the highest Closing Level observed with respect such Index over particular observation dates or during a particular observation period; and
  - "**Highest Price**" is specified as being applicable with respect to such determination, the Specified Price of a Security with respect to the relevant date for determination shall be the highest Closing Price observed with respect such Security over particular observation dates or during a particular observation period.



**Highest Price worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to the ordinary shares of Company A.
- "Highest Price" is specified in the Final Terms to be applicable with respect to the relevant determination.
- The Valuation Date specified in the Final Terms with respect to the relevant determination is 30 June 2024.
- The Observation Dates specified in the Final Terms with respect to the relevant determination are 28 June 2024, 29 June 2024 and 30 June 2024.
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).
- The price of Company A shares on:
  - 28 June 2024 at 5.00 p.m. (London time) is GBP 200.
  - 29 June 2024 at 5.00 p.m. (London time) is GBP 250.
  - 30 June 2024 at 5.00 p.m. (London time) is GBP 180.

***What is the Specified Price?***

The Specified Price of the Company A Security will be the highest price of the Company A Security recorded at the Valuation Time over each Observation Date.

Thus in order to determine the Specified Price, the Calculation Agent will obtain the price of the Company A shares on each of 28 June 2024, 29 June 2024 and 30 June 2024, in each case at 5.00 pm (London time), and determine the highest price recorded over such dates.

The highest price recorded is GBP 250 on 29 June 2024, thus the Specified Price will be GBP 250.

- Where:
  - "**Lowest Level**" is specified as being applicable with respect to such determination, the Specified Level of an Index with respect to the relevant date for determination shall be the lowest Closing Level observed with respect such Index over particular observation dates or during a particular observation period; and
  - "**Lowest Price**" is specified as being applicable with respect to such determination, the Specified Price of a Security with respect to the relevant date for determination shall be the lowest Closing Price observed with respect such Security over particular observation dates or during a particular observation period.

**Lowest Price worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to the ordinary shares of Company B.
- "Lowest Price" is specified in the Final Terms to be applicable with respect to the relevant determination.

- The Valuation Date specified in the Final Terms with respect to the relevant determination is 30 June 2024.
- The Observation Period specified in the Final Terms with respect to the relevant determination includes each scheduled trading day with respect to the Company B shares from and including 26 June 2024 to and including the Valuation Date (being 30 June 2024).
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).
- The price of the Company B shares on:
  - 26 June 2024 – is a bank holiday and thus no price is ascertained with respect to such date.
  - 27 June 2024 at 5.00 p.m. (London time) is EUR 450.
  - 28 June 2024 at 5.00 p.m. (London time) is EUR 435.
  - 29 June 2024 at 5.00 p.m. (London time) is EUR 475.
  - 30 June 2024 at 5.00 p.m. (London time) is EUR 450.

***What is the Specified Price?***

The Specified Price of the Company B Security will be the lowest price of the Company B Security recorded at the Valuation Time over the Observation Period.

Thus in order to determine the Specified Price, the Calculation Agent will obtain the price of the Company B shares on each scheduled trading day from and including 26 June 2024 to and including the Valuation Date (being 30 June 2024), in each case at 5.00 pm (London time), and determine the lowest price recorded over such dates.

The lowest price recorded is EUR 435 on 28 June 2024, thus the Specified Price will be EUR 435.

- Where:
  - "**Average Level**" is specified as being applicable with respect to such determination, the Specified Level of an Index with respect to the relevant date for determination shall be the arithmetic average of the Closing Levels observed with respect such Index over particular averaging dates or during a particular averaging period; and
  - "**Average Price**" is specified as being applicable with respect to such determination, the Specified Price of a Security with respect to the relevant date for determination shall be the arithmetic average of the Closing Prices observed with respect such Security over particular averaging dates or during a particular averaging period.

**Average Level worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to the FTSE®100 Index.
- "Average Level" is specified in the Final Terms with respect to the relevant determination.
- The Averaging Dates specified in the Final Terms with respect to the relevant determination are 28 June 2024, 29 June 2024 and 30 June 2024.
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).

- The level of the FTSE®100 Index on:
  - 28 June 2024 at 5.00 p.m. (London time) is 5,800.
  - 29 June 2024 at 5.00 p.m. (London time) is 6,200.
  - 30 June 2024 at 5.00 p.m. (London time) is 6,000.

***What is the Specified Level?***

The Specified Level of the FTSE®100 Index will be the arithmetic average of the levels of the FTSE®100 Index recorded at the Valuation Time over the Averaging Dates.

In order to calculate the Specified Level, the Calculation Agent will calculate the arithmetic average of the levels of the Index over each of the three Averaging Dates.

The Specified Level is therefore 6,000, being  $(5,800 + 6,200 + 6,000)$  divided by 3.

Alternatively, the Final Terms may specify Specified Level or Specified Price (as applicable) to be Not Applicable and instead specify "Average Basket – Lowest Date" or Average Basket – Highest Date" to apply. In these circumstances, no Specified Level or Specified Price will be determined with respect to any Underlying. A worked example in respect of the "Average Basket – Lowest Date" or Average Basket – Highest Date" provisions is set out in sub-section (3)(b).

(b) *Specified Level or Specified Price of a Basket of Underlyings*

Where the Note is linked to a Basket of Underlyings, once the Calculation Agent has determined the Specified Level or Specified Price (as applicable) of each Underlying comprising such Basket in accordance with the foregoing provisions, the Calculation Agent may then need to determine the Specified Price or Specified Level with respect to the Basket.

Where required to do so, the Calculation Agent will determine the Specified Price or Specified Level of the Basket in accordance with the provisions specified in relation to such Basket in the relevant Final Terms. Each of the potential valuation methods (together with a worked example) are described below.

- Where "**Worst Of Basket**" is specified as being applicable with respect to such Basket of Underlyings, the Specified Price or Specified Level of the Basket will be the Specified Level or Specified Price (as applicable) of the Underlying which has performed least well as against the initial price or level of such Underlying.

**Worst Of Basket worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to a Basket consisting of the FTSE®100 Index and the S&P 500® Index.
- "Worst of Basket" is specified in the Final Terms with respect to such Basket.
- The initial index level of the FTSE®100 Index is specified in the Final Terms to be 6,000.
- The initial index level of the S&P 500® Index is specified in the Final Terms to be 2,000.
- "Single Observation" is specified to apply with respect to the relevant determination -
  - The Specified Level of the FTSE®100 Index is 6,120, as determined by the Calculation Agent using the "Single Observation" valuation method.

- The Specified Level of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Single Observation" valuation method.

***Which is the "Worst Performing" Index?***

In order to determine which is the worst performing Index, the Specified Level with respect to each Index is divided by the initial index level of such Index to produce a percentage representing the appreciation or depreciation of such Index as against its initial level.

- FTSE®100 Index – 6,120 divided by 6,000 = 102%
- S&P 500® Index – 2,500 divided by 2,000 = 125%

The level of the FTSE®100 Index has risen less in percentage terms than the level of the S&P 500® Index, thus the FTSE®100 Index is the "Worst Performing" Index.

***What is the Specified Level?***

The Specified Level of the Basket will thus be the Specified Level of the FTSE®100 Index (being the Worst Performing Index) - 6,120.

- Where "**Best Of Basket**" is specified as being applicable with respect to such Basket of Underlyings, the Specified Level or Specified Price of the Basket will be the Specified Level or Specified Price (as applicable) of the Underlying which has performed best against the initial price or level of such Underlying.

**Best Of Basket worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to a Basket consisting of ordinary shares in Company A and ordinary shares in Company B.
- "Best of Basket" is specified in the Final Terms with respect to such Basket.
- The initial price of Company A shares is specified in the Final Terms to be USD 210.
- The initial price of Company B shares is specified in the Final Terms to be EUR 500.
- "Average Price" is specified to apply with respect to the relevant determination -
  - The Specified Price of the Company A shares is USD 180, as determined by the Calculation Agent using the "Average Price" valuation method.
  - The Specified Price of the Company B shares is EUR 400, as determined by the Calculation Agent using the "Average Price" valuation method.

***Which is the "Best Performing" Security?***

In order to determine which is the best performing Security, the Specified Price with respect to each Security is divided by the initial price of such Security to produce a percentage representing the appreciation or depreciation of such Security as against its initial price.

- Company A shares – USD 180 divided by USD 210 = 85.71%
- Company B shares – EUR 400 divided by EUR 500 = 80%

The price of the Company A shares has fallen less in percentage terms than the price of the Company B shares, thus the Company A shares is the "Best Performing" Security.

***What is the Specified Level?***

The Specified Price of the Basket will thus be the Specified Price of the Company A shares (being the Best Performing Security), thus the Specified Price will be USD 180.

- Where "**Average Basket**" is specified as being applicable with respect to such Basket of Underlyings, the Specified Levels or Specified Prices (as applicable) of the Underlyings comprising the Basket will be determined but no Specified Level or Specified Price will be determined with respect to the Basket (as the performance of each component will be determined separately and then weighted accordingly to give the performance of the basket).

**Average Basket worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to an equally weighted Basket consisting of the FTSE®100 Index and the S&P 500® Index.
- "Average Basket" is specified in the Final Terms with respect to such Basket.
- "Lowest Level" is specified to apply with respect to the relevant determination -
  - The Specified Level of the FTSE®100 Index is 6,200, as determined by the Calculation Agent using the "Lowest Level" valuation method.
  - The Specified Level of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Lowest Level" valuation method.

***What is the Specified Level?***

With respect to an Index Basket in respect of which "Average Basket" is specified to apply, the Specified Level will be determined with respect to each Index in the Basket comprising the Basket. No Specified Level is determined with respect to the Basket, as the performance of each component will be determined separately and then weighted accordingly (please see the worked example in sub-section (d) (*Relevant Final Performance*) for a worked example).

(c) *Relevant Performance of an Underlying or Basket of Underlyings*

In order to determine the Final Redemption Amount (other than Fixed Amount Redemption) payable with respect to the Notes and/or to determine whether a Lock-In Redemption Event, Barrier Event, an Automatic Early Redemption Event, a Coupon Trigger Event, Coupon Trigger Recovery Event or a Lock-In Coupon Event has occurred, the Calculation Agent will need to determine the appreciation or depreciation in the performance of the Underlying or Basket of Underlyings with respect to the relevant valuation date specified in relation to such determination.

The Calculation Agent does so:

- with respect to a single Underlying or a Basket of Underlyings with respect to which "Worst Of Basket" or "Best of Basket" is specified as applicable, by comparing the Specified Price or Specified Level (as determined in accordance with the valuation provisions specified in relation to the relevant valuation date) with the initial index level or security price (either as specified in the relevant Final Terms or determined in accordance with one of the valuation methods described above); and
- with respect to a Basket of Underlyings with respect to which:

- "Average Basket" is specified as applicable, and a Specified Price or Specified Level has been determined, by determining the weighted average of the Relevant Performance determined in relation to each Index or Security (as applicable) comprising the Basket;
- "Average Basket" is specified as applicable, and the "Average Basket – Lowest Date" has been determined, by determining the weighted average of the performance of each Index or Security (as applicable) comprising the Basket on each specified observation date and further determining the lowest weighted average across each such specified observation date;
- "Average Basket" is specified as applicable, and the "Average Basket – Highest Date" has been determined, by determining the weighted average of the performance of each Index or Security (as applicable) comprising the Basket on each specified observation date and further determining the highest weighted average across each such specified observation date;

in order to ascertain the "**Relevant Performance**" of the relevant Underlying or Basket of Underlyings.

The Relevant Performance is a percentage representing any appreciation or depreciation in the Underlying or Basket of Underlyings, in comparison to the initial level or initial price (as applicable) of such Underlying or Basket of Underlyings.

The Final Terms may specify the initial level or initial price (as applicable), otherwise the initial level or initial price (as applicable) will be determined in accordance with one of the valuation methods set out above.

(d) *Relevant Final Performance*

The Relevant Performance will be calculated by the Calculation Agent in relation to the Final Valuation Date (the "**Relevant Final Performance**") in order to determine the Final Redemption Amount.

**Relevant Final Performance – Index Basket worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to an equally weighted Basket consisting of the FTSE®100 Index and the S&P 500® Index.
- "Average Basket" is specified in the Final Terms with respect to the Basket of Underlyings.
- The Final Valuation Date is 30 June 2024.
- "Single Observation" is specified to apply with respect to the Final Valuation Date -
  - The Specified Level of the FTSE®100 Index is 6,120, as determined by the Calculation Agent using the "Single Observation" valuation method.
  - The Specified Level of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The initial index level of the FTSE®100 Index is specified in the Final Terms to be 6,000.
- The initial index level of the S&P 500® Index is specified in the Final Terms to be 2,000.

***What is the Relevant Final Performance of each Index in the Basket?***

The Relevant Final Performance of the FTSE®100 Index is determined by dividing the Specified Level by the initial index level -  $6,120 \text{ divided by } 6,000 = 102\%$

The Relevant Final Performance of the S&P 500® Index is determined by dividing the Specified Level by the initial index level -  $2,500 \text{ divided by } 2,000 = 125\%$

***What is the Relevant Final Performance?***

The Relevant Final Performance is determined by determining the weighted average of the Relevant Final Performance of each Index – so  $[(50\% \times 102\%) = 51\%] + [(50\% \times 125\%) = 62.5\%] = 113.5\%$

Detailed examples of how the Relevant Final Performance is used to determine the Final Redemption Amount are set out in sub-section (3).

(e) *Relevant Observation Performance*

The Relevant Performance may be calculated by the Calculation Agent in relation to other valuation dates ("**Relevant Observation Performance**") depending on the terms applicable to the Notes.

The Relevant Observation Performance may be determined in relation to:

- each Barrier Valuation Date (where Barrier is specified to apply in the relevant Final Terms) in order to determine whether a Barrier Event has occurred;
- each Automatic Early Redemption Valuation Date (where Early Redemption for Autocallable Notes is specified to apply in the relevant Final Terms) in order to determine whether an Automatic Early Redemption Event has occurred;
- each Coupon Trigger Valuation Date (where Coupon Trigger Event is specified to apply in the relevant Final Terms) in order to determine whether a Coupon Trigger Event has occurred;
- each Lock-In Coupon Valuation Date (where Lock-In Coupon Event is specified to apply in the relevant Final Terms) in order to determine whether a Lock-In Coupon Event has occurred; and
- the Lock-In Redemption Valuation Date (where Lock-In Redemption Event is specified to apply in the relevant Final Terms) in order to determine whether a Lock-In Redemption Event has occurred.

Examples and further explanation of how the Relevant Observation Performance is determined and used are set out as follows –

- in relation to determination of whether a Barrier Event has occurred, in sub-sections 2(f) and (3);
- in relation to determination of whether a Lock-In Redemption Event has occurred, in sub-section (4);
- in relation to determination of whether an Automatic Early Redemption Event has occurred, in sub-section (5);
- in relation to determination of whether a Coupon Trigger Event has occurred, in sub-section (6)(c);
- in relation to determination of whether a Lock-In Coupon Event has occurred, in sub-section (6)(d).

(f) *Barrier Event*

If "**Barrier**" is specified as applicable in the relevant Final Terms, the Calculation Agent may need to ascertain whether a Barrier Event has occurred in relation to the Notes (as well as determining the Relevant Final Performance) in order to determine the Final Redemption Amount.

In order to ascertain whether a Barrier Event has occurred, the Calculation Agent will determine if the Relevant Observation Performance (please see sub-section (e) (*Relevant Observation Performance*) above for further details and information on where to find worked examples) in respect of:

- a single specified "**Barrier Valuation Date**" (where "**European**" is specified as the relevant Barrier Observation Method);
- two or more specified "**Barrier Valuation Dates**" (where "**Bermudan**" is specified as the relevant Barrier Observation Method); or
- any "**Barrier Valuation Date**" during a specified valuation period (where "**Daily**" is specified as the relevant Barrier Observation Method),

has breached a specified percentage threshold (the "**Barrier Level**").

**Has a Barrier Event occurred? – Single Index worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note linked to the FTSE®100 Index.
- Barrier is specified as applicable in the Final Terms and the Barrier Event is specified to be Inclusive.
- The Barrier Observation Method is specified to be European.
- The initial index level of the FTSE®100 Index is specified in the Final Terms to be 6,000.
- The Barrier Valuation Date is 30 June 2024.
- "Single Observation" is specified to apply with respect to the Barrier Valuation Date and the Specified Level of the FTSE®100 is 6,120, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Barrier Level is 100%.

***What is the Relevant Observation Performance?***

The Relevant Observation Performance is determined by dividing the Specified Level of the Index determined in respect of the Barrier Valuation Date (6,120) by the initial index level (6,000), which is equal to 1.02 and, when expressed as a percentage, is 102%. Therefore, the Relevant Observation Performance with respect to the Barrier Valuation Date is 102%.

***Has a Barrier Event occurred?***

As the Barrier Event is specified to be Inclusive, a Barrier Event will occur if the Relevant Observation Performance in respect of the Barrier Valuation Date is less than or equal to the Barrier Level.

The Relevant Observation Performance (102%) is greater than the Barrier Level (100%), so no Barrier Event has occurred.

Further worked examples in relation to the determination of whether a Barrier Event has occurred are set out in sub-section (3).

(3) ***Final Redemption Amount***

The calculation of the Final Redemption Amount in respect of each Note depends on the method specified for determining the Final Redemption Amount in the relevant Final Terms. An investor in the Notes should refer to the corresponding paragraphs below to understand how the Final Redemption Amount is calculated for any particular Note.

(a) ***Booster with Barrier Redemption***

***Overview of Booster with Barrier Redemption***

Booster with Barrier Redemption provides the investor with protection on its investment plus a return upside (which may be subject to a maximum cap) based on the performance of the Underlying or Basket of Underlyings subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by 100% plus a percentage amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (which may be subject to a specified participation factor and/or a cap).



If the Relevant Final Performance is below the specified return threshold:

- if a Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance; and
- if no Barrier Event has occurred, the investor will be entitled to an amount equal to the specified calculation amount of the Note.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold;
- the Barrier Level;
- whether a Barrier Event has occurred;
- any participation factor; and
- the maximum cap (if any).

#### *Calculation of the Final Redemption Amount*

If "Booster with Barrier Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to (X) 100% + (Y) a percentage representing the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**".

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- If the Relevant Final Performance is less than the Return Threshold:
  - if the Relevant Observation Performance is (X) less than (if "Non-Inclusive" is specified with respect to the Barrier Event), or (Y) less than or equal to (if "Inclusive" is specified with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") in respect of any relevant barrier valuation date (i.e. a "**Barrier Event**" has occurred), the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance.
  - if no Barrier Event has occurred, then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note.

#### **Booster with Barrier Redemption worked example:**

##### *The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to the FTSE®100 Index which specifies Booster with Barrier Redemption and has a term of 6 years.

- The calculation amount of the Note is GBP 100.
- The initial index level set out in the relevant Final Terms against which the performance of the Index will be measured is 6,400.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Specified Level of the FTSE@100 Index with respect to the Final Valuation Date is 6,200, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Participation is 200%.
- The Cap is 60%.
- The Barrier Event is specified to be Non-Inclusive.
- Daily is specified as the Barrier Observation Method.
- "Single Observation" is specified to apply with respect to each Barrier Valuation Date.
- The Barrier Valuation Period specified in the Final Terms includes each scheduled trading day (which is not a disrupted day) with respect to FTSE@100 Index from and including the Strike Date (being 24 June 2022) to and including the Final Valuation Date (being 30 June 2024).
- The Barrier Level is 95%.

(1) ***What is the Relevant Final Performance?***

The Specified Level of the Index (6,200) determined with respect to the Final Valuation Date is divided by the initial index level (6,400), which is equal to 0.96875 and, when expressed as a percentage, is 96.88%. Therefore, the Relevant Final Performance is 96.88%.

(2) ***Is the Relevant Final Performance greater than or equal to the Return Threshold?***

The Relevant Final Performance is 96.88%, which is lower than the Return Threshold set at 100%.

(3)	<p><b><i>What is the Relevant Observation Performance with respect to each Barrier Valuation Date?</i></b></p> <p>The Calculation Agent will determine the Relevant Observation Performance in relation to each Barrier Valuation Date. The Calculation Agent will do so by dividing the Specified Level determined in respect of such Barrier Valuation Date by the initial index level.</p>												
(4)	<p><b><i>Has a Barrier Event occurred?</i></b></p> <p>As the Barrier Event is specified to be Non-Inclusive, a Barrier Event will occur if the Relevant Observation Performance determined with respect to any Barrier Valuation Date is less than the Barrier Level.</p> <p>On one of the Barrier Valuation Dates, the Specified Level is determined to be 6,016. 6,016 divided by the initial index level (6,400) is equal to 0.94 and, when expressed as a percentage, is 94%. Therefore, the Relevant Observation Performance with respect to such Barrier Valuation Date is 94%.</p> <p>The Relevant Observation Performance with respect to such Barrier Valuation Date (94%) is below the Barrier Level (95%) and thus a Barrier Event has occurred.</p> <p>Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance.</p>												
(4)	<p><b><i>Multiplying the result of the formula by the Relevant Final Performance</i></b></p> <p>The Final Redemption Amount per calculation amount of a Note will be:</p> <table style="margin-left: 40px;"> <tr> <td style="padding-right: 20px;">GBP</td> <td style="padding-right: 20px;">100</td> <td style="padding-right: 20px;">x</td> <td>(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td style="padding-right: 20px;">96.88%</td> <td></td> <td>(Relevant Final Performance)</td> </tr> <tr> <td style="padding-right: 20px;"><b>GBP</b></td> <td style="border-top: 1px solid black; padding-top: 2px; padding-right: 20px;">96.88</td> <td></td> <td><b>The Final Redemption Amount per calculation amount of a Note</b></td> </tr> </table>	GBP	100	x	(The specified calculation amount of the Note)		96.88%		(Relevant Final Performance)	<b>GBP</b>	96.88		<b>The Final Redemption Amount per calculation amount of a Note</b>
GBP	100	x	(The specified calculation amount of the Note)										
	96.88%		(Relevant Final Performance)										
<b>GBP</b>	96.88		<b>The Final Redemption Amount per calculation amount of a Note</b>										

(b) *Airbag with Barrier Redemption*

*Overview of Airbag with Barrier Redemption*

Airbag with Barrier Redemption provides the investor with protection on its investment plus a return upside subject to (i) the Relevant Final Performance being equal to or greater than a specified return threshold and (ii) no Barrier Event having occurred. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by the greater of (i) 100% plus a percentage amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (as applicable) multiplied by a specified participation factor (which may be subject to a cap) and (ii) a minimum return percentage (the "**Conditional Protection Percentage**").

If the Relevant Final Performance is equal to or greater than the specified return threshold but a Barrier Event has occurred, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by 100% plus a percentage amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (as applicable) multiplied by a specified participation factor (which may be subject to a cap).

If the Relevant Final Performance is below the specified return threshold:

- if a Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance; and
- if no Barrier Event has occurred, the investor will be entitled to an amount equal to the specified calculation amount of the Note multiplied by the Conditional Protection Percentage.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;

- the Conditional Protection Percentage;
- the Return Threshold;
- the Barrier Level;
- whether a Barrier Event has occurred;
- any participation factor; and
- the maximum cap (if any).

*Calculation of the Final Redemption Amount*

If "Airbag with Barrier Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If (i) the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", and (ii) the Relevant Observation Performance is (X) greater than or equal to (if "Non-Inclusive" is specified with respect to the Barrier Event) or (Y) greater than (if "Inclusive" is specified with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") in respect of any relevant barrier valuation date (i.e. no "**Barrier Event**" has occurred), then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) the higher of:
    - (A) a percentage amount equal to (X) 100% + (Y) a percentage representing the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**"; and
    - (B) the Conditional Protection Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$\text{Max}\{\text{Conditional Protection Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\};$

- If the Relevant Final Performance is equal to or greater than the Return Threshold but a Barrier Event has occurred, then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to (X) 100% + (Y) a percentage representing the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**".

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]$

- If the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Conditional Protection Percentage.
- If the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance.

**Airbag with Barrier Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to an equally weighted basket of indices comprised of the FTSE®100 Index and the S&P 500® Index and which specifies Airbag with Barrier Redemption and has a term of 6 years.
- "Average Basket" is specified in the Final Terms with respect to the Basket of Underlyings.
- The calculation amount of the Note is GBP 50.
- The initial index level of the FTSE®100 Index set out in the relevant Final Terms is 6,700 and the initial index level of the S&P 500® Index set out in the relevant Final Terms is 2,300.
- "Single Observation" is specified to apply with respect to the Final Valuation Date -
  - The Specified Level of the FTSE®100 Index is 6,900, as determined by the Calculation Agent using the "Single Observation" valuation method.
  - The Specified Level of the S&P 500® Index is 2,400, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Conditional Protection Percentage is 110%.
- The Participation is 200%.
- The Cap is 60%.
- The Barrier Valuation Date is specified to be the Final Valuation Date.
- The Barrier Event is specified to be Non-Inclusive.
- European is specified as the Barrier Observation Method.
- "Average Basket - Lowest Date" is specified to apply with respect to the Barrier Valuation Date.
- The Observation Dates specified in the Final Terms with respect to the Barrier Valuation Date are 26 June 2024, 27 June 2024 and 28 June 2024.
- The Barrier Level is 95%.

(1) ***What is the Relevant Final Performance of each Index in the Basket?***

The Relevant Final Performance of the FTSE®100 Index is determined by dividing the Specified Level by the initial index level - 6,900 divided by 6,700 = 102.99%.

The Relevant Final Performance of the S&P 500® Index is determined by dividing the Specified Level by the initial index level – 2,400 divided by 2,300 = 104.43%

(2) ***What is the Relevant Final Performance of the Basket?***

The Relevant Final Performance of the Basket is determined by determining the weighted average of the Relevant Final Performance of each Index – so  $[(50\% \times 102.99\%) = 51.50\%] + [(50\% \times 104.43\%) = 52.22\%] = 103.72\%$ .

(3) ***Is the Relevant Final Performance greater than or equal to the Return Threshold?***

The Relevant Final Performance is 103.72%, which is greater than the Return Threshold set at 100%.

(4) ***What is the Relevant Observation Performance of the Basket with respect to the Barrier Valuation Date?***

As "Average Basket - Lowest Date" is specified to apply, the Relevant Observation Performance in respect of the Barrier Valuation Date will be the lowest weighted average of Observation Date Performances observed across the Observation Dates.

In order to determine this, the Calculation Agent will determine the Observation Date Performance with respect to each of the FTSE®100 Index and S&P 500® Index on each Observation Date during the Observation Period and further determine the weighted average of the Observation Date Performances on each date.

<b>Observation Date</b>	<b>FTSE®100 Index Price</b>	<b>S&amp;P 500® Index</b>	<b>Weighted average of Observation Date Performances</b>
26 June 2024	Closing Level: 6,800	Closing Level: 2,600	[101.49% x 0.5] + [113.04% x 0.5] =
	Observation Date Performance: 6,800/6,700 = 101.49%	Observation Date Performance: 2,600/2,300 = 113.04%	<b>107.265%</b>
27 June 2024	Closing Level: 6,600	Closing Level: 2,200	[98.51% x 0.5] + [95.65% x 0.5] =
	Observation Date Performance: 6,600/6,700 = 98.51%	Observation Date Performance: 2,200/2,300 = 95.65%	<b>97.08%</b>
28 June 2024	Closing Level: 6,900	Closing Level: 2,400	[102.99% x 0.5] + [104.35% x 0.5] =
	Observation Date Performance: 6,900/6,700 = 102.99%	Observation Date Performance: 2,400/2,300 = 104.35%	<b>103.67%</b>

The Relevant Observation Performance will be the lowest weighted average of Observation Date Performance observed across the Observation Dates, in this case 97.08% on 27 June 2024.

(4) ***Has a Barrier Event occurred?***

As the Barrier Event is specified to be Non-Inclusive, a Barrier Event will occur if the Relevant Observation Performance with respect to the Barrier Valuation Date is less than the Barrier Level. The Relevant Observation Performance with respect to the Barrier Valuation Date (97.08%) is greater than the Barrier Level (95%) so no Barrier Event has occurred.

Therefore, the following formula will apply for the purposes of determining the redemption amount:

$$\text{Max \{Conditional Protection Percentage; 100\%} \\ + \text{Min[Cap; Participation x Max [0; Relevant Final Performance - 100\% ]]\}}$$

(5) ***Calculating the formula***

When working out the following formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

$$\text{Max \{Conditional Protection Percentage; 100\%} \\ \text{+ Min[Cap; Participation x Max [0; Relevant Final Performance - 100\% ]]\}$$

On the basis of the assumptions provided above, the variables can be determined as follows:

- The Relevant Final Performance minus 100% (103.72% less 100% is equal to 3.72%) is greater than 0, and so 3.72% is used in the third part of the formula.
- The Participation (200%) multiplied by 3.72% equals 7.44%, which is less than the Cap (60%), and so 7.44% is used in the second part of the formula rather than the Cap.
- Once these variables are inserted into the second and third parts of the formula, the calculation is 100% + 7.44%, which is equal to 107.44%.
- The percentage produced by the second and third parts of the formula (107.44%) is less than the Conditional Protection Percentage (110%) specified in the first part of the formula, so the overall percentage produced by the formula is 110%

(6) ***Multiplying the result of the formula by the specified calculation amount of the Note***

The Final Redemption Amount per calculation amount of a Note will be:

GBP	50	x	(The specified calculation amount of the Note)
	110%		(the Conditional Protection Percentage)
GBP	55		<b>The Final Redemption Amount per calculation amount of a Note</b>

(c) ***Barrier Redemption***

*Overview of Barrier Redemption*

Barrier Redemption provides the investor with protection on its investment subject to (i) the Relevant Final Performance being equal to or greater than a specified return threshold and/or (ii) no Barrier Event having occurred. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes.

If the Relevant Final Performance is below the specified return threshold and a Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold;
- the Barrier Level; and
- whether a Barrier Event has occurred.

*Calculation of the Final Redemption Amount*

If "Barrier Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note.
- If the Relevant Final Performance is less than the Return Threshold:
  - if the Relevant Observation Performance is (X) less than (if "Non-Inclusive" is specified with respect to the Barrier Event) or (Y) less than or equal to (if "Inclusive" is specified with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") in respect of any relevant barrier valuation date (i.e. a "**Barrier Event**" has occurred), the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance; and
  - if no Barrier Event has occurred, then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note.

**Barrier Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in EUR linked to the ordinary shares of Company A and the ordinary shares of Company B and which specifies Barrier Redemption and has a term of 6 years.
- The initial security price of Company A set out in the relevant Final Terms is USD 5,400 and the initial security price of Company B set out in the relevant Final Terms is GBP 2,200.
- The calculation amount of the Note is EUR 1,000.
- "Worst Of Basket" is specified in the Final Terms.
- "Single Observation" is specified to apply with respect to the Final Valuation Date -
  - The Specified Price of the Company A Security with respect to the Final Valuation Date is USD 5,500, as determined by the Calculation Agent using the "Single Observation" valuation method.
  - The Specified Price of the Company B Security with respect to the Final Valuation Date is GBP 2,300, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Barrier is specified to be Inclusive.
- "Bermudan" is specified as the Barrier Observation Method.
- "Average Price" is specified to apply with respect to each Barrier Valuation Date.
- The Barrier Valuation Dates are specified to be 30 June 2024 (the "**First Barrier Valuation Date**") and the Final Valuation Date (the "**Second Barrier Valuation Date**"). The Averaging Period with respect to the First Barrier Valuation Date is specified as the period from and Including the Issue Date to and including the First Barrier Valuation Date. The Averaging Period with respect to the Second Barrier Valuation Date is specified as the period from but excluding the First Barrier Valuation Date to and including the Second Barrier Valuation Date.



<ul style="list-style-type: none"> <li>• The Specified Price of the Company A Security with respect to the First Barrier Valuation Date is USD 5,000, as determined by the Calculation Agent using the "Average Price" valuation method.</li> <li>• The Specified Price of the Company B Security with respect to the First Barrier Valuation Date is GBP 2,100, as determined by the Calculation Agent using the "Average Price" valuation method.</li> <li>• The Specified Price of the Company A Security with respect to the Second Barrier Valuation Date is USD 5,300, as determined by the Calculation Agent using the "Average Price" valuation method.</li> <li>• The Specified Price of the Company B Security with respect to the Second Barrier Valuation Date is GBP 2,000, as determined by the Calculation Agent using the "Average Price" valuation method.</li> <li>• The Barrier Level with respect to each Barrier Valuation Date is 100%.</li> </ul>
<p>(1) <b><i>What is the Specified Price of the Basket with respect to the Final Valuation Date?</i></b></p> <p>"Worst of Basket" is specified to apply. This means that the Specified Price of the Basket with respect to the Final Valuation Date will be the Specified Price of the worst performing Security in the Basket determined with respect to the Final Valuation Date.</p> <p>In order to determine the worst performing Security, the Specified Price of each Security is divided by the initial security price of such Security –</p> <p>Company A Security – <math>\text{USD } 5,500 / \text{USD } 5,400 = 1.0185</math> (expressed as a percentage is 101.85%)</p> <p>Company B Security – <math>\text{GBP } 2,300 / \text{GBP } 2,200 = 1.0455</math> (expressed as a percentage is 104.55%)</p> <p>The price of the Company B Security has risen more in percentage terms than the price of the Company A Security, thus the Company A Security is the "Worst Performing" Security.</p> <p>Thus the Specified Price of the Basket with respect to the Final Valuation Date will be the Specified Price of the Company A Security – USD 5,500.</p>
<p>(2) <b><i>What is the Relevant Final Performance?</i></b></p> <p>The Relevant Final Performance is determined by dividing the Specified Price of the Basket with respect to the Final Valuation Date by the initial value of the Basket (which in this case will be the initial value of the worst performing Security, Company A Security) – <math>\text{USD } 5,500 / \text{USD } 5,400 = 101.85</math>, which, when expressed as a percentage is 101.85%.</p> <p>Therefore, the Relevant Final Performance is 101.85%</p>
<p>(3) <b><i>Is the Relevant Final Performance greater than or equal to the Return Threshold?</i></b></p> <p>The Relevant Final Performance is 101.85%, which is greater than the Return Threshold set at 100%.</p> <p>Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note.</p>

(d) *Digital with Barrier Redemption*

*Overview of Digital with Barrier Redemption*

Digital with Barrier Redemption provides the investor with protection on its investment subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by 100% plus a fixed return percentage (the "**Digital Return Percentage**").

If the Relevant Final Performance is below the specified return threshold:

- if a Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance; and
- if no Barrier Event has occurred, the investor will be entitled to an amount equal to the specified calculation amount of the Note multiplied by a minimum return percentage (the "**Conditional Protection Percentage**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold;
- the Conditional Protection Percentage;
- the Digital Return Percentage;
- the Barrier Level; and
- whether a Barrier Event has occurred.

#### *Calculation of the Final Redemption Amount*

If "Digital with Barrier Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note multiplied by 100% plus the Digital Return Percentage.
- If the Relevant Final Performance is less than the Return Threshold:
  - if the Relevant Observation Performance is (X) less than (if "Non-Inclusive" is specified with respect to the Barrier Event) or (Y) less than or equal to (if "Inclusive" is specified with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") in respect of any relevant barrier valuation date (i.e. a "**Barrier Event**" has occurred), the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance; and
  - if no Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Conditional Protection Percentage.

#### **Digital with Barrier Redemption worked example:**

##### *The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to the ordinary shares of Company A and which specifies Digital with Barrier Redemption and has a term of 6 years.
- The initial security price of Company A set out in the relevant Final Terms is GBP 5,400.
- The calculation amount of the Note is GBP 1,000.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Specified Price of the Company A Security with respect to the Final Valuation Date is GBP 5,500, as determined by the Calculation Agent using the "Single Observation" valuation method.

<ul style="list-style-type: none"> <li>• The Return Threshold is 100%.</li> <li>• The Conditional Protection Percentage is 100%.</li> <li>• The Digital Return Percentage is equal to 5%.</li> <li>• The Barrier Level is 90%.</li> <li>• The Barrier is specified to be Non-Inclusive.</li> <li>• European is specified as the Barrier Observation Method.</li> <li>• "Average Price" is specified to apply with respect to the Barrier Valuation Date and the Specified Price of the Company A Security with respect to the Barrier Valuation Date is GBP 5,300, as determined by the Calculation Agent using the "Average Price" valuation method.</li> </ul>												
<p>(1) <b><i>What is the Relevant Final Performance?</i></b></p> <p>The Specified Price of the Security (GBP 5,500) determined with respect to the Final Valuation Date is divided by the initial price (GBP 5,400), which is equal to 1.0185 and, when expressed as a percentage, is 101.85%. Therefore, the Relevant Final Performance is 101.85%.</p>												
<p>(2) <b><i>Is the Relevant Final Performance greater than or equal to the Return Threshold?</i></b></p> <p>The Relevant Final Performance is 101.85%, which is higher than the Return Threshold set at 100%.</p> <p>Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by 100% + the Digital Return Percentage (100% + 5% = 105%).</p>												
<p>(3) <b><i>Multiplying the result of the formula by the specified calculation amount of the Note</i></b></p> <p>The Final Redemption Amount per calculation amount of a Note will be:</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="padding-right: 20px;">GBP</td> <td style="padding-right: 20px;">1,000</td> <td style="padding-right: 20px;">x</td> <td style="padding-right: 20px;">(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td style="padding-right: 20px;">105%</td> <td></td> <td style="padding-right: 20px;">(100% + Digital Return Percentage)</td> </tr> <tr> <td></td> <td style="border-top: 1px solid black; padding-top: 5px; padding-right: 20px;">1,050</td> <td></td> <td style="padding-right: 20px;"><b>The Final Redemption Amount per calculation amount of a Note</b></td> </tr> </table>	GBP	1,000	x	(The specified calculation amount of the Note)		105%		(100% + Digital Return Percentage)		1,050		<b>The Final Redemption Amount per calculation amount of a Note</b>
GBP	1,000	x	(The specified calculation amount of the Note)									
	105%		(100% + Digital Return Percentage)									
	1,050		<b>The Final Redemption Amount per calculation amount of a Note</b>									

(e) *Digital Growth with Barrier Redemption*

*Overview of Digital Growth with Barrier Redemption*

Digital Growth with Barrier Redemption provides the investor with protection on its investment plus a return upside subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by the greater of (i) 100% plus a percentage amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (as applicable) multiplied by a specified participation factor (which may be subject to a cap) and (ii) 100% + a fixed return percentage (the "**Digital Return Percentage**").

If the Relevant Final Performance is below the specified return threshold:

- if a Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance; and
- if no Barrier Event has occurred, the investor will be entitled to an amount equal to the specified calculation amount of the Note multiplied by a minimum return percentage (the "**Conditional Protection Percentage**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- Relevant Final Performance;

- the Return Threshold specified;
- the Conditional Protection Percentage;
- the Digital Return Percentage;
- the Barrier Level specified;
- whether a Barrier Event has occurred;
- any participation factor specified; and
- the maximum cap specified (if any).

If "Digital Growth with Barrier Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) the higher of:
    - (A) a percentage amount equal to (X) 100% + (Y) a percentage representing the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**"; and
    - (B) a percentage amount equal to (X) 100% + (Y) the Digital Return Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}\{100\% + \text{Digital Return Percentage}; 100\% \\ + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]\};$$

- If the Relevant Final Performance is less than the Return Threshold:
  - if the Relevant Observation Performance is (X) less than (if "Non-Inclusive" is specified with respect to the Barrier Event) or (Y) less than or equal to (if "Inclusive" is specified with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") in respect of any relevant barrier valuation date (i.e. a "**Barrier Event**" has occurred), the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Relevant Final Performance; and
  - if no Barrier Event has occurred, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Conditional Protection Percentage.

**Digital Growth with Barrier Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to the ordinary shares of Company A and which specifies Digital Growth with Barrier Redemption and has a term of 6 years.
- The initial security price of Company A set out in the relevant Final Terms is EUR 200.
- The calculation amount of the Note is GBP 1,000.

- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Specified Price of the Company A Security with respect to the Final Valuation Date is EUR 205, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Conditional Protection Percentage is 100%.
- The Digital Return Percentage is equal to 5%.
- The Participation is 100%.
- The Cap is 50%.
- "Average Price" is specified to apply with respect to the Barrier Valuation Date and the Specified Price of the Company A Security with respect to the Barrier Valuation Date is EUR 190, as determined by the Calculation Agent using the "Average Price" valuation method.
- The Barrier Level is 90%.
- The Barrier is specified to be Non-Inclusive.

(1) ***What is the Relevant Final Performance?***

The Specified Price of the Security (EUR 205) determined with respect to the Final Valuation Date is divided by the initial price (EUR 200), which is equal to 1.025 and, when expressed as a percentage, is 102.5%. Therefore, the Relevant Final Performance is 102.5%.

(2) ***Is the Relevant Final Performance greater than or equal to the Return Threshold?***

The Relevant Final Performance is 102.5%, which is higher than the Return Threshold set at 100%.

Therefore, the following formula will apply for the purposes of determining the redemption amount:

$$\text{Max } \{100\% + \text{Digital Return Percentage}; 100\% \\ + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max } [0; \text{Relevant Final Performance} - 100\%]]\};$$

(3) ***Calculating the formula***

When working out the following formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

$$\text{Max } \{100\% + \text{Digital Return Percentage}; 100\% \\ + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max } [0; \text{Relevant Final Performance} - 100\%]]\}$$

On the basis of the assumptions provided above, the variables can be determined as follows:

- The Relevant Final Performance minus 100% (102.5% less 100% is equal to 2.5%) is greater than 0, and so 2.5% is used in the third part of the formula.
- The Participation (100%) multiplied by 2.5% equals 2.5%, which is less than the Cap (50%), and so 2.5% is used in the second part of the formula rather than the Cap.
- Once these variables are inserted into the second and third parts of the formula, the calculation is 100% + 2.5%, which is equal to 102.5%.
- The percentage produced by the second and third parts of the formula (102.5%) is less than 100% plus the Digital Return Percentage (5%) (100% + 5% = 105%) specified in the first part of the formula, so the overall percentage produced by the formula is 105%

(3)	<b><i>Multiplying the result of the formula by the specified calculation amount of the Note</i></b>		
	The Final Redemption Amount per calculation amount of a Note will be:		
	GBP	1,000	x (The specified calculation amount of the Note)
		105%	(100% + Digital Return Percentage)
	<b>GBP</b>	<b>1050</b>	<b>The Final Redemption Amount per calculation amount of a Note</b>

(f) *Growth with Full Protection Redemption*

*Overview of Growth with Full Protection Redemption*

Growth with Full Protection Redemption provides the investor with protection on its investment plus a return upside. The investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by the greater of (i) 100% plus a percentage amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (as applicable) multiplied by a specified participation factor (which may be subject to a cap) and (ii) a minimum return percentage (the "**Protection Level Percentage**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Protection Level Percentage specified;
- any participation factor specified; and
- the maximum cap specified (if any).

*Calculation of the Final Redemption Amount*

If "Growth with Full Protection Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- An investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) the higher of:
    - (A) a percentage amount equal to (X) 100% + (Y) a percentage representing the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**"; and
    - (B) a percentage amount equal to the Protection Level Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max \{Protection Level Percentage; 100\%} \\ + \text{Min[Cap; Participation} \times \text{Max [0; Relevant Final Performance - 100\%]\}};$$

**Growth with Full Protection Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to a basket of indices comprised of the FTSE®100 Index and the S&P 500® Index and which specifies Growth with Full Protection Redemption and has a term of 6 years.
- "Best Of Basket" is specified in the Final Terms.
- The calculation amount of the Note is GBP 50.
- The initial index level of the FTSE®100 Index set out in the relevant Final Terms is 6,800 and the initial index level of the S&P 500® Index set out in the relevant Final Terms is 2,300.
- "Highest Level" is specified to apply with respect to the Final Valuation Date -
  - The Specified Level of the FTSE®100 Index is 7,400, as determined by the Calculation Agent using the "Highest Level" valuation method.
  - The Specified Level of the S&P 500® Index is 2,300, as determined by the Calculation Agent using the "Highest Level" valuation method.
- The Protection Level Percentage is 106%.
- The Participation is 100%.
- The Cap is 60%.

(1) ***What is the Specified Level of the Basket with respect to the Final Valuation Date?***

"Best of Basket" is specified to apply. This means that the Specified Level of the Basket with respect to the Final Valuation Date will be the Specified Level of the best performing Index in the Basket as determined with respect to the Final Valuation Date.

In order to determine the best performing Index, the Specified Level of each Index with respect to the Final Valuation Date is divided by the initial index level of such Index –

FTSE®100 Index –  $7,400 / 6,800 = 1.0882$  (expressed as a percentage is 108.82%)

S&P 500® Index –  $2,300 / 2,300 = 1.00$  (expressed as a percentage is 100.00%)

The level of the FTSE®100 Index has risen more percentage terms than the level of the S&P 500® Index, thus the FTSE®100 Index is the "Best Performing" Index.

Thus the Specified Level of the Basket with respect to the Final Valuation Date will be the Specified Level of the FTSE®100 Index – 7,400.

(2) ***What is the Relevant Final Performance?***

The Relevant Final Performance is determined by dividing the Specified Level of the Basket with respect to the Final Valuation Date by the initial value of the Basket -  $7,400 / 6,800 = 1.0882$ , which, when expressed as a percentage, is 108.82%.

Therefore, the Relevant Final Performance is 108.82%.

(3) ***Calculating the formula***

When working out the following formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

Max {Protection Level Percentage; 100%  
+ Min[Cap; Participation × Max [0; Relevant Final Performance - 100%]]};

On the basis of the assumptions provided above, the variables can be determined as follows:

- The Relevant Final Performance minus 100% (108.82% less 100% is equal to 8.82%) is greater than 0, and so 8.82% is used in the third part of the formula.
- The Participation (100%) multiplied by 8.82% equals 8.82%, which is less than the Cap (60%), and so 8.82% is used in the second part of the formula rather than the Cap.
- Once these variables are inserted into the second and third parts of the formula, the calculation is 100% + 8.82%, which is equal to 108.82%.
- The percentage produced by the second and third parts of the formula (108.82%) is greater than the Protection Level Percentage (106%) specified in the first part of the formula, so the overall percentage produced by the formula is 108.82%

(6) *Multiplying the result of the formula by the specified calculation amount of the Note*

The Final Redemption Amount per calculation amount of a Note will be:

GBP	50	x	(The specified calculation amount of the Note)
	108.82%		(The percentage ascertained from the formula representing the positive performance of the Underlying)
<b>GBP</b>	<b>54.41</b>		<b>The Final Redemption Amount per calculation amount of a Note</b>

(g) *Growth with Partial Protection Redemption*

*Overview of Growth with Partial Protection Redemption*

Growth with Partial Protection Redemption provides the investor with protection on its investment plus a return upside subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by an amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (as applicable) multiplied by a specified participation factor (which may be subject to a cap).

If the Relevant Final Performance is below the specified return threshold, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the greater of (i) the Relevant Final Performance; and (ii) a fixed return percentage (the "**Minimum Redemption Percentage**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold specified;
- the Minimum Redemption Percentage;
- any participation factor; and
- the maximum cap (if any).



If "Growth with Partial Protection Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to (X) 100% + (Y) a percentage representing the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**".

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- If the Relevant Final Performance is less than the Return Threshold, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the greater of:
  - (i) the Relevant Final Performance; and
  - (ii) the Minimum Return Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}[\text{Minimum Return Percentage}; \text{Relevant Final Performance}]$$

**Growth with Partial Protection Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to the ordinary shares of Company A and which specifies Growth with Partial Protection Redemption and has a term of 6 years.
- The initial security price of Company A set out in the relevant Final Terms is GBP 120.
- The calculation amount of the Note is GBP 100.
- "Average Price" is specified to apply with respect to the Final Valuation Date and the Specified Price of the Company A Security with respect to the Final Valuation Date is GBP 105, as determined by the Calculation Agent using the "Average Price" valuation method.
- The Return Threshold is 90%.
- The Participation is 100%.
- The Cap is 50%.
- The Minimum Redemption Percentage is 80%.

(1) ***What is the Relevant Final Performance?***

The Specified Price of the Security (GBP 105) determined with respect to the Final Valuation Date is divided by the initial price (GBP 120), which is equal to 0.875 and, when expressed as a percentage, is 87.5%. Therefore, the Relevant Final Performance is 87.5%.

(2)	<p><b><i>Is the Relevant Final Performance greater than or equal to the Return Threshold?</i></b></p> <p>The Relevant Final Performance is 87.5%, which is lower than the Return Threshold set at 90%.</p> <p>Therefore, the following formula will apply for the purposes of determining the redemption amount:</p> <p style="text-align: center;">Max[Minimum Return Percentage; Relevant Final Performance]</p>												
(3)	<p><b><i>Calculating the formula</i></b></p> <p>When working out the following formula, the first step is to determine the variables in the formula described using "MAX" which means the greater of.</p> <p style="text-align: center;">Max[Minimum Return Percentage; Relevant Final Performance]</p> <p>The Relevant Final Performance is greater than the Minimum Redemption Percentage so the percentage produced by the formula is equal to the Relevant Final Performance (87.5%).</p>												
(4)	<p><b><i>Multiplying the result of the formula by the specified calculation amount of the Note</i></b></p> <p>The Final Redemption Amount per calculation amount of a Note will be:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">GBP</td> <td style="width: 15%; text-align: center;">100</td> <td style="width: 5%; text-align: center;">x</td> <td style="width: 70%;">(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td style="text-align: center;">87.5%</td> <td></td> <td>(The percentage ascertained from the formula representing the negative performance of the Underlying)</td> </tr> <tr> <td style="border-top: 1px solid black;"><b>GBP</b></td> <td style="border-top: 1px solid black; text-align: center;"><b>87.5</b></td> <td></td> <td><b>The Final Redemption Amount per calculation amount of a Note</b></td> </tr> </table>	GBP	100	x	(The specified calculation amount of the Note)		87.5%		(The percentage ascertained from the formula representing the negative performance of the Underlying)	<b>GBP</b>	<b>87.5</b>		<b>The Final Redemption Amount per calculation amount of a Note</b>
GBP	100	x	(The specified calculation amount of the Note)										
	87.5%		(The percentage ascertained from the formula representing the negative performance of the Underlying)										
<b>GBP</b>	<b>87.5</b>		<b>The Final Redemption Amount per calculation amount of a Note</b>										

(h) *Digital with Partial Protection Redemption*

*Overview of Digital with Partial Protection Redemption*

Digital with Partial Protection Redemption provides the investor with protection on its investment plus a return upside subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by 100% + a fixed return percentage (the "**Digital Return Percentage**").

If the Relevant Final Performance is below the specified return threshold, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the greater of (i) the Relevant Final Performance; and (ii) a fixed return percentage (the "**Minimum Redemption Percentage**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold;
- the Digital Return Percentage; and
- the Minimum Return Percentage.

If "Digital with Partial Protection Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to (X) 100% + (Y) the Digital Return Percentage

- If the Relevant Final Performance is less than the Return Threshold, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the greater of:
  - (i) the Relevant Final Performance; and
  - (ii) the Minimum Return Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}[\text{Minimum Return Percentage}; \text{Relevant Final Performance}]$$

**Digital with Partial Protection Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in USD linked to the ordinary shares of Company X and which specifies Digital with Partial Protection Redemption and has a term of 6 years.
- The initial security price of Company X set out in the relevant Final Terms is USD 1,500.
- The calculation amount of the Note is USD 100.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Specified Price of the Company X Security with respect to the Final Valuation Date is USD 1,575, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Digital Return Percentage is equal to 7.5%.
- The Minimum Return Percentage is equal to 60%

(1) ***What is the Relevant Final Performance?***

The Specified Price of the Security (USD 1,575) determined with respect to the Final Valuation Date is divided by the initial price (USD 1,500), which is equal to 1.05 and, when expressed as a percentage, is 105%. Therefore, the Relevant Final Performance is 105%.

(2) ***Is the Relevant Final Performance greater than or equal to the Return Threshold?***

The Relevant Final Performance is 105%, which is higher than the Return Threshold set at 100%.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by 100% + the Digital Return Percentage (100% + 7.5% = 107.5%)

(3) ***Multiplying the result of the formula by the specified calculation amount of the Note***

The Final Redemption Amount per calculation amount of a Note will be:

USD	100	x	(The specified calculation amount of the Note)
	107.5%		(100% + Digital Return Percentage)
USD	<b>107.50</b>		<b>The Final Redemption Amount per calculation amount of a Note</b>

(i) *Buffer Redemption*

*Overview of Buffer Redemption*

Buffer Redemption provides the investor with a return capped at 100%. The investor will be entitled to an amount equal to the specified calculation amount of the Notes subject to the Relevant Final Performance being equal to or greater than the specified return threshold known as the "**Strike Percentage**".

If the Relevant Final Performance is below the Strike Percentage, the investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note multiplied by an amount which reflects the depreciation of the relevant Underlying or Basket of Underlyings (as applicable) as against Strike Percentage.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance; and
- the Strike Percentage.

*Calculation of the Final Redemption Amount*

If "Buffer Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Strike Percentage**", then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.
- If the Relevant Final Performance is less than the Strike Percentage, the investor will be entitled to an amount on redemption equal to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to the Relevant Final Performance divided by the Strike Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$[\text{Relevant Final Performance}/\text{Strike Percentage}]$$

**Buffer Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in EUR linked to the EURO STOXX 50® Index and which specifies Buffer Redemption and has a term of 6 years.
- The calculation amount of the Note is EUR 100.
- The initial index level of the EURO STOXX 50® Index set out in the relevant Final Terms is 3,500.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Specified Level of the EURO STOXX 50® Index is 3,200, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Strike Percentage is 95%.

(1) ***What is the Relevant Final Performance?***

<p>The Specified Level of the Index (3,200) determined with respect to the Final Valuation Date is divided by the initial index level (3,500), which is equal to 0.9143 and, when expressed as a percentage, is 91.43%. Therefore, the Relevant Final Performance is 91.43%.</p>													
(2)	<p><b><i>Is the Relevant Final Performance greater than the Strike Percentage?</i></b></p> <p>The Relevant Final Performance is 91.43%, which is lower than the Strike Percentage set at 95%.</p> <p>Therefore, the following formula will apply for the purposes of determining the redemption amount:</p> <p style="text-align: center;">[Relevant Final Performance / Strike Percentage]</p>												
(2)	<p><b><i>Calculating the formula</i></b></p> <p style="text-align: center;">[Relevant Final Performance / Strike Percentage]</p> <p>The Relevant Final Performance (91.43%) divided by Strike Percentage (95%) is equal to 96.24%.</p>												
(6)	<p><b><i>Multiplying the result of the formula by the specified calculation amount of the Note</i></b></p> <p>The Final Redemption Amount per calculation amount of a Note will be:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">EUR</td> <td style="width: 10%; text-align: right;">100</td> <td style="width: 5%; text-align: center;">x</td> <td style="width: 75%;">(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td style="text-align: right;">96.24%</td> <td></td> <td>(The percentage ascertained from the formula representing the negative performance of the Underlying)</td> </tr> <tr> <td style="border-top: 1px solid black;">EUR</td> <td style="border-top: 1px solid black; text-align: right;">96.24</td> <td></td> <td><b>The Final Redemption Amount per calculation amount of a Note</b></td> </tr> </table>	EUR	100	x	(The specified calculation amount of the Note)		96.24%		(The percentage ascertained from the formula representing the negative performance of the Underlying)	EUR	96.24		<b>The Final Redemption Amount per calculation amount of a Note</b>
EUR	100	x	(The specified calculation amount of the Note)										
	96.24%		(The percentage ascertained from the formula representing the negative performance of the Underlying)										
EUR	96.24		<b>The Final Redemption Amount per calculation amount of a Note</b>										

(j) *Booster with Buffer Redemption*

*Overview of Booster with Buffer Redemption*

Booster with Buffer Redemption provides the investor with protection on its investment plus a return upside subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by an amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (as applicable) multiplied by a specified participation factor (which may be subject to a cap).

If the Relevant Final Performance is below the specified return threshold but greater than or equal to a specified percentage of the initial performance (the "**Strike Percentage**"), the investor will be entitled to an amount equal to the specified calculation amount of the Notes.

If the Relevant Final Performance is below the specified return threshold and the Strike Percentage, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by an amount which reflects the depreciation of the relevant Underlying or Basket of Underlyings as against the Strike Percentage.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold;
- the Strike Percentage;
- any participation factor; and
- the maximum cap (if any).

*Calculation of the Final Redemption Amount*

If "Booster with Buffer Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to (X) 100% + (Y) a percentage representing the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**"; and

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- If the Relevant Final Performance is less than the Return Threshold, but equal to or greater than a specified percentage of the initial performance (the "**Strike Percentage**") then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.
- If the Relevant Final Performance is less than the Strike Percentage and less than the Return Threshold, the investor will be entitled to an amount on redemption equal to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to the Relevant Final Performance divided by the Strike Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$[\text{Relevant Final Performance} / \text{Strike Percentage}]$$

**Booster with Buffer Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in EUR linked to a weighted basket of indices comprised of the EURO STOXX 50® Index and the S&P 500® Index and which specifies Booster with Buffer Redemption and has a term of 6 years.
- The calculation amount of the Note is EUR 100.
- The initial index level of the EURO STOXX 50® Index set out in the relevant Final Terms is 3,500 and the initial index level of the S&P 500® Index set out in the relevant Final Terms is 2,200.
- The weightings of each Index specified in the relevant Final Terms is as follows:

Weighting	Index
80%	EURO STOXX 50® Index
20%	S&P 500® Index

- "Average Basket" is specified in the Final Terms.

<ul style="list-style-type: none"> <li>• "Single Observation" is specified to apply with respect to the Final Valuation Date - <ul style="list-style-type: none"> <li>• The Specified Level of the EURO STOXX 50® Index is 3,400, as determined by the Calculation Agent using the "Single Observation" valuation method.</li> <li>• The Specified Level of the S&amp;P 500® Index is 2,150, as determined by the Calculation Agent using the "Single Observation" valuation method.</li> </ul> </li> <li>• The Return Threshold is 100%.</li> <li>• The Strike Percentage is 95%.</li> <li>• The Participation is 100%.</li> <li>• The Cap is 60%.</li> </ul>
<p>(1) <b><i>What is the Relevant Final Performance of each Index in the Basket?</i></b></p> <p>The Relevant Final Performance of the EURO STOXX 50® Index is determined by dividing the Specified Level by the initial index level – 3,400 divided by 3,500 = 97.14%</p> <p>The Relevant Final Performance of the S&amp;P 500® Index is determined by dividing the Specified Level by the initial index level – 2,150 divided by 2,200 = 97.73%</p>
<p>(2) <b><i>What is the Relevant Final Performance of the Basket?</i></b></p> <p>The Relevant Final Performance is determined by determining the weighted average of the Relevant Final Performance of each Index – so <math>[(80\% \times 97.14\%) = 77.71\%] + [(20\% \times 97.73\%) = 19.55\%] = 97.26\%</math></p>
<p>(3) <b><i>Is the Relevant Final Performance greater than or equal to the Return Threshold?</i></b></p> <p>The Relevant Final Performance is 97.26%, which is less than the Return Threshold set at 100%.</p>
<p>(4) <b><i>Is the Relevant Final Performance greater than or equal to the Strike Percentage?</i></b></p> <p>The Relevant Final Performance is 97.26%, which is greater than the Strike Percentage.</p> <p>Therefore, the redemption amount of the Note will be equal to the specified calculation amount.</p>

(k) *Digital with Buffer Redemption*

*Overview of Digital with Buffer Redemption*

Digital with Buffer Redemption provides the investor with protection on its investment plus a fixed return upside subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by 100% + a fixed return percentage (the "**Digital Return Percentage**").

If the Relevant Final Performance is below the specified return threshold but greater than or equal to a specified percentage of the initial performance (the "**Strike Percentage**"), the investor will be entitled to an amount equal to the specified calculation amount of the Notes.

If the Relevant Final Performance is below the specified return threshold and the Strike Percentage, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied an amount which reflects the depreciation of the relevant Underlying or Basket of Underlyings as against the Strike Percentage.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold

- the Digital Return Percentage; and
- the Strike Percentage.

*Calculation of the Final Redemption Amount*

If "Digital with Buffer Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to 100% + the Digital Return Percentage
- If the Relevant Final Performance is less than the Return Threshold, but equal to or greater than a specified percentage of the initial performance (the "**Strike Percentage**") then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.
- If the Relevant Final Performance is less than the Strike Percentage and less than the Return Threshold, the investor will be entitled to an amount on redemption equal to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to the Relevant Final Performance divided by the Strike Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$[\text{Relevant Final Performance/Strike Percentage}]$$

**Digital with Buffer Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in USD linked to the ordinary shares of Company X and which specifies Digital with Buffer Redemption and has a term of 6 years.
- The initial security price of Company X set out in the relevant Final Terms is USD 1,500.
- The calculation amount of the Note is USD 100.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Specified Price of the Company X Security with respect to the Final Valuation Date is USD 1,575, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Strike Percentage is 80%.
- The Digital Return Percentage is equal to 7.5%.

(1) ***What is the Relevant Final Performance?***

The Specified Price of the Security (USD 1,575) determined with respect to the Final Valuation Date is divided by the initial price (USD 1,500), which is equal to 1.05 and, when expressed as a percentage, is 105%. Therefore, the Relevant Final Performance is 105%.



(2)	<b><i>Is the Relevant Final Performance greater than or equal to the Return Threshold?</i></b>		
	The Relevant Final Performance is 105%, which is higher than the Return Threshold set at 100%.		
	Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by 100% + the Digital Return Percentage (100% + 7.5% = 107.5%)		
(3)	<b><i>Multiplying the result of the formula by the specified calculation amount of the Note</i></b>		
	The Final Redemption Amount per calculation amount of a Note will be:		
	USD	100	x (The specified calculation amount of the Note)
		107.5%	(100% + Digital Return Percentage)
	<b>USD</b>	<b>107.50</b>	<b>The Final Redemption Amount per calculation amount of a Note</b>

(1) *Digital Growth with Buffer Redemption*

*Overview of Digital Growth with Buffer Redemption*

Digital Growth with Buffer Redemption provides the investor with protection on its investment plus a return upside subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by the greater of (i) 100% plus a percentage amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (as applicable) multiplied by a specified participation factor (which may be subject to a cap) and (ii) 100% + a fixed return percentage (the "**Digital Return Percentage**").

If the Relevant Final Performance is below the specified return threshold but greater than or equal to a specified percentage of the initial performance (the "**Strike Percentage**"), the investor will be entitled to an amount equal to the specified calculation amount of the Notes.

If the Relevant Final Performance is below the specified return threshold and the Strike Percentage, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied an amount which reflects the depreciation of the relevant Underlying or Basket of Underlyings as against the Strike Percentage.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold;
- the Digital Return Percentage;
- the Strike Percentage;
- any participation factor; and
- the maximum cap (if any).

If "Digital Growth with Buffer Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; *multiplied by*

- (ii) the higher of:
- (A) a percentage amount equal to (X) 100% + (Y) a percentage representing the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**"; and
  - (B) a percentage amount equal to (X) 100% + (Y) the Digital Return Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max } \{100\% + \text{Digital Return Percentage}; 100\% \\ + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max } [0; \text{Relevant Final Performance} - 100\%]]\};$$

- If the Relevant Final Performance is less than the Return Threshold, but equal to or greater than a specified percentage of the initial performance (the "**Strike Percentage**") then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.
- If the Relevant Final Performance is less than the Strike Percentage and less than the Return Threshold, the investor will be entitled to an amount on redemption equal to:
  - (i) the calculation amount of the Note; *multiplied by*
  - (ii) a percentage amount equal to the Relevant Final Performance divided by the Strike Percentage.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$[\text{Relevant Final Performance}/\text{Strike Percentage}]$$

**Digital Growth with Buffer Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to the S&P 500® Index and which specifies Digital Growth with Buffer Redemption and has a term of 6 years.
- The initial index level of the S&P 500® Index set out in the relevant Final Terms is 5,400.
- The calculation amount of the Note is GBP 1,000.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Specified Level of the S&P 500® Index with respect to the Final Valuation Date is 5,500, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Digital Return Percentage is equal to 5%
- The Participation is 100%.
- The Cap is 50%.
- The Strike Percentage is 85%.

(1)	<p><b><i>What is the Relevant Final Performance?</i></b></p> <p>The Specified Level of the Index (5,500) determined with respect to the Final Valuation Date is divided by the initial index level (5,400), which is equal to 1.0185 and, when expressed as a percentage, is 101.85%. Therefore, the Relevant Final Performance is 101.85%.</p>												
(2)	<p><b><i>Is the Relevant Final Performance greater than or equal to the Return Threshold?</i></b></p> <p>The Relevant Final Performance is 101.85%, which is higher than the Return Threshold set at 100%. Therefore, the following formula will apply for the purposes of determining the redemption amount:</p> $\text{Max}\{100\% + \text{Digital Return Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\}$												
(3)	<p><b><i>Calculating the formula</i></b></p> <p>When working out the following formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.</p> $\text{Max}\{100\% + \text{Digital Return Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\};$ <p>On the basis of the assumptions provided above, the variables can be determined as follows:</p> <ul style="list-style-type: none"> <li>• The Relevant Final Performance minus 100% (101.85% less 100% is equal to 1.85%) is greater than 0, and so 1.85% is used in the third part of the formula.</li> <li>• The Participation (100%) multiplied by 1.85% equals 1.85%, which is less than the Cap (50%), and so 1.85% is used in the second part of the formula rather than the Cap.</li> <li>• Once these variables are inserted into the second and third parts of the formula, the calculation is 100% + 1.85%, which is equal to 101.85%.</li> <li>• The percentage produced by the second and third parts of the formula (101.85%) is less than 100% plus the Digital Return Percentage (5%) (100% + 5% = 105%) specified in the first part of the formula, so the overall percentage produced by the formula is 105%</li> </ul>												
(4)	<p><b><i>Multiplying the result of the formula by the specified calculation amount of the Note</i></b></p> <p>The Final Redemption Amount per calculation amount of a Note will be:</p> <table style="margin-left: 40px;"> <tr> <td>GBP</td> <td>1,000</td> <td>x</td> <td>(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td>105%</td> <td></td> <td>(100% + Digital Return Percentage)</td> </tr> <tr> <td><b>GBP</b></td> <td><b>1,050</b></td> <td></td> <td><b>The Final Redemption Amount per calculation amount of a Note</b></td> </tr> </table>	GBP	1,000	x	(The specified calculation amount of the Note)		105%		(100% + Digital Return Percentage)	<b>GBP</b>	<b>1,050</b>		<b>The Final Redemption Amount per calculation amount of a Note</b>
GBP	1,000	x	(The specified calculation amount of the Note)										
	105%		(100% + Digital Return Percentage)										
<b>GBP</b>	<b>1,050</b>		<b>The Final Redemption Amount per calculation amount of a Note</b>										

(m) *Step-Down Growth with Partial Protection Redemption*

*Overview of Step-Down Growth with Partial Protection Redemption*

Step-Down Growth with Partial Protection Redemption provides the investor with partial protection on its investment plus a return upside subject to the Relevant Final Performance being equal to or greater than a specified return threshold. In that case, the investor will be entitled to the sum of (i) an amount equal to the specified calculation amount of the Notes multiplied by a fixed percentage (the "**Minimum Redemption Percentage**") and (ii) an amount equal to the specified calculation amount of the Notes multiplied by a percentage amount which reflects the appreciation of the relevant Underlying or Basket of Underlyings (as applicable) multiplied by a specified participation factor, subject to a maximum cap.

If the Relevant Final Performance is below the specified return threshold, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Minimum Redemption Percentage.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Relevant Final Performance;
- the Return Threshold specified;
- the Minimum Redemption Percentage;
- any participation factor; and
- the maximum cap (if any).

If "Step-Down Growth with Partial Protection Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to:
  - (i) the calculation amount of the Note; multiplied by the lower of:
    - (A) 100% + a fixed percentage (the "**Cap**")
    - (B) the sum of:
      - (1) a fixed percentage (the "**Minimum Redemption Percentage**"); and
      - (2) a percentage amount equal to the performance of the relevant Underlying or Basket of Underlyings multiplied by a percentage factor (the "**Participation**").

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$\text{Min}[100\% + \text{Cap}; \text{Minimum Redemption Percentage} + [\text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]]$

- If the Relevant Final Performance is less than the Return Threshold, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Minimum Redemption Percentage.

**Step-Down Growth with Partial Protection Redemption worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to the FTSE®100 Index and which specifies Step-Down Growth with Partial Protection Redemption and has a term of 6 years.
- The initial index level of the FTSE®100 Index set out in the relevant Final Terms is 5,000.
- The calculation amount of the Note is GBP 1,000.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Specified Level of the FTSE®100 Index with respect to the Final Valuation Date is 4,800, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Participation is 100%.

<ul style="list-style-type: none"> <li>• The Cap is 10%.</li> <li>• The Minimum Redemption Percentage is 90%.</li> </ul>												
<p>(1) <b><i>What is the Relevant Final Performance?</i></b></p> <p>The Specified Level of the Index (4,800) determined with respect to the Final Valuation Date is divided by the initial index level (5,000), which is equal to 0.96 and, when expressed as a percentage, is 96%. Therefore, the Relevant Final Performance is 96%.</p>												
<p>(2) <b><i>Is the Relevant Final Performance greater than or equal to the Return Threshold?</i></b></p> <p>The Relevant Final Performance is 96%, which is lower than the Return Threshold set at 100%.</p> <p>Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied the Minimum Redemption Percentage (90%)</p>												
<p>(3) <b><i>Multiplying the result of the formula by the specified calculation amount of the Note</i></b></p> <p>The Final Redemption Amount per calculation amount of a Note will be:</p> <table style="margin-left: 40px;"> <tr> <td>GBP</td> <td>1,000</td> <td>x</td> <td>(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td>90%</td> <td></td> <td>(Minimum Redemption Percentage)</td> </tr> <tr> <td><b>GBP</b></td> <td><b>900</b></td> <td></td> <td><b>The Final Redemption Amount per calculation amount of a Note</b></td> </tr> </table>	GBP	1,000	x	(The specified calculation amount of the Note)		90%		(Minimum Redemption Percentage)	<b>GBP</b>	<b>900</b>		<b>The Final Redemption Amount per calculation amount of a Note</b>
GBP	1,000	x	(The specified calculation amount of the Note)									
	90%		(Minimum Redemption Percentage)									
<b>GBP</b>	<b>900</b>		<b>The Final Redemption Amount per calculation amount of a Note</b>									

(n) *Fixed Amount Redemption*

*Overview of Fixed Amount Redemption*

Fixed Amount Redemption provides the investor with a fixed rate of return on the principal amount of the Notes. The investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by a fixed percentage, which may be specified in the relevant Final Terms as equal to, more than or less than, 100% (the "**Fixed Amount Redemption Rate**").

Accordingly, the Final Redemption Amount payable to the investor will depend only on the specified Fixed Amount Redemption Rate.

*For the avoidance of doubt, where Fixed Amount Redemption is specified to apply, the Final Redemption Amount of the Notes shall not be determined by reference to any Underlying(s).*

(4) ***Lock-In Redemption Event***

The calculation of a Lock-In Redemption Amount in respect of a Note is only required if "Lock-In Redemption Event" is stated to be applicable in the relevant Final Terms, subject to the occurrence of a Lock-In Redemption Event.

If "Lock-In Redemption Event" is stated to be applicable in the relevant Final Terms, the following will apply.

- If, with respect to any Lock-In Redemption Valuation Date, the Relevant Observation Performance determined with respect to such Lock-In Redemption Valuation Date is equal to or greater than a percentage specified in the relevant Final Terms as the "**Lock-In Redemption Trigger Level**", a "**Lock-In Redemption Event**" will occur. In these circumstances, at the Maturity Date the Final Redemption Amount payable to investors will be equal to a fixed percentage return regardless of the performance of the Underlying or Basket of Underlyings to which the Notes are linked or the other specified redemption provisions.

- If no Lock-In Redemption Event occurs during the life of the Note, the Note will be redeemed at its Final Redemption Amount (as calculated in accordance with the redemption provisions specified in relation to the Note) on the Maturity Date.

**Booster with Barrier Redemption with Lock-In Redemption Event worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases the Note described in the worked example in sub-section (3)(a) but Lock-In Redemption Event is specified as applicable.
- "Highest Level" is specified to apply with respect to the Lock-In Redemption Valuation Date and the Specified Level of the FTSE®100 Index with respect to the Lock-In Redemption Valuation Date is 7,200, as determined by the Calculation Agent using the "Highest Level" valuation method.
- The Lock-In Redemption Trigger Level is 110%.
- The Lock-In Redemption Percentage is 103%.

(1) ***What is the Relevant Observation Performance with respect to the Lock-In Redemption Valuation Date?***

The Specified Level of the Index determined with respect to the Lock-In Redemption Valuation Date (7,200) is divided by the initial index level (6,400), which is equal to 1.125 and, when expressed as a percentage, is 112.5%. Therefore, the Relevant Observation Performance with respect to the Lock-In Redemption Valuation Date is 112.5%.

(2) ***Has a Lock-In Redemption Event occurred?***

A Lock-In Redemption Event will occur if the Relevant Observation Performance determined with respect to the Lock-In Redemption Valuation Date is greater than or equal to the Lock-In Redemption Trigger Level.

The Relevant Observation Performance determined with respect to the Lock-In Redemption Valuation Date (112.5%) is greater than the Lock-In Redemption Trigger Level (110%), so a Lock-In Redemption Event has occurred.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied the Lock-In Redemption Percentage (103%) (in place of any redemption amount calculated pursuant to the Booster with Barrier Redemption provisions specified to apply with respect to the Note).

(5) ***Early Redemption for Autocallable Notes***

The calculation of an Automatic Early Redemption Amount in respect of a Note is only required if "Early Redemption for Autocallable Notes" is stated to be applicable in the relevant Final Terms, subject to the occurrence of an Automatic Early Redemption Event.

If "Early Redemption for Autocallable Notes" is stated to be applicable in the relevant Final Terms, the following will apply.

- If, on an Automatic Early Redemption Valuation Date, the Relevant Observation Performance determined with respect to the Automatic Early Redemption Valuation Date is equal to or greater than a percentage specified in the relevant Final Terms as the "**Automatic Early Redemption Percentage**", an "**Automatic Early Redemption Event**" will occur and the Note will be redeemed in whole for an amount equal to the principal amount of the Note multiplied by a percentage specified in the relevant Final Terms as the "**Automatic Early Redemption Rate**".

- If on an Automatic Early Redemption Valuation Date no Automatic Early Redemption Event occurs, the Note will not be redeemed at that time but will continue until the next Automatic Early Redemption Valuation Date (if any). If no Automatic Early Redemption Event occurs with respect to any of the specified Automatic Early Redemption Valuation Dates, the Note will be redeemed at its Final Redemption Amount on the Maturity Date.

**Automatic Early Redemption Amount worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases an autocallable Note denominated in GBP linked to a basket of securities comprised of the ordinary shares of Company A and the ordinary shares of Company B and which specifies Early Redemption for Autocallable Notes as being applicable in the relevant Final Terms and has a term of 6 years.
- The calculation amount of the Note is GBP 1,000.
- "Worst Of Basket" is specified in the Final Terms.
- The initial security price of the ordinary shares of Company A set out in the relevant Final Terms is GBP 3,404.00 and the initial security price of the ordinary shares of Company B set out in the relevant Final Terms is GBP 4,226.50.
- "Single Observation" is specified to apply with respect to each Automatic Early Redemption Valuation Date -
  - The Specified Price of the Company A Security with respect to the first Automatic Early Redemption Valuation Date is GBP 3,604, as determined by the Calculation Agent using the "Single Observation" valuation method.
  - The Specified Price of the Company B Security with respect to first Automatic Early Redemption Valuation Date is GBP 4,326.50, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Automatic Early Redemption Percentage set out in the relevant Final Terms in respect of the first Automatic Early Redemption Valuation Date is 110%.
- The Automatic Early Redemption Rate set out in the Final Terms in respect of the first Automatic Early Redemption Valuation Date is 108%.

(1) ***What is the Specified Price of the Basket with respect to the Automatic Early Redemption Valuation Date?***

"Worst of Basket" is specified to apply. This means that the Specified Price of the Basket with respect to the Automatic Early Redemption Valuation Date will be the Specified Price of the worst performing Security in the Basket as determined with respect to the Automatic Early Redemption Valuation Date.

In order to determine the worst performing Security, the Specified Price of each Security with respect to the Automatic Early Redemption Valuation Date is divided by the initial security price of such Security –

Company A Security –  $\text{GBP } 3,604 / \text{GBP } 3,404 = \text{GBP } 1.0588$  (expressed as a percentage is 105.88%)

Company B Security –  $\text{GBP } 4,326.50 / \text{GBP } 4,226.50 = \text{GBP } 1.0237$  (expressed as a percentage is 102.37%)

102.37% is lower than 105.88% and thus Company B Security is the worst performing security for the purposes of the Automatic Early Redemption Valuation Date. Thus the Specified Price of the Basket

with respect to the Automatic Early Redemption Valuation Date will be the Specified Price of Company B Security – GBP 4,326.50.

(2) ***What is the Relevant Observation Performance with respect to the Automatic Early Redemption Valuation Date?***

The Relevant Observation Performance is determined by dividing the Specified Price of the Basket with respect to the Automatic Early Redemption Valuation Date by the initial value of the Basket (which in this case will be the initial value of the worst performing Security, Company B Security) – GBP 4,326.50 / GBP 4,226.50 = GBP 1.0237, which, when expressed as a percentage, 102.37%

Therefore, the Relevant Final Performance is 102.37%.

(3) ***Is the Relevant Observation Performance with respect to the Automatic Early Redemption Valuation Date greater than or equal to the Automatic Early Redemption Percentage?***

The Relevant Observation Performance is 102.37%, which is less than the Automatic Early Redemption Percentage set at 110%.

Therefore, the Note will not be redeemed and will continue until the following Automatic Early Redemption Valuation Date in respect of which the performance of the Securities will be determined in a similar manner.

(6) ***Redemption at the Option of the Issuer (Call Option)***

The calculation of a Redemption Amount (Call Option) in respect of a Note is only required if "Redemption at the Option of the Issuer (Call Option)" is stated to be applicable in the relevant Final Terms, and subject to exercise by the Issuer of its option to redeem all of the Notes then outstanding.

If "Redemption at the Option of the Issuer (Call Option)" is stated to be applicable in the relevant Final Terms, the following will apply:

- If, at any time (or as may be otherwise specified in the relevant Final Terms), the Issuer exercises its option to redeem all of the Notes then outstanding on a date specified as an "**Optional Redemption Date (Call Option)**" at an amount (the "**Redemption Amount (Call Option)**") equal to the principal amount of each Note multiplied by a percentage specified in the relevant Final Terms.
- If the Issuer does not exercise its option to redeem the Notes on an Optional Redemption Date (Call Date), the Notes will not be redeemed at that time but will continue until the next Optional Redemption Date (Call Date) (if any). If the Issuer does not exercise its option to redeem the Notes with respect to any of the specified Optional Redemption Dates (Call Option), the Notes will be redeemed at their Final Redemption Amount on the Maturity Date.

**Redemption Amount (Call Option) worked example:**

*The hypothetical scenario:*

For the purposes of this example, it is assumed that:

- The calculation amount of the Note is EUR 1,000.
- The Fixed Rate Note provisions are specified to apply.
- "Redemption at the Option of the Issuer (Call Option)" is specified as applicable in the relevant Final Terms.
- The Optional Redemption Dates (Call Option) are specified as being 15 June 2026, 15 June 2027, and 15 June 2028.
- In respect of each Optional Redemption Date (Call Option), the following percentages of the calculation amount are specified in the relevant Final Terms with respect to each corresponding Redemption Amount (Call Option):

<b>Optional Redemption Date (Call Option)</b>	<b>Redemption Amount (Call Option)</b>
15 June 2026	100.25%
15 June 2027	100.50%



<ul style="list-style-type: none"> <li>• 15 June 2028</li> </ul> <p>(1) <b><i>What is the relevant redemption amount payable on each Note on the relevant Optional Redemption Date (Call Option)?</i></b></p> <p>In respect of the first Optional Redemption Date (Call Option), the Issuer does not exercise its option to redeem the Notes and so the Notes will continue to the next Optional Redemption Date (Call Option). However, the Issuer does exercise its option to redeem the Notes on the second Optional Redemption Date (Call Option) and gives notice to the Noteholders of more than five and less than 30 days.</p> <p>Therefore, the Notes will be redeemed early on 15 June 2027 and the investor will be entitled to an amount equal to the specified calculation amount of the Note multiplied by the percentage for the Redemption Amount (Call Option) corresponding to the second Optional Redemption Date (Call Option).</p> <p>(2) <b><i>Calculating the Redemption Amount (Call Option)</i></b> The Redemption Amount (Call Option) per Note will be:</p> <table style="margin-left: 40px;"> <tr> <td style="text-align: right;">EUR</td> <td style="text-align: right;">1,000</td> <td style="text-align: center;">×</td> <td style="text-align: left;">(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td style="text-align: right;">100.50%</td> <td></td> <td style="text-align: left;">(The relevant Redemption Amount (Call Option) percentage)</td> </tr> <tr> <td style="text-align: right;"><b>EUR</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>1,005</b></td> <td></td> <td style="text-align: left;"><b>The Redemption Amount (Call Option)</b></td> </tr> </table> <p>In addition, any interest payable on 15 June 2027 will be payable. However, no further interest will be payable in respect of subsequent Interest Payment Dates.</p>	EUR	1,000	×	(The specified calculation amount of the Note)		100.50%		(The relevant Redemption Amount (Call Option) percentage)	<b>EUR</b>	<b>1,005</b>		<b>The Redemption Amount (Call Option)</b>	<p>100.75%</p>
EUR	1,000	×	(The specified calculation amount of the Note)										
	100.50%		(The relevant Redemption Amount (Call Option) percentage)										
<b>EUR</b>	<b>1,005</b>		<b>The Redemption Amount (Call Option)</b>										

(7) ***Interest Amounts, Coupon Trigger Event, Lock-In Coupon Event, Interest Step-up and Interest Step-down***

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

If "Fixed Rate Note provisions" are specified as applicable in the relevant Final Terms, the Notes will bear interest at a fixed percentage rate. This is referred to in the Final Terms as the "**Rate of Interest**" and will either be expressed as a percentage rate per annum or a percentage rate for another fixed period.

The interest on such Notes will be paid on the dates specified in the relevant Final Terms as being the "**Interest Payment Dates**". The amount of interest or "**Interest Amount**" payable on each such Interest Payment Date will be calculated by applying the Rate of Interest to the specified calculation amount of the Notes (the "**Calculation Amount**") for the period from the last Interest Payment Date until the Interest Payment Date in question (or, in the case of the first Interest Payment Date, from the date which is specified in the relevant Final Terms as being the "**Interest Commencement Date**" until such first Interest Payment Date), and each such period is referred to as an "**Interest Period**". Such amounts may be specified in the relevant Final Terms as the "**Fixed Coupon Amounts**".

If Fixed Coupon Amounts for the Interest Payment Dates are not so specified, or if interest needs to be calculated for a period other than an Interest Period (such as where there is an unscheduled redemption of the Notes), interest will be calculated in relation to the Calculation Amount by applying the Rate of Interest to such Calculation Amount and multiplying the product by a fraction known as a "**Day Count Fraction**". The Day Count Fraction reflects the number of days in the period for which interest is being calculated.

**Fixed Rate Note worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that an investor purchases a Fixed Rate Note where the Final Terms specify the following:

- The Notes are issued on 15 June 2024.

- The Calculation Amount is EUR 1,000.
- The Notes are issued in the denominations of EUR 1,000 and EUR 5,000.
- The Interest Payment Dates are specified as being 15 January and 15 June in each year.
- The Fixed Coupon Amount is specified as being EUR 8.75 per Calculation Amount.
- The term of the Notes is five years (and thus the Notes specify a "Maturity Date" of 15 June 2028).

(1) ***What is the Interest Amount payable on each Note on each Interest Payment Date?***

The Fixed Coupon Amount of EUR 8.75 per Calculation Amount will be payable on each Interest Payment Date.

Accordingly, where the denomination of a Note equals the Calculation Amount (i.e. where the denomination of the Notes is EUR 1,000), interest of EUR 8.75 will be payable in respect of such Note.

If the Note is a denomination larger than the Calculation Amount, the Interest Amount payable in respect of the Note will be calculated by dividing the denomination of the Note by the Calculation Amount and multiplying the result by the Fixed Coupon Amount, as follows:

$$(i) \quad \frac{\text{EUR 5,000 (Denomination of Note)}}{\text{EUR 1,000 (Calculation Amount)}} \\ = 5$$

then:

$$(ii) \quad 5 \times \text{EUR 8.75 (Fixed Coupon Amount)} \\ = \text{EUR 43.75}$$

Accordingly, where the denomination of a Note is EUR 5,000, the Interest Amount payable in respect of such Note on each Interest Payment Date will be EUR 43.75. As the Interest Amount is paid twice per annum and the Notes have a term of 5 years, during the term of the Notes a total amount of interest will be payable of EUR 87.50 (in respect of Notes with a denomination of EUR 1,000) or EUR 437.50 (in respect of Notes with a denomination of EUR 5,000).

(b) ***Interest Payments on Floating Rate Notes***

If "Floating Rate Note provisions" are specified as applicable in the relevant Final Terms, the Notes will bear interest at a Rate of Interest which is a variable percentage rate per annum or such other period as specified in the relevant Final Terms.

The Rate of Interest for Floating Rate Notes for a given Interest Period will be calculated by the Calculation Agent by reference either to:

- (i) where 'Screen Rate Determination' is specified as applicable in the relevant Final Terms, quotations provided electronically by banks in the "**Relevant Financial Centre**" specified in the relevant Final Terms; or
- (ii) where 'ISDA Determination' is specified as applicable in the relevant Final Terms, a notional interest rate on a swap transaction in the Settlement Currency and,

in either case, where specified in the relevant Final Terms, the addition of an additional percentage rate per annum (known as the "**Margin**").

Where "**Aggregate Outstanding Nominal Amount Rounding**" is not specified in the relevant Final Terms as being applicable, in order to calculate the Interest Amount payable per Note, the Calculation Agent will apply the Rate of Interest for such Interest Period to the Calculation Amount and multiply the product by the relevant Day

Count Fraction, rounding the resulting figure to the nearest sub-unit of the Settlement Currency. Where "**Aggregate Outstanding Nominal Amount Rounding**" is specified in the relevant Final Terms as being applicable, in the case of Notes represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, in order to calculate the Interest Amount payable per Note, the Calculation Agent will apply the Rate of Interest for such Interest Period to the Aggregate Outstanding Nominal Amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes and multiply the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Settlement Currency.

Where "**Minimum Interest Rate**" is specified in the relevant Final Terms, the Rate of Interest will be restricted from falling below a fixed percentage level per annum (i.e. a so-called 'floor'). Where a "**Maximum Interest Rate**" is specified in the relevant Final Terms, the Rate of Interest will not exceed a fixed percentage level per annum (i.e. a so-called 'cap').

**Floating Rate Notes worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that an investor purchases a Floating Rate Note where the Final Terms specify the following:

- The Notes are issued on 18 August 2022.
- The Settlement Currency is EUR.
- The Calculation Amount is EUR 1,000.
- The Maximum Rate of Interest is 5%.
- The Minimum Rate of Interest is 1.13%.
- Margin is specified as Not Applicable.
- Screen Rate Determination is Applicable, and the following information is specified:
  - the Reference Rate is 3-month EURIBOR;
  - the Interest Determination Date is two Euro Business Days prior to the first day of the relevant Interest Period;
  - the Relevant Screen Page is Reuters Page EURIBOR01;
  - the Relevant Financial Centre is T2;
  - the Relevant Time is 11 a.m.; and
  - the Relevant Currency is EUR.
- The Interest Commencement Date is 18 August 2022.
- The Interest Payment Dates are 18 August in each year.
- The term of the Notes is five years (and thus the Notes specify a Maturity Date of 18 August 2027).
- The Day Count Fraction is Actual/365 (Fixed).

(1) ***What is the interest amount payable on each Note on a particular Interest Payment Date?***

First, the Calculation Agent calculates the Rate of Interest that applies to the Interest Period ending on such Interest Payment Date (say, 18 August 2024).

As Screen Rate Determination is applicable to the Notes, the Calculation Agent does this by determining what rate is specified as 3-month EURIBOR (the Reference Rate) for EUR (the Relevant Currency) which appears on Reuters Page EURIBOR01 (the Relevant Screen Page) as of 11 a.m. (the Relevant Time) on 18 August 2022 (being two Euro Business Days prior to the first day of the first Interest Period (i.e. the Interest Determination Date)).

It is assumed that the Calculation Agent determines that such rate is 2% per annum.

As Margin is specified as being Not Applicable to the Notes, the Rate of Interest for this Interest Period will therefore be 2% per annum. (Conversely, if Margin was applicable, then the Rate of Interest would be the sum of 2% and the percentage rate specified as the Margin.)

Secondly, the Calculation Agent calculates the Interest Amount payable in respect of such Interest Period as follows:

- (i) The Calculation Agent determines the Day Count Fraction applicable to the Interest Period. As the specified Day Count Fraction is Actual/365 (Fixed), this will be equal to the result of dividing the actual number of days in the Interest Period by 365, as follows. For the avoidance of doubt, in a leap year the Day Count Fraction will be determined by referring to 366 as the number of days in the Interest Period and divided by 365.

$$\frac{365 \text{ (Number of days in the Interest Period)}}{365 \text{ (Day Count Fraction)}}$$

$$= 1$$

- (ii) The Calculation Agent then applies the Rate of Interest to the Calculation Amount:

$$2\% \times \text{EUR } 1,000$$

$$= \text{EUR } 20.00$$

and multiplies the result by the Day Count Fraction:

$$\text{EUR } 20.00 \times 1 = \text{EUR } 20.00$$

Accordingly, the Interest Amount payable in respect of a Note for this Interest Period will be EUR 20.00.

- (2) ***What if the rate determined by the Calculation Agent is less than the Minimum Interest Rate or more than the Maximum Interest Rate?***

If the rate determined by the Calculation Agent after adding any applicable Margin is less than 1.13% or more than 5%, then the Rate of Interest will be the Minimum Interest Rate or, as the case may be, the Maximum Interest Rate as specified in the relevant Final Terms.

Accordingly, if, for example, the Rate of Interest so calculated would have been 0.5%, then; as the Minimum Interest Rate is specified as 1.13%, then the Rate of Interest will actually be 1.13%. As applied to the above example, if 2% were replaced by 1.13%, the Interest Amount payable would be EUR 11.30 per Note.

- (c) *Coupon Trigger Event*

The calculation of a Coupon Trigger Amount in respect of a Note is only required if Coupon Trigger Event is specified as being applicable in the relevant Final Terms.

If "Coupon Trigger Event" is stated to be applicable in the relevant Final Terms, then a Coupon Trigger Amount will be calculated as follows.

- If in respect of any Coupon Trigger Valuation Date, the Relevant Observation Performance determined with respect to the Coupon Trigger Valuation Date is equal to or greater than a percentage specified in

the relevant Final Terms as the "**Coupon Trigger Level**", then an investor will be entitled to an amount (a "**Coupon Trigger Amount**") equal to:

- If "Digital Coupon" is specified as applicable in the Final Terms, the specified calculation amount of the Note multiplied by a fixed percentage specified in the relevant Final Terms as the "**Coupon Trigger Rate**";
  - If "Relevant Rate – Fixed" is specified as applicable in the Final Terms, an amount calculated in accordance with the Fixed Rate Note provisions; and
  - If "Relevant Rate – Floating" is specified as applicable in the Final Terms, an amount calculated in accordance with the Floating Rate Note provisions.
- If on a Coupon Trigger Valuation Date the Relevant Observation Performance determined with respect to such Coupon Trigger Valuation Date is less than the Coupon Trigger Level specified in the relevant Final Terms, a Coupon Trigger Event will not have occurred and therefore no Coupon Trigger Amount will become payable in respect of such Coupon Trigger Valuation Date.

**Coupon Trigger Amount worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Note denominated in GBP linked to the ordinary shares of Company C which specifies Coupon Trigger Event as being applicable in the relevant Final Terms.
- The calculation amount of the Note is GBP 100.
- The initial security price set out in the relevant Final Terms is GBP 306.15.
- Lock-In Coupon Event is not applicable.
- Coupon Trigger Recovery Event is not applicable.
- "Single Observation" is specified to apply with respect to each Coupon Trigger Valuation Date and the Specified Price of the Company C Security with respect to the first Coupon Trigger Valuation Date is GBP 325, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Coupon Trigger Level set out in the relevant Final Terms is 103%.
- Digital Coupon is applicable and the Coupon Trigger Rate in respect of the first Coupon Trigger Valuation Date is 5%.

(1) ***What is the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date?***

To determine the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date, the Specified Price of the Security determined with respect to the first Coupon Trigger Valuation Date (GBP 325) is divided by the initial security price (GBP 306.15), which is equal to 1.0616 and, when expressed as a percentage, is 106.16%. Therefore, the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date is 106.16%.

(2) ***Has a Coupon Trigger Event occurred?***

In this case, the Relevant Observation Performance (106.16%) is greater than the Coupon Trigger Level (103.00%), so a Coupon Trigger Event has occurred.

Therefore, the investor will be entitled to a Coupon Trigger Amount equal to the specified calculation amount of the Note multiplied by the Coupon Trigger Rate with respect to the first Coupon Trigger Valuation Date.

(3) **Calculating the Coupon Trigger Amount**

The Coupon Trigger Amount per Note will be:

$$\begin{array}{rcl}
 \text{GBP} & 100 & \times \quad (\text{The specified calculation amount of the Note}) \\
 & 5\% & (\text{The relevant Coupon Trigger Rate}) \\
 \hline
 \text{GBP} & 5 & \text{The Coupon Trigger Amount per Note}
 \end{array}$$

(d) **Coupon Trigger Event - Lock-In Coupon Event**

Where "Coupon Trigger Event" is stated to be applicable in the relevant Final Terms, "Lock-In Coupon Event" may further be specified to be applicable.

If a Lock-In Coupon Event occurs in relation to any Lock-In Coupon Valuation Date, then the Issuer shall, regardless of whether a Coupon Trigger Event has occurred in relation to subsequent Lock-In Coupon Trigger Valuation Dates, pay in respect of each Note an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Trigger Amount on each relevant Coupon Trigger Payment Date falling on or after the relevant Lock-In Coupon Valuation Date.

**Coupon Trigger Event – Lock In Coupon worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases the note described in the worked example in sub-paragraph (c) (*Coupon Trigger Event*) above, but Lock-In Coupon Event is specified as applicable.
- The Coupon Trigger Valuation Dates are specified as being 23 June 2024, 21 June 2025 and 20 June 2026.
- Each Coupon Trigger Valuation Date is also specified to be a Lock-In Coupon Valuation Date.
- "Single Observation" is specified to apply with respect to each Coupon Trigger Valuation Date and Lock-In Coupon Valuation Date and the Specified Price of the Company C Security has been determined by the Calculation Agent using the "Single Observation" valuation method with respect to each Coupon Trigger Valuation Date and Lock-In Coupon Valuation Date as follows:

Date	Specified Price
23 June 2024	GBP 325
21 June 2025	GBP 350
20 June 2026	GBP 312

- The Coupon Trigger Level set out in the relevant Final Terms is 103%.
- The Lock-In Coupon Level set out in the relevant Final Terms is 107%.

(1) **What is the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date/Lock-In Coupon Valuation Date?**

To determine the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date/ Lock-In Coupon Valuation Date, the Specified Price of the Security determined with respect to the first Coupon Trigger Valuation Date/Lock-In Coupon Valuation Date (GBP 325) is divided by the initial security price (GBP 306.15), which is equal to 1.0615 and, when expressed as a

<p>percentage, is 106.16%. Therefore, the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date/ Lock-In Coupon Valuation Date is 106.16%.</p>												
<p>(2) <b><i>Has a Coupon Trigger Event/Lock-In Coupon Event occurred with respect to the <u>first</u> Coupon Trigger Valuation Date/Lock-In Coupon Valuation Date?</i></b></p> <p>In this case, the Relevant Observation Performance (106.16%) is greater than the Coupon Trigger Level (103.00%), so a Coupon Trigger Event has occurred.</p> <p>The Relevant Observation Performance (106.16%) is less than the Lock-In Coupon Level (107.00%), so no Lock-In Coupon Event has occurred.</p> <p>Therefore, the investor will be entitled to a Coupon Trigger Amount equal to the specified calculation amount of the Note multiplied by the Coupon Trigger Rate with respect to this Coupon Trigger Valuation Date.</p>												
<p>(3) <b><i>Calculating the Coupon Trigger Amount</i></b></p> <p>The Coupon Trigger Amount per Note will be:</p> <table style="margin-left: 40px;"> <tr> <td>GBP</td> <td>100</td> <td>x</td> <td>(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td>5%</td> <td></td> <td>(The relevant Coupon Trigger Rate)</td> </tr> <tr> <td><b>GBP</b></td> <td><b>5</b></td> <td></td> <td><b>The Coupon Trigger Amount per Note</b></td> </tr> </table>	GBP	100	x	(The specified calculation amount of the Note)		5%		(The relevant Coupon Trigger Rate)	<b>GBP</b>	<b>5</b>		<b>The Coupon Trigger Amount per Note</b>
GBP	100	x	(The specified calculation amount of the Note)									
	5%		(The relevant Coupon Trigger Rate)									
<b>GBP</b>	<b>5</b>		<b>The Coupon Trigger Amount per Note</b>									
<p>(4) <b><i>What is the Relevant Observation Performance with respect to the <u>second</u> Coupon Trigger Valuation Date/Lock-In Coupon Valuation Date?</i></b></p> <p>To determine the Relevant Observation Performance with respect to the second Coupon Trigger Valuation Date/Lock-In Coupon Valuation Date, the Specified Price of the Security determined with respect to the second Coupon Trigger Valuation Date/Lock-In Coupon Valuation Date (GBP 350) is divided by the initial security price (GBP 306.15), which is equal to 1.1432 and, when expressed as a percentage, is 114.32%. Therefore, the Relevant Observation Performance with respect to the second Coupon Trigger Valuation Date/ Lock-In Coupon Valuation Date is 114.32%.</p>												
<p>(5) <b><i>Has a Coupon Trigger Event/Lock-In Coupon Event occurred with respect to the <u>second</u> Coupon Trigger Valuation Date/Lock-In Coupon Valuation Date?</i></b></p> <p>In this case, the Relevant Observation Performance (114.32%) is greater than the Coupon Trigger Level (103.00%), so a Coupon Trigger Event has occurred.</p> <p>The Relevant Observation Performance (114.32%) is greater than the Lock-In Coupon Level (107.00%), so a Lock-In Coupon Event has occurred.</p> <p>Therefore, the investor will be entitled to a Coupon Trigger Amount equal to the specified calculation amount of the Note multiplied by the Coupon Trigger Rate with respect to the second Coupon Trigger Valuation Date and all subsequent Coupon Trigger Valuation Dates (regardless of whether a Coupon Trigger Event occurs with respect to each such Coupon Trigger Valuation Dates).</p>												

(e) *Coupon Trigger Event - Coupon Trigger Recovery Event*

Where "Coupon Trigger Event" is stated to be applicable in the relevant Final Terms, "Coupon Trigger Recovery Event" may further be specified to be applicable.

If Coupon Trigger Recovery Event is specified as applicable, and if a Coupon Trigger Recovery Event occurs with respect to the Coupon Trigger Valuation Date, in addition to paying the Coupon Trigger Amount, the Issuer shall pay an amount equivalent to the sum of each Coupon Trigger Amount which did not become payable because

no Coupon Trigger Event occurred in respect of each Coupon Trigger Valuation Date falling after the most recently occurring Coupon Trigger Event (if any) (the "**Outstanding Missed Coupon Amounts**").

**Coupon Trigger Event – Coupon Trigger Recovery Event – worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases the note described in the worked example in sub-paragraph (c) (*Coupon Trigger Event*) above but Coupon Trigger Recovery Event is specified as applicable.
- The Coupon Trigger Valuation Dates are specified as being 23 June 2024, 21 June 2025 and 20 June 2026.
- The Coupon Trigger Level set out in the relevant Final Terms is 103%.
- The Coupon Trigger Recovery Level set out in the relevant Final Terms is 107%.
- "Single Observation" is specified to apply with respect to each Coupon Trigger Valuation Date and the Specified Price of the Company C Security has been determined by the Calculation Agent using the "Single Observation" valuation method with respect to each Coupon Trigger Valuation Date as follows:

Date	Specified Price
23 June 2024	GBP 325
21 June 2025	GBP 312
20 June 2026	GBP 330

(1) ***What is the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date?***

To determine the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date, the Specified Price of the Security determined with respect to the first Coupon Trigger Valuation Date (GBP 325) is divided by the initial security price (GBP 306.15), which is equal to 1.0615 and, when expressed as a percentage, is 106.15%. Therefore, the Relevant Observation Performance with respect to the first Coupon Trigger Valuation Date is 106.15%.

(2) ***Has a Coupon Trigger Event occurred with respect to the first Coupon Trigger Valuation Date?***

In this case, the Relevant Observation Performance (106.15%) is greater than the Coupon Trigger Level (103.00%), so a Coupon Trigger Event has occurred.

Therefore, the investor will be entitled to a Coupon Trigger Amount equal to the specified calculation amount of the Note multiplied by the Coupon Trigger Rate with respect to this Coupon Trigger Valuation Date.

(3) ***Calculating the Coupon Trigger Amount***

The Coupon Trigger Amount per Note will be:

$$\begin{array}{rcl}
 \text{GBP } 100 & \times & \text{(The specified calculation amount of the Note)} \\
 5\% & & \text{(The relevant Coupon Trigger Rate)} \\
 \hline
 \text{GBP } 5 & & \text{The Coupon Trigger Amount per Note}
 \end{array}$$



(4)	<p><b><i>Has a Coupon Trigger Recovery Event occurred with respect to the <u>first</u> Coupon Trigger Valuation Date?</i></b></p> <p>In this case, the Relevant Observation Performance (106.15%) is less than the Coupon Trigger Recovery Level (107.00%), so no Coupon Trigger Recovery Event has occurred.</p>												
(5)	<p><b><i>What is the Relevant Observation Performance with respect to the <u>second</u> Coupon Trigger Valuation Date?</i></b></p> <p>To determine the Relevant Observation Performance with respect to the second Coupon Trigger Valuation Date, the Specified Price of the Security determined with respect to the second Coupon Trigger Valuation Date (GBP 312) is divided by the initial security price (GBP 306.15), which is equal to 1.0191 and, when expressed as a percentage, is 101.91%. Therefore, the Relevant Observation Performance with respect to the second Coupon Trigger Valuation Date is 101.91%.</p>												
(6)	<p><b><i>Has a Coupon Trigger Event occurred with respect to the <u>second</u> Coupon Trigger Valuation Date?</i></b></p> <p>In this case, the Relevant Observation Performance (101.91%) is less than the Coupon Trigger Level (103.00%), so no Coupon Trigger Event with respect to the second Coupon Trigger Valuation Date.</p> <p>Therefore, the investor will not be entitled to a Coupon Trigger Amount with respect to the second Coupon Trigger Valuation Date.</p>												
(7)	<p><b><i>Has a Coupon Trigger Recovery Event occurred with respect to the <u>second</u> Coupon Trigger Valuation Date?</i></b></p> <p>In this case, the Relevant Observation Performance (101.91%) is less than the Coupon Trigger Recovery Level (107.00%), so no Coupon Trigger Recovery Event has occurred.</p>												
(8)	<p><b><i>What is the Relevant Observation Performance with respect to the <u>third</u> Coupon Trigger Valuation Date?</i></b></p> <p>To determine the Relevant Observation Performance with respect to the third Coupon Trigger Valuation Date, the Specified Price of the Security determined with respect to the third Coupon Trigger Valuation Date (GBP 330) is divided by the initial security price (GBP 306.15), which is equal to 1.0779 and, when expressed as a percentage, is 107.79%. Therefore, the Relevant Observation Performance with respect to the third Coupon Trigger Valuation Date is 107.79%.</p>												
(9)	<p><b><i>Has a Coupon Trigger Event occurred with respect to the <u>third</u> Coupon Trigger Valuation Date?</i></b></p> <p>In this case, the Relevant Observation Performance (107.79%) is greater than the Coupon Trigger Level (103.00%), so a Coupon Trigger Event has occurred.</p> <p>Therefore, the investor will be entitled to a Coupon Trigger Amount equal to the specified calculation amount of the Note multiplied by the Coupon Trigger Rate with respect to this Coupon Trigger Valuation Date.</p>												
(10)	<p><b><i>Calculating the Coupon Trigger Amount</i></b></p> <p>The Coupon Trigger Amount per Note will be:</p> <table style="margin-left: 40px;"> <tr> <td>GBP</td> <td>100</td> <td>x</td> <td>(The specified calculation amount of the Note)</td> </tr> <tr> <td></td> <td>5%</td> <td></td> <td>(The relevant Coupon Trigger Rate)</td> </tr> <tr> <td><b>GBP</b></td> <td><b>5</b></td> <td></td> <td><b>The Coupon Trigger Amount per Note</b></td> </tr> </table>	GBP	100	x	(The specified calculation amount of the Note)		5%		(The relevant Coupon Trigger Rate)	<b>GBP</b>	<b>5</b>		<b>The Coupon Trigger Amount per Note</b>
GBP	100	x	(The specified calculation amount of the Note)										
	5%		(The relevant Coupon Trigger Rate)										
<b>GBP</b>	<b>5</b>		<b>The Coupon Trigger Amount per Note</b>										

(11)	<p><b><i>Has a Coupon Trigger Recovery Event occurred with respect to the <u>third</u> Coupon Trigger Valuation Date?</i></b></p> <p>In this case, the Relevant Observation Performance (107.79%) is greater than the Coupon Trigger Recovery Level (107.00%), so a Coupon Trigger Recovery Event has occurred.</p> <p>Therefore, the investor will be entitled to an amount equal to the Coupon Trigger Amount that would have been payable in respect of the second Coupon Trigger Valuation Date if a Coupon Trigger Event had occurred with respect to the second Coupon Trigger Valuation Date (the "<b>Outstanding Missed Coupon Amount</b>")</p>
(12)	<p><b><i>Calculating the Outstanding Missed Coupon Amount</i></b></p> <p>The Outstanding Missed Coupon Amount per Note will be:</p> <p>GBP 100 x (The specified calculation amount of the Note)</p> <p>5% (The relevant Coupon Trigger Rate)</p> <p><b>GBP 5                      The Outstanding Missed Coupon Amount per Note</b></p>
(13)	<p><b><i>Total Amount Payable with Respect to the third Coupon Trigger Valuation Date?</i></b></p> <p>The total payable to the investor will be the sum of the Coupon Trigger Amount (GBP 5) + the Outstanding Missed Coupon Amount (GBP 5) = <b>GBP 10.</b></p>

(f) *Interest Step-up*

If "Interest Step-up" is specified as applicable in the relevant Final Terms in respect of any Notes to which Fixed Rate Note provisions apply, then Notes will bear interest at a fixed rate of interest which may increase (or "step-up") periodically during the life of the Notes. The Rate of Interest in respect of such Notes for each Calculation Period shall be the rate specified to be applicable in respect of the Interest Payment Date on which such Calculation Period ends, as set forth in the relevant Final Terms. Each successive rate specified to be applicable in respect of an Interest Payment Date to which Fixed Rate Note provisions apply shall be equal to or greater than the rate specified to be applicable in respect of the immediately preceding Interest Payment Date to which Fixed Rate Note provisions apply.

**Interest Step-up worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that the Final Terms specify the following in relation to Fixed Rate Notes:

- The Settlement Currency is EUR.
- The Calculation Amount is EUR 1,000.
- The Interest Payment Dates are specified as being 2 April, 2 July, 2 October and 2 January in each year.
- The Fixed Coupon Amount is specified as Not Applicable.
- The Day Count Fraction is Actual/360.
- The Rate of Interest is specified in the Final Terms as follows:

Interest Payment Date	Rate of Interest
-----------------------	------------------

2 April 2027	5%
2 July 2027	6%
2 October 2027	7%
2 January 2028	8%

***What is the interest amount payable on each Note on each Interest Payment Date?***

The interest amount ("**Interest Amount**") payable in respect of each Calculation Amount of the Notes on each Interest Payment Date as follows:

(A) *Interest Payment Date falling on 2 April 2027*

$$\text{Interest Amount} = \text{Rate of Interest (5\%)} \times \text{Calculation Amount (EUR 1,000)} \\ \times \text{Day Count Fraction (90} \\ \text{/360) (90 being the number of days in the Calculation Period)}$$

= EUR 12.50

(B) *Interest Payment Date falling on 2 July 2027*

$$\text{Rate of Interest (6\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (91} \\ \text{/360) (91 being the number of days in the Calculation Period)}$$

= EUR 15.17 (rounded to two decimal places, with 0.005 rounded upwards)

(C) *Interest Payment Date falling on 2 October 2027*

$$\text{Rate of Interest (7\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (92} \\ \text{/360) (92 being the number of days in the Calculation Period)}$$

= EUR 17.89 (rounded to two decimal places, with 0.005 rounded upwards)

(D) *Interest Payment Date falling on 2 January 2028*

$$\text{Rate of Interest (8\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (92} \\ \text{/360) (92 being the number of days in the Calculation Period)}$$

= EUR 20.44 (rounded to two decimal places, with 0.005 rounded upwards)

For a worked example of how a Rate of Interest is determined in respect of a Fixed Rate Note, please see sub-section 7(a) (*Interest Payments on Fixed Rate Notes*) above.

(g) *Interest Step-down*

If "Interest Step-down" is specified as applicable in the relevant Final Terms in respect of any Notes to which Fixed Rate Note provisions apply, then Notes will bear interest at a fixed rate of interest which may decrease (or "step-down") periodically during the life of the Notes. The Rate of Interest in respect of such Notes for each Calculation Period shall be the rate specified to be applicable in respect of the Interest Payment Date on which such Calculation Period ends, as set forth in the relevant Final Terms. Each successive rate specified to be applicable in respect of an Interest Payment Date to which Fixed Rate Note provisions apply shall be equal to or less than the rate specified to be applicable in respect of the immediately preceding Interest Payment Date to which Fixed Rate Note provisions apply.

***Interest Step-down worked example***

*The hypothetical scenario:*

For the purposes of this example, it is assumed that the Final Terms specify the following in relation to Fixed Rate Notes:

- The Settlement Currency is EUR.
- The Calculation Amount is EUR 1,000.
- The Interest Payment Dates are specified as being 2 April, 2 July, 2 October and 2 January in each year.
- The Fixed Coupon Amount is specified as Not Applicable.
- The Day Count Fraction is Actual/360.
- The Rate of Interest is specified in the Final Terms as follows:

<b>Interest Payment Date</b>	<b>Rate of Interest</b>
2 April 2027	8%
2 July 2027	7%
2 October 2027	6%
2 January 2028	5%

***What is the interest amount payable on each Note on each Interest Payment Date?***

The interest amount ("**Interest Amount**") payable in respect of each Calculation Amount of the Notes on each Interest Payment Date as follows:

(A) *Interest Payment Date falling on 2 April 2027*

$$\begin{aligned} \text{Interest Amount} &= \text{Rate of Interest (8\%)} \times \text{Calculation Amount (EUR 1,000)} \\ &\quad \times \text{Day Count Fraction (90} \\ &\quad \text{/360) (90 being the number of days in the Calculation Period)} \\ &= \text{EUR 20.00} \end{aligned}$$

(B) *Interest Payment Date falling on 2 July 2027*

$$\begin{aligned} \text{Interest Amount} &= \text{Rate of Interest (7\%)} \times \text{Calculation Amount (EUR 1,000)} \\ &\quad \times \text{Day Count Fraction (91} \\ &\quad \text{/360) (91 being the number of days in the Calculation Period)} \\ &= \text{EUR 17.69 (rounded to two decimal places, with 0.005 rounded upwards)} \end{aligned}$$

(C) *Interest Payment Date falling on 2 October 2027*

$$\begin{aligned} \text{Interest Amount} &= \text{Rate of Interest (6\%)} \times \text{Calculation Amount (EUR 1,000)} \\ &\quad \times \text{Day Count Fraction (92} \\ &\quad \text{/360) (92 being the number of days in the Calculation Period)} \\ &= \text{EUR 15.33 (rounded to two decimal places, with 0.005 rounded upwards)} \end{aligned}$$

(D) *Interest Payment Date falling on 2 January 2028*

$$\begin{aligned} \text{Interest Amount} &= \text{Rate of Interest (5\%)} \times \text{Calculation Amount (EUR 1,000)} \\ &\quad \times \text{Day Count Fraction (92} \\ &\quad \text{/360) (92 being the number of days in the Calculation Period)} \end{aligned}$$

= EUR 12.78 (rounded to two decimal places, with 0.005 rounded upwards)

For a worked example of how a Rate of Interest is determined in respect of a Fixed Rate Note, please see sub-section 7(a) (*Interest Payments on Fixed Rate Notes* above).

## SECTION II.2 – FORM OF ENGLISH LAW NOTES AND SUMMARY OF PROVISIONS RELATING TO THE ENGLISH LAW NOTES WHILE IN GLOBAL FORM

*This section provides information regarding English Law Notes issued in global form and issued into certain clearing systems.*

English Law Notes may, subject to all applicable legal and regulatory requirements, be issued in Tranches or Series comprising either Bearer Notes, Registered Notes or Uncertificated Registered Notes as specified in the relevant Final Terms. The summary that follows is only in relation to Bearer Notes and Registered Notes.

### **Bearer Notes**

Bearer Notes will be issued in classic global note form.

Bearer Notes treated as issued in bearer form for U.S. federal income tax purposes will be issued in accordance with the provisions of United States Treasury Regulations 1.163-5(c)(1)(ii) and 1.163-5(c)(2)(i)(D) ("**TEFRA D**", which definition shall include any successor rules in substantially the same form as TEFRA D for the purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended), unless the relevant Final Terms provides that such Notes will be issued in accordance with the provisions of United States Treasury Regulations 1.163-5(c)(1)(ii) and 1.163-5(c)(2)(i)(C) ("**TEFRA C**", which definition shall include any successor rules in substantially the same form as TEFRA C for the purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended). Bearer Notes issued in accordance with TEFRA D will be represented upon issue by a temporary global note in bearer form without interest coupons (a "**Temporary Global Note**"). Bearer Notes issued in accordance with TEFRA C will be represented upon issue by a permanent global note in bearer form without interest coupons (a "**Permanent Global Note**") or by a Temporary Global Note. Each Temporary Global Note or, as the case may be, Permanent Global Note will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV as operator for Euroclear and/or Clearstream, Luxembourg ("**Common Depositary**"). Beneficial interests in a Temporary Global Note issued in accordance with TEFRA C will be exchangeable at any time and without any requirement for certification for Bearer Notes in definitive form ("**Definitive Bearer Notes**"), in accordance with the terms of such Temporary Global Note and as specified in the relevant Final Terms. Interests in a Temporary Global Note issued in accordance with TEFRA D will be exchangeable either for Definitive Bearer Notes or for interests in a Permanent Global Note, on or after the date which is 40 days after the date on which such Temporary Global Note is issued and upon certification as to non-U.S. beneficial ownership thereof or otherwise as required by U.S. Treasury Regulations, in accordance with the terms of such Temporary Global Note and as specified in the relevant Final Terms.

For the purposes of complying with TEFRA D, Bearer Notes may not be offered or sold to a United States person. "**United States person**" means any person who is, for U.S. federal income tax purposes, (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organised under the laws of the United States or any political subdivision thereof or therein or (iii) an estate or trust the income of which is subject to United States taxation regardless of its source.

The forms of Temporary Global Note and Permanent Global Note (each, a "**Global Note**") will contain provisions applicable to the Notes represented thereby, some of which may modify the effect of the Conditions of the Notes. Certain of these are summarised in this section.

All payments, if any, in respect of Bearer Notes when represented by a Temporary Global Note or Permanent Global Note will be made against presentation and surrender or, as the case may be, presentation of the relevant Temporary Global Note or Permanent Global Note at the specified office of any of the Paying Agents. On each occasion on which a payment is so made, the Issuer shall procure that, record of such payment is noted on a schedule to the relevant Global Note and the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

In respect of Bearer Notes represented by Global Notes, each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg as being entitled to an interest in a Global Note (each, an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg for such Accountholder's share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg.

Section II.2 – Form of English Law Notes and Summary of Provisions relating to the English Law Notes while in Global Form

from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes.

The records of the relevant clearing systems which reflect the amount of Noteholders' interests in the Notes shall be conclusive evidence of the nominal amount of Notes represented by the Global Notes.

An exchange of a Temporary Global Note for Definitive Notes or, as the case may be, a Permanent Global Note will be made only on or after the Exchange Date (as set out in the relevant Final Terms) and provided certification as to the beneficial ownership thereof as required by the U.S. Treasury Regulations (in substantially the form set out in the Temporary Global Note or in such other form as is customarily issued in such circumstances by the relevant clearing system or depository) has been received.

The bearer of any Temporary Global Note shall not (unless, upon due presentation of such Temporary Global Note for exchange (in whole or in part) for a Permanent Global Note or for delivery of Definitive Notes, such exchange or delivery is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to receive any payment in respect of the Notes represented by such Temporary Global Note which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.

If any date on which a payment of principal or interest is due on the Notes of a Tranche occurs whilst any of the Notes of that Tranche are represented by a Temporary Global Note, the related principal or interest payment will be made on the Temporary Global Note only to the extent that certification as to the beneficial ownership thereof as required by the U.S. Treasury Regulations (in substantially the form set out in the Temporary Global Note or in such other form as is customarily issued in such circumstances by the relevant clearing system or depository) has been received by Euroclear or Clearstream, Luxembourg. Payments of amounts due in respect of a Permanent Global Note will be made through any of Euroclear or Clearstream, Luxembourg without any requirement for certification.

Interests in a Permanent Global Note will be exchanged, at the cost and expense of the Issuer, by the Issuer in whole, for Definitive Notes (a) at the option of the holder of such Permanent Global Note, for Definitive Notes, if the Notes of the relevant Series become immediately repayable in accordance with Condition 9 (*Events of Default*), or (b) if any of Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so, or (c) at the option of the Issuer: (i) unless otherwise provided in the Final Terms, if the Issuer would suffer a material disadvantage in respect of the Notes as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction which would not be suffered were the Notes in definitive form or (ii) where the Issuer or any Paying Agent, by reason of any change in, or amendment to, the laws of the United Kingdom, is or will be required to make any deduction or withholding from any payment under the Notes which would not be required if the Notes were in definitive form.

Where a Permanent Global Note is exchangeable for Definitive Notes, then such Notes shall be tradeable only in principal amounts of at least the denomination of the Notes (or if there is more than one denomination, the lowest denomination).

The Issuer may, at any time in writing, waive or limit its right to exchange a Permanent Global Note for Definitive Notes in the circumstances described above, where the Issuer at its sole discretion considers such limitation or waiver to be desirable in respect of a particular Series of Notes.

Definitive Bearer Notes will, if interest-bearing and if so specified in the relevant Final Terms, have Coupons and, if applicable, a talon for further Coupons attached. All Definitive Bearer Notes will, if the principal thereof is repayable by instalments, have endorsed thereon a grid for recording the payment of principal.

Following redenomination of the Notes pursuant to Condition 8 (*Redenomination*):

- (i) if Notes are required to be issued in definitive form, they shall be issued at the expense of the Issuer in the denominations of euro 0.01, euro 1,000, euro 10,000, euro 100,000 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders; and
- (ii) the amount of interest due in respect of Notes represented by the Temporary Global Note and the Permanent Global Note will be calculated by reference to the aggregate principal amount of such Notes and the amount of such payment shall be rounded down to the nearest euro 0.01.

All notices to the Holders of Notes or the Coupons appertaining thereto will be valid, in the case of Notes in global form, if delivered to Euroclear and/or Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein; **provided that**, in each case, in the case of Notes that have been admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, the rules of such listing authority, stock exchange and/or quotation system have been complied with. Any such notice shall be deemed to have been given on the date of such delivery or, if the Notes are admitted to listing, trading and/or quotation and publication is required under the applicable rules of the relevant listing authority, stock exchange and/or quotation system, on the date of publication or, if published more than once, on the date of the first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

Holders of any Coupons appertaining to Bearer Notes will be deemed for all purposes to have notice of the contents of any notice given to the Holders of such Bearer Notes in accordance herewith.

### **Registered Notes**

Registered Notes will be issued under the classic safekeeping structure.

In the case of Registered Notes, the relevant Final Terms may specify that the Notes will be issued in global form ("**Global Registered Notes**") held in specified clearing systems, as described below, or in definitive form ("**Definitive Registered Notes**").

### **Regulation S Global Registered Notes**

In the case of a Series or Tranche of Registered Notes offered and sold solely outside the United States (as defined in Regulation S) in reliance on Regulation S to non-U.S. persons, such Series or Tranche of Registered Notes may be represented by a Global Registered Note without interest coupons (a "**Regulation S Global Registered Note**"), which will be deposited on or about the issue date for the relevant Tranche with, and registered in the name of the Common Depositary (or its nominee). Interests in any Regulation S Global Registered Note will be exchangeable (in circumstances described below under "*Exchange and Transfer of Global Registered Notes for Definitive Registered Notes*") for Definitive Registered Notes ("**Regulation S Definitive Registered Notes**").

Each Regulation S Global Registered Note will have an ISIN code.

### **Owner of Global Registered Notes and Payments**

Subject to certain provisions of the Issuing and Paying Agency Agreement relating to directions, sanctions and consents of Holders of Registered Notes and to meetings of Holders of Notes, so long as Euroclear, Clearstream, Luxembourg, or the nominee of their Common Depositary is the registered owner or holder of a Global Registered Note, Euroclear, Clearstream, Luxembourg or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Registered Note for all purposes under the Issuing and Paying Agency Agreement and the Notes. Payments of principal, interest and additional amounts, if any, pursuant to Condition 7 (*Payments*), on Global Registered Notes will be made to Euroclear, Clearstream, Luxembourg or such nominee thereof, or common service provider acting as agent for Euroclear and Clearstream, Luxembourg, as the case may be, or the registered holder thereof. None of the Issuer, the Registrar, or any Paying Agent or any affiliate of any of the above or any person by whom any of the above is controlled for the purposes of the Securities Act will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Global Registered Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Each such payment in respect of a Global Registered Note will be made to the person shown as the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the Register at the close of business (in the relevant clearing system) on the business day on which each clearing system for which the Global Registered Note is being held is open for business which is the business day of each such clearing system before the due date for such payment.

### **Exchange and Transfer of Global Registered Notes for Definitive Registered Notes**

Beneficial interests in a Regulation S Global Registered Note will be exchangeable, in whole but not in part, for Regulation S Definitive Registered Notes: (i) if Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention permanently to cease business or in fact does so; (ii) the Issuer, at its option, elects to terminate the book-entry system through Euroclear and Clearstream, Luxembourg; (iii) the Notes become immediately repayable in accordance with



Section II.2 – Form of English Law Notes and Summary of Provisions relating to the English Law Notes while  
in Global Form

Condition 9 (*Events of Default*); (iv) unless otherwise provided in the Final Terms, at the option of the Issuer, if the Issuer would suffer a material disadvantage in respect of the Notes as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction which would not be suffered were the Notes in definitive form; or (v) if the Issuer so elects, where the Issuer or Paying Agent, by reason of any change in, or amendments to, the laws of the United Kingdom, is or will be required to make any deduction or withholding from any payment under the Notes which will not be required if such Notes were in definitive form.

The holder of a Registered Note may transfer such Registered Note in accordance with the provisions of Condition 2 (*Form, Denomination and Title*) of the English Law Conditions.

The holder of a Definitive Registered Note may transfer such Note by surrendering it at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer thereon.

The Registrar will not register the transfer of or exchange of interests in a Global Registered Note for Definitive Registered Notes for a period of 15 calendar days preceding the due date for any payment in respect of the Notes.

### SECTION II.3 – SUBSCRIPTION AND SALE OF NOTES

*This section sets out details of the arrangements between each Issuer and the Dealer(s) as to the offer and sale of Notes and summarises selling restrictions that apply to the offer and sale of Notes in various jurisdictions.*

#### General

- (1) Each Dealer has, in a Master Note Issuance Agreement, agreed with the Issuer a basis upon which it may from time to time agree either as principal or agent of the Issuer to subscribe for or purchase, to underwrite or, as the case may be, to procure subscribers or purchasers for Notes. When entering into any such agreement to subscribe for or purchase, to underwrite, or as the case may be, to procure subscribers for or purchasers for any particular Series of Notes, the Issuer and the relevant Dealer(s) will agree details relating to the form of such Notes and the Conditions relating to such Notes, the price at which such Notes will be purchased by the relevant Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription or purchase. The Master Note Issuance Agreement contains provisions for the Issuer to appoint other Dealers from time to time either generally in respect of the Programme or in relation to a particular Tranche of Notes.
- (2) No action has been or will be taken in any country or jurisdiction by the Issuer or the relevant Dealer(s) that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required other than in the Public Offer Jurisdictions. Persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the relevant Dealer(s) to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute this Base Prospectus or any Final Terms or related offering material, in all cases at their own expense.

#### Dubai International Financial Centre

The Notes have not been and may not be offered to any person in the Dubai International Financial Centre unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "DFSA") rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

#### European Economic Area

##### *Prohibition of Sales to EEA Retail Investors*

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

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
  - (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"); and

- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

***Public Offer Selling Restriction Under the EU Prospectus Regulation***

In relation to any Notes if the Final Terms in respect of such Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in a member state of the European Economic Area (an "**EEA Member State**") except that it may make an offer of such Notes to the public in that EEA Member State:

- (a) *Approved prospectus*: if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the EU Prospectus Regulation in that EEA Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that EEA Member State or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, **provided that** any such prospectus which is not a drawdown prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the EU Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (c) *Fewer than 150 offerees*: at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation.

**provided that** no such offer of Notes referred to in paragraphs (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended).

***Selling Restrictions Addressing Additional Belgian Securities Laws***

This Base Prospectus has not been submitted for approval to the Belgian Financial Services and Markets Authority. Accordingly, Notes that have a maturity of less than 12 months and qualify as money market instruments (and that therefore fall outside the scope of the EU Prospectus Regulation) may not be distributed in Belgium by way of an offer of securities to the public, as defined in Article 4, 2° of the Belgian law of 11 July 2018 on the offer of investment instruments to the public and the admission of investment instrument to trading on a regulated market.

Notes other than Alternative English Law Conditions Notes are not intended to be sold to Belgian Consumers (as defined below). 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 offered or sold and will not offer or sell, directly or indirectly, Notes other than Alternative English Law Conditions Notes to Belgian Consumers, and has not distributed or caused to be distributed and will not distribute or cause to be distributed, the Base Prospectus, the relevant Final Terms or any other offering material relating to Notes other than Alternative English Law Conditions Notes to Belgian Consumers.

For these purposes, a "**Belgian Consumer**" has the meaning provided by the Belgian Code of Economic Law, as amended from time to time (*Wetboek van 28 februari 2013 van economisch recht/Code du 28 février 2013 de*

*droit économique*), being any natural person resident or located in Belgium and acting for purposes which are outside his/her trade, business or profession.

#### ***Selling Restrictions Addressing Additional French Securities Laws***

- (a) *Offer to the public in France not exempted from the obligation to publish a prospectus:*

An offer of Notes to the public in France which is not exempted from the obligation to publish a prospectus set out in Article 3.1 of Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") and the distribution or causing to be distributed to the public in France of this Base Prospectus, any relevant Final Terms or any other offering material relating to such an offer of Notes, will only be made in the period beginning on the date of publication of this Base Prospectus which has been approved by the competent authority of a Member State of the EEA and notified to the *Autorité des marchés financiers* ("**AMF**") in France, and ending at the latest on the date which is 12 months after the date of the approval of this Base Prospectus, all in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF, or

- (b) *Offer to the public in France exempted from the obligation to publish a prospectus:*

Notes may not be offered or sold, directly or indirectly, to the public in France, nor may this Base Prospectus, any relevant Final Terms or any other offering material relating to the offer of Notes be distributed or caused to be distributed in France other than (i) to qualified investors (*investisseurs qualifiés*) as referred to in Article L.411-2 1° of the French *Code monétaire et financier* and defined in Article 2(e) of the EU Prospectus Regulation, or otherwise (ii) in compliance with all applicable French laws and regulations.

#### ***Selling Restrictions Addressing Additional Republic of Italy Securities Laws***

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly no Notes may be offered, sold or delivered, and no copies of this Base Prospectus and any other document relating to the Notes may be distributed, in the Republic of Italy except:

- (1) to "qualified investors", as defined in Regulation (EU) 2017/1129 of 14 June 2017 (as amended, the "**EU Prospectus Regulation**");
- (2) that Notes may be offered, sold or delivered, or copies of any prospectus relating to such Notes may be distributed, in an offer to the public in the period commencing on the date of publication of such prospectus, **provided that** such prospectus has been approved in another Member State and notified to CONSOB, all in accordance with the EU Prospectus Regulation, Legislative Decree No. 58 of 24 February 1998, as amended (the "**Decree No. 58**") and CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**"), and ending on the date which is 12 months after the date of approval of such prospectus; and
- (3) in any other circumstances where an express exemption from compliance with the solicitation restrictions applies, as provided under the EU Prospectus Regulation, Decree No. 58 or Regulation No. 11971.

Any such offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 20307 of 15 February 2018, as amended and any other applicable laws and regulations;
- (b) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016 and on 2 November 2020); and
- (c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

***Provisions relating to the secondary market in Italy***

Investors should also note that, in any subsequent distribution of the Notes in the Republic of Italy the EU Prospectus Regulation and Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, Article 100-bis of Decree No. 58 provides that where the Notes are placed solely with "qualified investors" and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Notes were purchased, unless an exemption provided for under the EU Prospectus Regulation or Decree No. 58 applies.

***Selling Restrictions Addressing Additional Norway Securities Laws***

Notes denominated in Norwegian Krone (NOK) may not be offered or sold, directly or indirectly within the Kingdom of Norway or to or for the benefit of Norwegian purchasers. Each purchaser of Notes denominated in Norwegian Krone (NOK) will be deemed to have acknowledged, represented and agreed that such Notes may not be offered or resold within the Kingdom of Norway or to or for the benefit of Norwegian purchasers.

***Selling Restrictions Addressing Additional Kingdom of Spain Securities Laws***

Neither the Notes nor this Base Prospectus have been registered with the Spanish Securities Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Notes may not be offered, sold or distributed, nor may any subsequent resale of Notes be carried out in Spain, except in circumstances which do not require the registration of a prospectus in Spain or without complying with all legal and regulatory requirements under Spanish securities laws.

The Notes may only be offered or sold in Spain by institutions authorised under Spanish Law 6/2023, of 17 March, on the Securities Markets and the Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) (the "**Spanish Securities Markets and Investment Services Law**"), Royal Decree 217/2008 of 15 February on the legal regime applicable to investment services companies (*Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*) as amended and restated or replaced from time to time and related legislation to provide investment services in Spain and in accordance with the provisions of the Spanish Securities Markets and Investment Services Law and further developing legislation.

**Gibraltar**

An invitation or inducement to enter or offer to enter into an agreement the making or performance of which by either party constitutes the carrying on of a regulated activity (within the meaning of section 12 of the Financial Services Act 2019 of Gibraltar (the "**FSA19**")) may only be communicated or caused to be communicated in connection with the issue or sale of Notes in circumstances in which section 12(1) of the FSA19 does not apply to HBCE (in the case of Notes issued by HBCE) or would not, if it was not an authorised person, apply to HBEU (in case of Notes issued by HBEU).

All applicable provisions of the FSA19 must be complied with in respect of anything done in connection with the Notes in, from or otherwise involving Gibraltar.

The Notes are not intended to be offered, sold or otherwise made available to any retail investor in Gibraltar where the issuance or marketing of such Notes are subject to the supervision of the Gibraltar Financial Services Commission (the "**GFSC**") and to the Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of section 6 of the European Union (Withdrawal) Act 2019 of Gibraltar (the "**Gibraltar PRIIPS Regulations**"). Consequently, the requirements of the Gibraltar PRIIPS Regulations in respect of Packaged Retail Investment Products have not been met and therefore offering or selling the Notes in, from or into Gibraltar may not be permitted without complying with the requirements set out in the Gibraltar PRIIPS Regulations and other applicable laws and regulations in Gibraltar.

**Guernsey**

The Notes may only be offered or sold in, or from within the Bailiwick of Guernsey either (i) to or by persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 or (ii) to persons licensed under the Banking Supervision (Bailiwick of Guernsey) Law, 2020 or (iii) to persons licensed under the Insurance Business (Bailiwick of Guernsey) Law, 2002 or (iv) to persons licensed under the Insurance Managers and Insurance

Intermediaries (Bailiwick of Guernsey) Law, 2002 or (v) to licensees under the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2020.

This Base Prospectus has not been registered with the Guernsey Financial Services Commission and it is not intended that this Base Prospectus will be registered with the Guernsey Financial Services Commission under the Prospectus Rules and Guidance, 2021, on the basis that an offer will be in respect of Notes to be listed on Euronext Dublin.

Where the Notes are not to be so listed and traded, the offer will not be made to the public in Guernsey. Therefore, the number of persons in Guernsey to whom an offer for Notes that are not listed on Euronext Dublin is so communicated must not exceed fifty.

### **Hong Kong**

Notes (except for Notes which are a "**structured product**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) may not be offered or sold in Hong Kong by means of any document other than (a) to "**professional investors**" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "**prospectus**" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) may be issued or held in the possession of the Issuer or any Dealer or any other offeror nominated by the Issuer for the purpose of such issue of Notes, whether in Hong Kong or elsewhere, other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "**professional investors**" as defined in the SFO and any rules made under the SFO.

### **Isle of Man**

Each Dealer appointed under the Programme (other than the Issuer) will be required to represent and agree that it shall only offer or sell Notes in or from the Isle of Man if it holds an appropriate financial services licence issued by the Isle of Man Financial Services Authority (the "**FSA**") under section 7 of the Isle of Man Financial Services Act 2008 (the "**FS Act**") or, where it does not hold such a licence, it shall only offer or sell Notes to an "Isle of Man person" (within the meaning of the Isle of Man Regulated Activities Order 2011, as amended (the "**Order**")) where it is an "overseas person" (within the meaning of the Order) who is authorised to offer and sell the Notes by a regulator outside the Isle of Man and either (i) the offer or sale of the Notes is the direct result of an approach made to such Dealer by or on behalf of the Isle of Man person which has not been solicited by such Dealer (otherwise than by means of an advertisement which is neither targeted at Isle of Man persons nor disseminated by a medium which is targeted at Isle of Man persons); or (ii) the Isle of Man person: (A) holds a licence issued by the FSA under section 7 of the FS Act to carry on a regulated activity; or (B) is a person falling within exclusion 2(r) contained in Schedule 1 to the Order; or (C) is a person whose ordinary business activities involve him in acquiring, holding, managing or disposing of shares or debentures (as principal or agent), for the purposes of his business.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**"), and, accordingly, Notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for re offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

### **Jersey**

No consent under Article 8(2) of the Control of Borrowing (Jersey) Order 1958 has been obtained in relation to the circulation in Jersey of any offer of Notes and any such offer must be addressed exclusively to a restricted circle of persons in Jersey. For these purposes an offer is not addressed exclusively to a restricted circle of persons unless (i) the offer is addressed to an identifiable category of persons to whom it is directly communicated by the offeror or the offeror's appointed agent, (ii) the members of that category are the only persons who may accept

the offer and they are in possession of sufficient information to be able to make a reasonable evaluation of the offer and (iii) the number of persons in Jersey to whom the offer is so communicated does not exceed fifty.

### **Kingdom of Bahrain**

The Notes have not been and may not be offered or sold except that the Notes may be marketed on a private placement basis to persons in the Kingdom of Bahrain who are "accredited investors" for an offer outside Bahrain.

For this purpose, an "**accredited investor**" means:

- (a) an individual holding financial assets (either singly or jointly with a spouse) of U.S.\$1,000,000 or more excluding that person's principal place of residence; or
- (b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000; or
- (c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund).

### **Mainland China**

Except as permitted by applicable laws and regulations in mainland China, (i) Notes linked to mainland China underlyings (including those underlying an underlying index) may not be offered or sold, directly or indirectly, in mainland China, or offered or sold to any Domestic Investor, or to any person using funds to purchase Notes sourced from any Domestic Investor and (ii) the Notes (other than the Notes in sub-paragraph (i)) may not be offered or sold, directly or indirectly, in mainland China, or offered or sold to any Domestic Investor, in each case, where "**Domestic Investor**" means:

- (a) a PRC Citizen; and/or
- (b) a PRC Entity.

"**PRC Citizen**" means any person who (a) holds a PRC Identity Document and (b) does not hold any Non-PRC Permanent Residency Document.

"**PRC Identity Document**" means any of mainland China residency household register, mainland China resident identity card, PRC passport and Exit-entry Permit for Travelling to and from Hong Kong and Macao (EEP). For the avoidance of doubt, a PRC Identity Document does not include an Entry Permit for Travelling to Hong Kong and Macao (commonly known as one-way permit).

"**Non-PRC Permanent Residency Document**" means any permanent resident card, permanent resident visa or any other equivalent government issued permanent residency document, in each case, of a country or region outside mainland China.

"**PRC Entity**" means any legal entity incorporated, organised, registered and/or otherwise established in mainland China. For the avoidance of doubt, a PRC Entity does not include a branch or a subsidiary of any entity specified in the preceding sentence, which is lawfully registered in any country or region outside mainland China.

In respect of any Notes, this Base Prospectus or any information obtained by reference herein relating to the Notes does not constitute an offer to sell or the solicitation of an offer to buy any securities in mainland China to any person to whom it is unlawful to make the offer or solicitation in mainland China. This Base Prospectus, any information contained herein or the Notes have not been, or will not be, submitted to, approved by, verified by or registered with any relevant governmental authorities in mainland China and thus may not be supplied to the public in mainland China or used in connection with any offer for the subscription or sale of the Notes in mainland China. The Issuer does not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in mainland China, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of any Notes or distribution of this Base Prospectus in mainland China.

## Peru

The contents of this Base Prospectus and the Notes issued and traded hereunder, have not been reviewed nor authorised by the Capital Markets Superintendence (*Superintendencia del Mercado de Valores*, the "SMV") nor the Private Pension Funds, Banking and Insurance Superintendence (*Superintendencia de Banca, Seguros y AFP*, the "SBS"). Therefore, investors will not benefit from protection of any of the aforementioned regulatory authorities.

The Notes have not been and will not be registered with the Capital Markets Public Registry of the SMV nor the Lima Stock Exchange Registry ("RBVL") for their public offering in Peru under the Peruvian Capital Markets Law (Law N°861/ Supreme Decree N°020-2023-EF) and the decrees and regulations thereunder.

Consequently, Notes may not be offered or sold, directly or indirectly, nor this Base Prospectus, any relevant Final Terms or any other offering material relating to the Notes be distributed or caused to be distributed to the general public in Peru, unless the offering or selling of Notes comply with the Private Offer Exemptions (as defined below).

"Private Offer Exemptions" means an offer of Notes, where no Mass-marketing is used, and made:

- (i) exclusively to institutional investors; or
- (ii) where the minimum investment amount is greater than or equal to approximately USD 160,000 (either in a single transaction or in aggregate).

"Mass-marketing" means a marketing strategy utilising mass distribution and mass media to offer, negotiate or distribute securities to the whole market. Mass media includes newspapers, magazines, radio, television, mail, meetings, social network, internet servers located in Peru, and other media or technology platforms.

## Republic of Ireland

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

- (a) it has not and will not underwrite the issue of, or place the Notes otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended), and any codes of conduct or rules issued in connection therewith and any conditions, requirements or enactments, imposed or approved by the Central Bank of Ireland, and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it has not and will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2018 (as amended) and any codes of practice made under Section 117(1) of the Irish Central Bank Act 1989 (as amended) or any regulations made pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);
- (c) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 or any delegated or implementing acts relating thereto, the European Union (Prospectus) Regulations 2019 of Ireland, the Companies Act 2014 (as amended) and any rules issued under Section 1363 of the Companies Act 2014 (as amended) by the Central Bank of Ireland; and
- (d) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the European Union (Market Abuse) Regulations 2016 (as amended), Regulation (EU) No 596/2014 of the European Parliament of the Council of 16 April 2014 on market abuse (as amended) and any rules issued under Section 1370 of the Companies Act 2014 (as amended) by the Central Bank of Ireland.

## Russia

The Notes have not been and will not be offered, transferred or sold as part of their initial distribution or at any time thereafter to or for the benefit of any persons (including legal entities) resident, incorporated, established or



having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation unless and to the extent otherwise permitted under Russian law.

### Singapore

This Base Prospectus has not been registered and will not be registered as a prospectus with the Monetary Authority of Singapore. The Notes may not be offered or sold, nor may the Notes be the subject of an invitation for subscription or purchase, whether directly or indirectly, nor may this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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

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

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

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

### Switzerland

**The Notes are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority ("FINMA") and investors in the Notes will not benefit from supervision by FINMA. Notes issued under the Programme do not constitute participations in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA"), as amended. Notes issued under the Programme are neither issued nor guaranteed by a Swiss financial intermediary. Investors are exposed to the credit risk of the Issuer.**

The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance ("**FinSO**"), and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to FinSA. Consequently, this Base Prospectus and any other offering or marketing material relating to the Notes may only be publicly distributed or otherwise made publicly available in Switzerland:

1. if such offer is strictly limited to investors that qualify as professional clients ("**Professional Clients**", as set out below) according to Article 4 para. 3 FinSA and Article 5 para. 1 FinSO. Accordingly, the Notes may only be distributed or offered, and the Base Prospectus or any other marketing material relating to

the Notes may be made available to Professional Clients in Switzerland; in this case, the offering of the Notes in, into or from Switzerland is exempt from the requirement to prepare and publish a prospectus under FinSA; or

2. if such offer constitutes an exempt offer pursuant to specific provisions regarding exempt offers pursuant to Article 36 FinSA which (a) is addressed to less than 500 investors, (b) is only addressed to investors that purchase financial instruments in an amount of at least CHF 100,000 (or equivalent in other currencies), (c) has a minimum denomination of CHF 100,000 (or equivalent in other currencies), or (d) does not exceed the value of CHF 8 million (or equivalent in other currencies) calculated over a period of 12 months; in this case, the offering of the Notes in, into or from Switzerland is exempt from the requirement to prepare and publish a prospectus under FinSA.

Professional Clients in terms of FinSA specifically include:

- (a) Swiss regulated financial intermediaries such as banks, securities firms, fund management companies, asset managers of collective assets, portfolio managers or trustees;
- (b) Swiss regulated insurance companies;
- (c) foreign entities which are subject to a prudential supervision under the laws of their incorporation of jurisdiction equivalent to that applicable to entities listed under paragraphs (a) and (b) above;
- (d) central banks;
- (e) public entities with professional treasury operations;
- (f) occupational pension schemes and other institutions whose purpose is to serve occupational pensions with professional treasury operations;
- (g) companies with professional treasury operations;
- (h) large companies; and
- (i) private investment structures with professional treasury operations created for high-net-worth private (retail) clients.

In addition, high-net-worth private (retail) clients and private investment structures created for them may declare that they wish to be treated as Professional Clients in accordance with Article 5 FinSA (opting out).

Notwithstanding the fact that this offer does not trigger the requirement to establish a prospectus under FinSA, in the case of offerings of Notes that constitute debt instruments with a "derivative character" that will be made to private (retail) clients in, into or from Switzerland (as such expressions are understood under FinSA and FinSO), a key information document (KID) prepared in accordance with FinSA and FinSO or in accordance with Regulation (EU) No 1286/2014 of the European Parliament and of the Council of November 26, 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) must be made available.

### **Taiwan**

The Notes have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or other regulatory authority or agency of Taiwan pursuant to relevant securities laws and regulations of Taiwan, the Notes may not be issued, offered or sold within Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or other regulatory authority or agency of Taiwan. No person or entity in Taiwan has been authorised to offer or sell Notes in Taiwan.

Notes may be made available to Taiwan investors outside Taiwan for purchase by such investors either directly or through such financial institutions as may be authorised under the laws of Taiwan and only pursuant to the relevant laws, regulations and self-regulatory guidelines as may be applicable to them.

### **United Arab Emirates (excluding the Dubai International Financial Centre)**

The Notes have not been and may not be offered, sold or publicly promoted or advertised in the United Arab Emirates (the "UAE") other than in compliance with any laws applicable in the UAE governing the issue, offering and sale of securities.

### **United Kingdom**

**Prohibition of sales to UK Retail Investors:** Unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive 2016/97/EU, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

**Public Offer Selling Restriction Under the UK Prospectus Regulation:** In relation to any Notes if the Final Terms in respect of such Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) *Qualified investors:* at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) *Fewer than 150 offerees:* at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) *Other exempt offers:* at any time in any other circumstances falling within Section 86 of the FSMA,

**provided that** no such offer of Notes referred to in paragraphs (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

### **Selling Restrictions Addressing Additional United Kingdom Securities Laws**

Notes issued by HBCE having a maturity of less than one year must not be offered or sold other than to persons (a) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as

principal or agent) for the purposes of their businesses or (b) 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 Financial Services and Markets Act 2000 ("FSMA") by HBCE.

An invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) may only be communicated or caused to be communicated in connection with the issue or sale of Notes in circumstances in which section 21(1) of the FSMA does not apply to HBCE (in the case of Notes issued by HBCE) or would not, if it was not an authorised person, apply to HBEU (in case of Notes issued by HBEU).

All applicable provisions of the FSMA must be complied with in respect of anything done in connection with the Notes in, from or otherwise involving the United Kingdom.

### **United States of America**

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 (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Master Note Issuance Agreement:

- (1) if "40-day Distribution Compliance Period" is specified as not applicable in the relevant Final Terms, (a) it will not offer, sell or deliver Notes at any time (whether as part of their distribution at any time or otherwise) within the United States or to, or for the account or benefit of, U.S. persons and (b) it will send to each dealer to which it sells Notes 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; and
- (2) otherwise, (a) it will not offer, sell or deliver Notes, (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of the Series of which such Notes are a part, as certified to the Principal Paying Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Principal Paying Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to, or for the account or benefit of, U.S. persons and (b) it will send to each dealer to which it sells Notes during the periods referred to in (a)(i) and (ii) above 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.

In addition:

- (1) if "40-day Distribution Compliance Period" is specified as not applicable in the relevant Final Terms, an offer or sale of Notes at any time within the United States by any dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act; and
- (2) otherwise, until 40 days after the commencement of the offering of any Tranche of Notes, an offer or sale of Notes of such Tranche within the United States by any dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act.

### **Uruguay**

Neither the Notes nor the Issuer are registered with the Superintendency of Financial Services of the Central Bank of Uruguay allowing the Notes to be publicly offered in Uruguay, since the placement qualifies as a private placement under section 2 of Uruguayan law 18.627.

## SECTION II.4 – TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES

*The following are the terms and conditions of the English Law Notes (the "**Conditions**") which apply to all English Law Notes issued by HBEU (other than English Law Notes in respect of which the Final Terms specify the "Alternative Terms and Conditions of the English Law Notes" to be the Conditions in respect of the Notes) and which are completed by the relevant Final Terms for each issue of Notes. These Conditions do not apply to Notes issued by HBCE. The Conditions will be endorsed on each Note in definitive form. The terms and conditions applicable to any English Law Note in global form will differ from those terms and conditions which would apply to the English Law Note were it in definitive form to the extent described under "Form of Notes and Summary of Provisions Relating to the Notes While in Global Form".*

The Notes are issued by HSBC Bank plc (the "**Issuer**") pursuant to a programme for the issuance of notes and warrants (the "**Programme**") established by the Issuer, are constituted by, and have the benefit of, a deed of covenant dated on or about 25 May 2023 (the "**Deed of Covenant**"). The Notes also have the benefit of a master note issuance agreement dated 24 February 1999 as most recently amended and restated on or about 25 May 2023 (as further modified and/or amended from time to time, the "**Master Note Issuance Agreement**") and made between, among others, the Issuer, HSBC Bank plc and HSBC Continental Europe (formerly known as HSBC France) as dealers (each a "**Dealer**" and together the "**Dealers**", which expression shall include any additional or successor Dealer) and The Hongkong and Shanghai Banking Corporation Limited (which entity shall not be a dealer for the purposes of the Notes), and an issuing and paying agency agreement dated 24 February 1999 as most recently amended and restated on or about 25 May 2023 (as further modified and/or amended from time to time, the "**Issuing and Paying Agency Agreement**") and made between, among others, the Issuer, HSBC Bank plc and HSBC Continental Europe as calculation agents (HSBC Bank plc or, as the case may be, HSBC Continental Europe being the "**Calculation Agent**" with respect to the Notes if so specified in the relevant Final Terms, which expression includes any successor or other Calculation Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms), HSBC Bank plc as transfer agent (HSBC Bank plc being the "**Transfer Agent**", which expression shall include any additional or successor or other Transfer Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms), HSBC Bank plc as the principal paying agent (HSBC Bank plc being the "**Principal Paying Agent**", which expression shall include any additional or successor or other Principal Paying Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms and, together with any additional paying agent appointed pursuant to the Issuing and Paying Agency Agreement or the Computershare Agency Agreement (as defined below), as specified in the relevant Final Terms, the "**Paying Agents**"), HSBC Bank plc as issue agent (HSBC Bank plc being the "**Issue Agent**", which expression shall include any additional or successor or other Issue Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms), HSBC Bank plc as registrar (HSBC Bank plc being the "**Registrar**", which expression shall include any additional or successor or other Registrar appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms) and the other parties specified therein.

In addition, the Issuer has entered into an agreement with Computershare Investor Services PLC dated 23 April 2010 (such agreement, as amended and/or supplemented and/or restated from time to time, the "**Computershare Agency Agreement**") appointing the latter as registrar and paying agent (the "**CREST Registrar**", which expression shall include any successor registrar and paying agent) with respect to Uncertificated Registered Notes (as defined below).

All Notes will be issued in series (each, a "**Series**") and each Series may comprise one or more tranches (each, a "**Tranche**") of Notes issued on different issue dates. Each Tranche will be the subject of final terms ("**Final Terms**"), a copy of which will be attached to or endorsed on or incorporated by reference in each Note of such Tranche. Other than the issue date, the issue price and the date for the first payment of interest, the Notes of each Series will have identical terms and conditions. The Notes of each Tranche will have identical terms and conditions.

Copies of the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement, the Deed of Covenant and the Computershare Agency Agreement are available for inspection by Holders (as defined below) of Notes, and copies of the relevant Final Terms, this Base Prospectus and any supplemental prospectus may be obtained by Holders of Notes in each case during normal business hours at the specified office of the Issuer and of the Paying Agent in London or, in the case of Uncertificated Registered Notes, the CREST Registrar. The Holders (as defined in Condition 2(b) (*Form, Denomination and Title – Bearer Notes*)) for the time being of Notes (the "**Noteholders**", which expression shall, in the case of Bearer Notes, include reference to the Holders of the Coupons appertaining thereto) and of any coupons (the "**Coupons**") or talons (the "**Talons**") (the "**Couponholders**") are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Issuing

and Paying Agency Agreement, the Computershare Agency Agreement, the Deed of Covenant, the Master Note Issuance Agreement and the relevant Final Terms which are applicable to them.

Words and expressions defined in the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement or the Computershare Agency Agreement or used in the relevant Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between any of the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement, the Computershare Agency Agreement and the relevant Final Terms, the relevant Final Terms will prevail.

## 1. Definitions

**"2021 ISDA Definitions"** means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of the Notes of the relevant Series, as published by ISDA on its website ([www.isda.org](http://www.isda.org));

**"€STR"** means, in respect of any specified period, the interest rate benchmark known as the daily euro short-term rate;

**"Additional Disruption Event"** means such of Change in Law, Hedging Disruption, Increased Costs of Hedging and/or Insolvency Filing as are specified as such in the relevant Final Terms;

**"Administrator/Benchmark Event"** means, in relation to any Series of Notes and an Applicable Benchmark, an event or circumstance which has the effect that the Issuer or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use such Applicable Benchmark to perform its or their obligations under the Notes;

**"Administrator/Benchmark Event Date"** means, in respect of any Administrator/Benchmark Event, the date from which the Applicable Benchmark may no longer be used under any applicable law or regulation by the Issuer or the Calculation Agent;

**"Affected Relevant Benchmark"** means, in relation to any Series of Notes, the Relevant Benchmark affected by a Benchmark Trigger Event;

**"Agents"** means each of, the Paying Agents, the Transfer Agent, the Issue Agent, the Registrar and the CREST Registrar;

**"Aggregate Outstanding Nominal Amount"** means, in respect of Notes which are represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, the aggregate outstanding nominal amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes;

**"Alternative Exchange"** means, in relation to any Securities, an exchange or quotation system on which the Securities are re-listed, re-traded or re-quoted and which is located in the same country as the Exchange (or, where the Exchange is within the European Union or the United Kingdom, in any member state of the European Union or the United Kingdom), unless (in any such case) the Calculation Agent determines that the listing, trading or quotation on such exchange or quotation system will materially alter the risk profile of the Notes (in which case such exchange or quotation system shall not constitute an **"Alternative Exchange"**);

**"Alternative Payment Cross Currency Rate"** means, for any Alternative Payment Currency Fixing Date, the currency exchange rate between the Cross Currency and the Alternative Payment Currency as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time and as observed by the Calculation Agent;

**"Alternative Payment Currency"** means the currency, which may be Offshore RMB, specified as such in the relevant Final Terms or, if no such currency is specified, USD;

**"Alternative Payment Currency Equivalent"** means the relevant amount in the Settlement Currency determined by the Calculation Agent converted into the relevant Alternative Payment Currency using the

Alternative Payment Currency Exchange Rate for the relevant Alternative Payment Currency Fixing Date;

**"Alternative Payment Currency Exchange Rate"** means

- (i) the rate of exchange between the Settlement Currency and Alternative Payment Currency (expressed as the number of units of Alternative Payment Currency per one unit of Settlement Currency or as the number of units of Settlement Currency per one unit of Alternative Payment Currency (as applicable)) as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time on the Alternative Payment Currency Fixing Date and as observed by the Calculation Agent;
- (ii) if Cross Currency Exchange Rate is specified as applicable in the relevant Final Terms, the rate of exchange determined in accordance with, or derived from the Alternative Payment Cross Currency Rate and the Settlement Currency Exchange Rate, as determined by the Calculation Agent; or
- (iii) such other rate as may be specified in the relevant Final Terms.

The Calculation Agent shall round such rate to the closest four (4) decimal places, 0.00005 being rounded up. If on an Alternative Payment Currency Fixing Date the Relevant Rate is not available for any reason as determined by the Calculation Agent, the Calculation Agent will determine the Alternative Payment Currency Exchange Rate in accordance with sub-paragraph (X)(A) or (X)(B), as applicable, of Condition 7(f) (*Payments - Price Source Disruption and FX Disruption*) or, if Price Source Disruption is specified as not applicable in the relevant Final Terms, in its discretion;

**"Alternative Payment Currency Fixing Date"** means:

- (i) the date specified as such in the Final Terms;
- (ii) if "Condition 1" is specified as applicable in the relevant Final Terms, the relevant Interest Payment Date, Maturity Date or other date on which the relevant payment falls due (as appropriate); or
- (iii) otherwise, the fifth day (or such other number of days specified in the relevant Final Terms) prior to the relevant Interest Payment Date, Maturity Date or other date on which the relevant payment falls due (as appropriate).

If such date falls on a day that is a Saturday or Sunday or on which commercial banks are not open for general business and dealings in foreign exchange in the jurisdiction or place specified in the relevant Final Terms, or if no such jurisdiction or place is specified in the relevant Final Terms, the Settlement Currency Jurisdiction, the Alternative Payment Currency Jurisdiction and, if Cross Currency Exchange Rate is specified as applicable in the relevant Final Terms, the Cross Currency Jurisdiction (a "**closed day**"), then:

- (x) if "Condition 1" is specified as applicable in the relevant Final Terms, the Alternative Payment Currency Fixing Date shall be the immediately following calendar day that is not a closed day; and
- (y) otherwise, the Alternative Payment Currency Fixing Date shall be the immediately preceding calendar day that is not a closed day;

**"Alternative Payment Currency Fixing Page"** means the Reuters or other screen page specified as such in the relevant Final Terms or any successor page thereof or, if such page is not specified in the relevant Final Terms or there is no successor page, the Calculation Agent will determine the relevant Alternative Payment Currency Exchange Rate by reference to the spot rate prevailing in the international exchange market;

**"Alternative Payment Currency Fixing Time"** means (i) the time and place specified as such in the relevant Final Terms or, such other time and place as the Calculation Agent determines in the case of a successor page to the Alternative Payment Currency Fixing Page specified in the relevant Final Terms or

(ii) if no such time and place is specified in the Final Terms, such time and place as the Calculation Agent determines;

**"Alternative Payment Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms or, if the Alternative Payment Currency is USD, the United States of America;

**"Alternative Pre-nominated Index"** means, in respect of a Relevant Benchmark, the first of the indices, benchmarks or other price sources specified in the relevant Final Terms as an "Alternative Pre-nominated Index" and which is not subject to a Benchmark Trigger Event;

**"Applicable Benchmark"** means any of the following:

- (a) a Relevant Benchmark;
- (b) a Reference Rate;
- (c) any index, benchmark or other price source that is referred to in a Relevant Benchmark;
- (d) any rate that applies as a fallback pursuant to Conditions 4B(e)(v), 4B(e)(vi) or 4B(e)(vii);
- (e) an Alternative Pre-nominated Index used pursuant to Condition 13(A) (*Consequences of a Benchmark Trigger Event*); and
- (f) a Replacement Index used pursuant to Condition 13(A) (*Consequences of a Benchmark Trigger Event*);

**"Applicable Fallback Effective Date"** means, in respect of an Applicable Benchmark and an Index Cessation Event or an Administrator/Benchmark Event, the Index Cessation Effective Date or the Administrator/Benchmark Event Date, as applicable;

**"Automatic Early Redemption Amount"** means, in respect of an Automatic Early Redemption Valuation Date and as calculated by the Calculation Agent in accordance with, and subject to, Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*), an amount equal to the Calculation Amount multiplied by the relevant Automatic Early Redemption Rate corresponding to such Automatic Early Redemption Valuation Date;

**"Automatic Early Redemption Date"** means, in respect of an Automatic Early Redemption Valuation Date, the corresponding date specified as such in relation to such Automatic Early Redemption Valuation Date in the relevant Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

**"Automatic Early Redemption Event"** will be deemed to have occurred in relation to an Automatic Early Redemption Valuation Date if the Relevant Observation Performance determined in respect of such Automatic Early Redemption Valuation Date is equal to or greater than the relevant Automatic Early Redemption Percentage specified in respect of such Automatic Early Redemption Valuation Date, as determined by the Calculation Agent;

**"Automatic Early Redemption Percentage"** means, in respect of an Automatic Early Redemption Valuation Date, the percentage specified as such for such Automatic Early Redemption Valuation Date in the relevant Final Terms;

**"Automatic Early Redemption Rate"** means, in respect of an Automatic Early Redemption Valuation Date, the percentage rate specified as such for such Automatic Early Redemption Valuation Date in the relevant Final Terms;

**"Automatic Early Redemption Valuation Date(s)"** means:

- (i) in respect of a Note which relates to a single Index or Security, each of the date(s) specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each of the date(s) specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day



in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Automatic Early Redemption Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

**"Average Basket – Lowest Observation Date"** means, with respect to a Valuation Date, the Observation Date specified in respect to such Valuation Date for which the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index or Security (as applicable) comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) is lowest;

**"Average Basket – Highest Observation Date"** means, with respect to a Valuation Date, the Observation Date specified in respect to such Valuation Date for which the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index or Security (as applicable) comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) is highest;

**"Averaging Date(s)"** means, in respect of an Index, or a Security:

- (i) each of the dates specified as an Averaging Date with respect to the relevant Valuation Date in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) subject to the provisions of Condition 16 (*Consequences of Disrupted Days*); or
- (ii) if Averaging Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, each Scheduled Trading Day (which is not a Disrupted Day) in the Averaging Period;

**"Averaging Period"** means with respect to:

- (i) the Strike Date, the period from and including the **"Strike Averaging Start Date"** to and including the **"Strike Averaging End Date"**, each as specified in the relevant Final Terms (the **"Strike Averaging Period"**);
- (ii) the Final Valuation Date, the period from and including the **"Final Valuation Averaging Start Date"** to and including the **"Final Valuation Averaging End Date"**, each as specified in the relevant Final Terms (the **"Final Performance Averaging Period"**);
- (iii) any Automatic Early Redemption Valuation Date, the period from and including the **"Autocall Averaging Start Date"** to and including the **"Autocall Averaging End Date"**, each as specified in the relevant Final Terms (the **"Autocall Averaging Period"**);
- (iv) any Coupon Trigger Valuation Date, the period from and including the **"Coupon Trigger Averaging Start Date"** to and including the **"Coupon Trigger Averaging End Date"**, each as specified in the relevant Final Terms (the **"Coupon Trigger Averaging Period"**);
- (v) any Lock-In Coupon Valuation Date, the period from and including the **"Lock-In Coupon Averaging Start Date"** to and including the **"Lock-In Coupon Averaging End Date"**, each as specified in the relevant Final Terms (the **"Lock-In Coupon Averaging Period"**);
- (vi) any Barrier Valuation Date, the period from and including the **"Barrier Averaging Start Date"** to and including the **"Barrier Averaging End Date"**, each as specified in the relevant Final Terms (the **"Barrier Averaging Period"**); and
- (vii) any Lock-In Redemption Valuation Date, the period from and including the **"Lock-In Redemption Averaging Start Date"** to and including the **"Lock-In Redemption Averaging End Date"**, each as specified in the relevant Final Terms (the **"Lock-In Redemption Averaging Period"**);

a "**Barrier Event**" will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) where "**Inclusive**" is specified to apply with respect to the Barrier Event in the relevant Final Terms:
  - (a) if "**European**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of the Barrier Valuation Date is less than or equal to the Barrier Level;
  - (b) if "**Bermudan**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any of the Barrier Valuation Dates is less than or equal to the Barrier Level; and
  - (c) if "**Daily**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any Barrier Valuation Date during the Barrier Valuation Period is less than or equal to the Barrier Level;
- (ii) where "**Non-Inclusive**" is specified to apply with respect to the Barrier Event in the relevant Final Terms:
  - (a) if "**European**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of the Barrier Valuation Date is less than the Barrier Level;
  - (b) if "**Bermudan**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any of the Barrier Valuation Dates is less than the Barrier Level; and
  - (c) if "**Daily**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any Barrier Valuation Date during the Barrier Valuation Period is less than the Barrier Level;

"**Barrier Level**" means the percentage specified as such in the relevant Final Terms;

"**Barrier Observation Method**" means European, Bermudan or Daily as specified in the relevant Final Terms;

"**Barrier Valuation Date(s)**" means:

- (i) if "**European**" is specified as the applicable Barrier Observation Method:
  - (a) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Barrier Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

- (ii) if "**Bermudan**" is specified as the applicable Barrier Observation Method:
  - (a) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising

the Securities Basket, the relevant Barrier Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

- (iii) if "**Daily**" is specified as the applicable Barrier Observation Method:
- (a) in respect of a Note which relates to a single Index or Security, each Scheduled Trading Day (which is not a Disrupted Day) in the Barrier Valuation Period (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day, and the provisions of Condition 16 (*Consequences of Disrupted Days*) shall apply with respect to such Barrier Valuation Date); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, each day in the Barrier Valuation Period which (i) is a Scheduled Trading Day in respect of all Indices or Securities (as applicable) in the Basket and (ii) is not a Disrupted Day in respect of any Index or Security (as applicable) in the Basket (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Indices or Securities (as applicable) shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day in respect of any Index or Security, and the provisions of Condition 16 (*Consequences of Disrupted Days*) shall apply with respect to such Barrier Valuation Date);

"**Barrier Valuation Period**" means the period from and including the "**Barrier Valuation Period Start Date**" to and including the "**Barrier Valuation Period End Date**", each as specified in the relevant Final Terms;

"**Basket**" means, in respect of a Note, a basket composed of each Index or each Security (as the case may be) specified in the relevant Final Terms in the relative proportions indicated in the Final Terms;

"**BBR**" means, in respect of any Relevant Currency and any specified period, the rate for bills of exchange denominated in such Relevant Currency and having a tenor equal to such specified period;

"**Benchmark Trigger Event**" means:

- (i) in respect of a Series of Notes that references a Relevant Benchmark that is a Reference Rate or a Floating Rate Option, or any other interest rate, yield, cost of funds or similar rate:
  - (A) an Index Cessation Event; or
  - (B) an Administrator/Benchmark Event; and
- (ii) in respect of any other Series of Notes, an Administrator/Benchmark Event;

"**Best Performing Index**" means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Level of each Index in the Basket has been determined, the Index for which the Specified Level of such Index determined with respect to such day divided by the Initial Index Level for such Index is highest, as determined by the Calculation Agent;

"**Best Performing Security**" means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Price of each Security in the Basket has been determined, the Security for which the Specified Price of such Security determined with respect to such day divided by the Initial Security Price for such Security is highest, as determined by the Calculation Agent;

"**Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Business Day**" means:

- (i) in relation to a Note in respect of which amounts are payable in euro, a Euro Business Day and a day on which commercial banks and foreign exchange markets settle payments generally in

each (if any) Business Centre and on which the relevant Clearing System is open for business;  
or

- (ii) in relation to any other Note, a day on which commercial banks and foreign exchange markets settle payments generally in each Business Centre and on which the relevant Clearing System is open for business;

**"Business Day Convention"**, in relation to any particular date, has the meaning given in the relevant Final Terms (which shall be one of the following expressions) and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
  - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

**"Calculation Amount"** means the amount in the Settlement Currency specified as such in the relevant Final Terms;

**"Cap"** means the percentage specified as such in the relevant Final Terms, provided that if no such percentage is specified, the Cap shall be unlimited;

**"Change in Law"** means, in relation to any Notes, on or after the Issue Date, (A) due to the adoption of or any change in any applicable law or regulation (including without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it will, or there is a substantial likelihood that it will, with the passing of time, or it has become illegal for the Issuer or any of its designated affiliates to hold, acquire or dispose of or realise, recover or remit the proceeds of the sale or disposal of, Securities, Component Securities, or other components comprised in an Index relating to such Notes or any transaction(s) or asset(s) it deems necessary to hedge the equity price risk or any other relevant price risk including, without limitation, any currency risk, of the Issuer issuing and performing its obligations with respect to the Notes

(y) it has become illegal for the Issuer or any of its designated affiliates to hold, acquire, purchase, sell or maintain one or more (i) positions or contracts in respect of any securities, options, futures, derivatives or foreign exchange in relation to such Notes, or in relation to the Issuer's hedging activities in connection with the Notes or in relation to the hedging activities of the Issuer or any of its designated affiliates in connection with the Notes, (ii) stock loan transactions in relation to such Notes or (iii) other instruments or arrangements (howsoever described) held by the Issuer or any of its designated affiliates in order to hedge, individually or on a portfolio basis, such Notes or (z) the Issuer or any of its designated affiliates will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position)

"**Clearing System**" means, in relation to a Series of Notes, Euroclear, Clearstream, Luxembourg, and/or CREST in which Notes of the relevant Series are for the time being held, or, in relation to an individual Note, in which that Note is for the time being held, in each case as specified in the relevant Final Terms;

"**Clearing System Business Day**" means, in relation to any Securities, any day on which the principal domestic clearing system customarily used for settling trades in such Securities is (or, but for the occurrence of an event beyond the control of the Issuer as a result of which such clearing system cannot clear the transfer of such securities, would have been) open for the acceptance and execution of settlement instructions;

"**Clearing System Currency Eligibility Event**" means the relevant Clearing System(s) ceases to accept payments in the Settlement Currency;

"**Clearstream, Luxembourg**" means Clearstream Banking S.A.;

"**Closing Level**" means (a) with respect to an Index other than a Multiple Exchange Index, the level of such Index as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange or (b) with respect to a Multiple Exchange Index, the official closing level of such Index as calculated and published by the Index Sponsor, in each case on the relevant Valuation Date, Averaging Date or Observation Date (as applicable) for which the performance of the Index is to be determined;

"**Closing Price**" means, in relation to a Security, the price of such Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the relevant Valuation Date, Averaging Date or Observation Date (as applicable) for which the performance of the Security is to be determined;

"**Component Security**" means, with respect to an Index, each component security of that Index;

"**Conditional Protection Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Conversion**" means, in respect of any Securities, any irreversible conversion by the Underlying Company of such Securities into other securities;

"**Coupon Trigger Amount**" means, in respect of the relevant Coupon Trigger Valuation Date and as calculated by the Calculation Agent;

- (i) if "**Digital Coupon**" is specified as being applicable in the relevant Final Terms, an amount equal to the Calculation Amount multiplied by the Coupon Trigger Rate corresponding to such Coupon Trigger Valuation Date;
- (ii) if "**Relevant Rate – Fixed**" is specified as being applicable in the relevant Final Terms, an amount calculated in accordance with Condition 4F (*Relevant Rate – Fixed*); and
- (iii) if "**Relevant Rate – Floating**" is specified as being applicable in the relevant Final Terms, an amount calculated in accordance with Condition 4G (*Relevant Rate – Floating*);

a "**Coupon Trigger Event**" will be deemed to have occurred in relation to a Coupon Trigger Valuation Date if the Relevant Observation Performance determined in respect of such Coupon Trigger Valuation Date is equal to or greater than the relevant Coupon Trigger Level specified in respect of such Coupon Trigger Valuation Date, as determined by the Calculation Agent;

**"Coupon Trigger Level"** means, in respect of a Coupon Trigger Valuation Date, the percentage specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

**"Coupon Trigger Payment Date"** means, in respect of a Coupon Trigger Valuation Date, the corresponding date specified as such in relation to such Coupon Trigger Valuation Date in the relevant Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

**"Coupon Trigger Rate"** means, in respect of a Coupon Trigger Valuation Date, the percentage rate specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

a **"Coupon Trigger Recovery Event"** will be deemed to have occurred in relation to a Coupon Trigger Valuation Date if the Relevant Observation Performance determined in respect of such Coupon Trigger Valuation Date is equal to or greater than the relevant Coupon Trigger Recovery Level specified in respect of such Coupon Trigger Valuation Date, as determined by the Calculation Agent;

**"Coupon Trigger Recovery Level"** means, in respect of a Coupon Trigger Valuation Date, the percentage specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

**"Coupon Trigger Valuation Date"** means

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Coupon Trigger Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

**"CREST"** means Euroclear UK & International Limited (formerly known as Euroclear UK & Ireland Limited);

**"Cross Currency"** means the currency specified as such in the relevant Final Terms, or if such currency is not specified in the relevant Final Terms, the Cross Currency shall mean USD;

**"Cross Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms;

**"Day Count Fraction"** means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in the relevant Final Terms and:

- (i) if **"Actual/Actual"**, **"Actual/Actual (ISDA)"**, **"Act/Act"** or **"Act/Act (ISDA)"** is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **"Actual/Actual (ICMA)"** or **"Act/Act (ICMA)"** is specified means:
  - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (b) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of

days in such Regular Period and (2) the number of Regular Periods in any one year; and

- (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (iii) if "**Actual/365 (Fixed)**", "**Act/365 (Fixed)**", "**A/365 (Fixed)**" or "**A/365F**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;
- (iv) if "**Actual/365 (Sterling)**" is specified, the actual number of days in the Calculation Period divided by 365, or in the case of an Interest Payment Date falling in a leap year, 366;
- (v) if "**Actual/360**", "**Act/360**" or "**A/360**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;
- (vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vii) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>2</sub> will be 30; and

- (viii) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" 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 D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>2</sub> will be 30;

"**Deferral Period**" has the meaning ascribed thereto in Condition 7(f) (*Payments - Price Source Disruption and FX Disruption*);

"**Delisting**" means (a) that the Exchange announces that, pursuant to the rules of such Exchange, the Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an Alternative Exchange or (b) that the Calculation Agent determines that listing or trading of Securities on the Exchange (or an Alternative Exchange) has not commenced and will not commence in the foreseeable future prior to redemption of the Notes.

"**Deposit Agreement**" means, in relation to each Depository Receipt, the agreement(s) or other instrument(s) constituting such Depository Receipt, as from time to time amended or supplemented;

"**Depository**" means, in relation to a Depository Receipt, the issuer of such Depository Receipt as appointed under the Deposit Agreement, including its successors from time to time;

"**Depository Receipt(s)**" means any Security specified as such in the relevant Final Terms **provided that** if the relevant Deposit Agreement is terminated at any time, any reference to any Depository Receipt(s) shall thereafter be construed as a reference to the relevant Underlying Securities or relevant Replacement DRs, as applicable and as determined by the Calculation Agent pursuant to Condition 21 (*Events relating to DR-Linked Notes*);

"**Digital Return Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Disrupted Day**" means:

- (i) in respect of an Index: (a) any Scheduled Trading Day in respect of such Index on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Index has occurred; (b) with respect to a Multiple Exchange Index any Scheduled Trading Day in respect of such Index on which (i) the Index Sponsor fails to publish the level of such Index, (ii) the Related Exchange



fails to open for trading during its regular trading session or (iii) a Market Disruption Event in respect of such Index has occurred; or

- (ii) in respect of a Security, any Scheduled Trading Day in respect of such Security on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Security has occurred;

**"Disrupted Day Related Payment Date"** means any payment date on the Notes on which the amount payable is calculated by reference to the price or level (as applicable) of an Index, an Index Basket, a Security or a Securities Basket determined on the related Valuation Date or Limit Valuation Date;

**"DR-Linked Notes"** means a Series of Equity-Linked Notes which relate to one or more Securities which are Depository Receipts;

**"Early Closure"** means (a) the closure on any Exchange Business Day of the relevant Exchange (in the case of Equity-Linked Notes) or any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or (b) if the Notes are Multiple Exchange Index-Linked Notes, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Early Redemption Amount"** means, in relation to each Note or Calculation Amount (as applicable) an amount equal to the percentage per Calculation Amount calculated in accordance with, and subject to, Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*) or its Fair Market Value, in each case as specified in the relevant Final Terms for the event giving rise to the early redemption;

**"EMU Event"** means the occurrence of any of the following, as determined by the Calculation Agent:

- (i) the redenomination of any security into euro;
- (ii) the change by any organised market, exchange or clearing, payment or settlement system in the unit of account of its operating procedures to the euro;
- (iii) any change in the currency of denomination of any Index or any Security; or
- (iv) any change in the currency in which some or all of the securities or other property comprising any Index is denominated;

**"Equity-Linked Notes"** means a Series of Notes in respect of which an amount, which shall be calculated by reference to the value of a Security or Securities and/or a formula, is payable (as indicated in the relevant Final Terms);

**"ETF"** means the exchange traded fund or similarly traded or listed fund as specified in the relevant Final Terms;

**"ETF Adviser"** means, with respect to an ETF, any person appointed in the role of discretionary investment manager or non-discretionary investment manager (including a non-discretionary investment manager to a discretionary investment manager or to another non-discretionary investment manager), as provided in the related ETF Documents;

**"ETF Documents"** means, in relation to any ETF, the constitutive and governing documents, subscription agreements and other agreements of such ETF specifying the terms and conditions relating to such ETF, in each case as amended and supplemented from time to time;

"**EURIBOR**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Eurozone interbank offered rate;

"**Euro**", "**euro**" "**EUR**", "**€**" each mean the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty;

"**Euro Business Day**" or "**TARGET Business Day**" means a day on which T2 is open for settlement of payments in euro;

"**Euroclear**" means Euroclear Bank S.A./N.V.;

"**Euro Exchange Date**" means the date on which the Euro Exchange Notice is given by the Issuer to the Noteholders pursuant to Condition 8 (*Redenomination*), which is the date on which all unmatured Coupons denominated in the relevant Settlement Currency (whether or not attached to the Notes) will become void with effect from;

"**Euro Exchange Notice**" means the notice given by the Issuer to the Noteholders stating that replacement Notes and Coupons denominated in euro are available for exchange (**provided that** such Notes and Coupons are available);

"**Exchange**" means (a) with respect to a Security or an Index, each exchange or quotation system specified as such in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Security or the components of the Index, as the case may be, has temporarily relocated (**provided that** the Calculation Agent has determined that there is comparable liquidity relative to such Security or components, as the case may be, as on the original Exchange); or (b) in the case of a Multiple Exchange Index and each relevant Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent (which exchange or quotation system as of the Issue Date may be specified as such in the relevant Final Terms); **provided, however, that** if the Exchange (the "**Original Exchange**") announces that, pursuant to the rules of such Exchange, any Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and the Securities are re-listed, re-traded or re-quoted on an Alternative Exchange, then, so long as the Securities are not listed, traded or publicly quoted on the Original Exchange, such Alternative Exchange shall be the "**Exchange**" in relation to such Securities;

"**Exchange Business Day**" means (a) any Scheduled Trading Day on which each Exchange and any relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or (b) with respect to a Multiple Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the Index and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to its Scheduled Closing Time;

"**exchange date**" shall be the Relevant Banking Day following the day on which the relevant Bearer Note shall have been surrendered for exchange in the manner specified in Condition 11 (*Replacement, Exchange and Transfer*);

"**Exchange Disruption**" means (a) any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for the Securities on the Exchange (in the case of Equity-Linked Notes) or on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes), or (ii) to effect transactions in, or obtain market values for, future or options contracts relating to the Securities (in the case of Equity-Linked Notes) or the relevant Index (in the case of Index-Linked Notes) on any relevant Related Exchange; or (b) with respect to a Multiple Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in respect of such Component Security or (ii) futures or options contracts relating to the Index on the relevant Related Exchange;

"**Extraordinary Dividend**" means the amount per Security specified in the relevant Final Terms or, if no such amount is so specified, any dividend or the portion of any dividend which the Calculation Agent determines should be characterised as an Extraordinary Dividend;

**"Extraordinary ETF Event"** means, in the determination of the Calculation Agent, the occurrence or existence of any of the following:

- (i) the ETF (A) is dissolved or has a resolution passed for its dissolution, winding up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; or (F) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (A) to (E) above;
- (ii) the ETF has violated any leverage restriction that is applicable to, or affecting, such ETF or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the ETF Documents or any contractual restriction binding on or affecting the ETF or any of its assets;
- (iii) the resignation, termination or replacement of the ETF Adviser;
- (iv) any change or modification of the ETF Documents that could reasonably be expected to affect the value of the Units or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent) from those prevailing on the Issue Date;
- (v) any breach or violation of any strategy or investment guidelines stated in the ETF Documents that is reasonably likely to affect the value of the Units or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent);
- (vi) the Issuer, or any of its affiliates, is unable, or it is impractical for it, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary or appropriate to hedge the price risk relating to the Units of entering into and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (1) any restrictions or increase in charges or fees imposed by the ETF on any investor's ability to redeem the Units, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Units, or (2) any mandatory redemption, in whole or in part, of such Units imposed by the ETF (in each case other than any restriction in existence on the Issue Date);
- (vii) (A) cancellation, suspension or revocation of the registration or approval of the Units or the ETF by any governmental, legal or regulatory entity with authority over the Units or the ETF, (B) any change in the legal, tax, accounting or regulatory treatments of the ETF or the ETF Adviser that is reasonably likely to have an adverse impact on the value of the Units or on any investor therein (as determined by the Calculation Agent), or (C) the ETF or the ETF Adviser becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory

authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of the ETF;

- (viii) (A) the occurrence of any event affecting the Units that, in the determination of the Calculation Agent, would make it impossible or impracticable to determine the value of the Units, and such event is likely, in the determination of the Calculation Agent, to continue for the foreseeable future; or (B) any failure of the ETF to deliver, or cause to be delivered (1) information that the ETF has agreed to deliver, or cause to be delivered to the Issuer and/or Calculation Agent or (2) information that has been previously delivered to the Issuer and/or Calculation Agent in accordance with the ETF's, or its authorised representative's, normal practice and that the Issuer and/or Calculation Agent deems necessary for it to monitor the ETF's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Units;
- (ix) on or after the Strike Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines that (X) it has become illegal to hold, acquire or dispose of the Units, or (Y) the Issuer will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);
- (x) the Issuer would incur a materially increased (as compared with circumstances existing on the Strike Date) amount of tax (including potential taxes which the Calculation Agent considers may arise), duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to the Units of entering into and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Extraordinary ETF Event; and
- (xi) (A) the cancellation or cessation of any Underlying Index or (B) a material change in the formula for or the method of calculating or any other material modification to any Underlying Index (other than a modification prescribed in that formula or method to maintain such Underlying Index in the event of changes in constituent stock and capitalisation and other routine events) or (C) the relevant sponsor of any Underlying Index fails to calculate and announce such Underlying Index;

"**Extraordinary Event**" means (a) in all cases other than where the Final Terms specifies that the Securities are Units in an ETF, a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting (b) in the case where the Final Terms specifies that the Securities are Units in an ETF, a Merger Event, Nationalisation, Insolvency, Delisting or Extraordinary ETF Event;

"**Fair Market Value**" means, in relation to any Note, its fair market value immediately prior to the relevant redemption date, as determined by the Calculation Agent in consultation with the Issuer, and in respect only of Notes that are not Italian Notes, less any reasonable costs and expenses of the Issuer and/or any affiliate of the Issuer of unwinding any underlying and/or related hedging and/or funding arrangements, and any such calculation of the fair market value shall have the effect of preserving for the Noteholders the economic equivalent of the obligations of the Issuer to make payments in respect of the Notes which would, but for any early redemption (in the case of any early redemption of such Notes), have fallen due after the relevant early redemption date. For the purposes of calculating the Fair Market Value following an Event of Default pursuant to Condition 9 (*Events of Default*) only, in determining the fair market value of the Notes, no account shall be taken of the creditworthiness of the Issuer, who shall be deemed to be able to perform fully its obligations in respect of the Notes;

"**Final Index Basket Level**" means, in relation to an Index Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Index Basket, the Final Index Level of the Worst Performing Index; and

- (ii) if "**Best of Basket**" is specified with respect to such Index Basket, the Final Index Level of the Best Performing Index;

"**Final Index Level**" means, in respect of an Index, the Specified Level with respect to such Index determined with respect to the Final Valuation Date;

"**Final Index Performance**" means:

- (i) in relation to an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Index:

$$\frac{[\text{Final Index Level}]}{[\text{Initial Index Level}]}$$

- (ii) in relation to an Index Basket other than an Index Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Index Basket:

$$\frac{[\text{Final Index Basket Level}]}{[\text{Initial Index Basket Level}]}$$

- (iii) in relation to an Index Basket in respect of which "Average Basket" is specified:

- (A) where "Single Observation", "Highest Level", "Lowest Level" or "Average Level" are specified as being applicable, the Final Index Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Final Index Performance of each Index comprising the Basket in respect of the Final Valuation Date as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (B) where "Average Basket – Lowest Date" is specified to apply, the Final Index Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date; and
- (C) where "Average Basket – Highest Date" is specified to apply, the Final Index Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date;

"**Final Securities Basket Price**" means, in relation to a Securities Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Securities Basket, the Final Security Price of the Worst Performing Security; and
- (ii) if "**Best of Basket**" is specified with respect to such Securities Basket, the Final Security Price of the Best Performing Security;

"**Final Security Performance**" means

- (i) in relation to a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Security:

$$\frac{[\text{Final Security Price}]}{[\text{Initial Security Price}]}$$

- (ii) in relation to a Securities Basket other than a Securities Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Securities Basket:

$$\frac{\text{Final Securities Basket Price}}{\text{Initial Securities Basket Price}}$$

- (iii) in relation to a Securities Basket in respect of which "Average Basket" is specified:
- (A) where "Single Observation", "Highest Price", "Lowest Price" or "Average Price" are specified as being applicable, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Final Security Performance of each Security comprising the Basket in respect of the Final Valuation Date as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (B) where "Average Basket – Lowest Date" is specified to apply, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date; and
- (C) where "Average Basket – Highest Date" is specified to apply, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date;

"**Final Security Price**" means, in respect of a Security, the Specified Price with respect to such Security determined with respect to the Final Valuation Date;

"**Final Redemption Amount**" has the meaning given to it in Condition 5(a) (*Redemption and Purchase – At Maturity*);

"**Final Valuation Date**" means:

- (i) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Final Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

"**Fixed/Floating Rate Notes**" means a Note for which Fixed Rate Note provisions (for an initial period from the initial Interest Commencement Date) and Floating Rate Note provisions (for a subsequent period) are specified in the relevant Final Terms as applicable;

"**Fixed Rate Note**" means a Note which bears interest at a fixed rate and in respect of which Condition 4A (*Interest – Fixed Rate Note Provisions*) is applicable;

"**Floating Rate Note**" means a Note which bears interest at a floating rate and in respect of which Condition 4B (*Interest – Floating Rate Note Provisions*) is applicable;

**"Floating Rate Option"** means, in relation to a Note to which ISDA Determination applies, a rate or price source specified as such in the relevant Final Terms;

**"FX Cut-off Date"** has the meaning ascribed thereto in Condition 7(e) (*Price Source Disruption and FX Disruption*);

**"FX Disruption Event"** means the occurrence, as determined by the Calculation Agent of (i) (a) an Inconvertibility, (b) Non-transferability, (c) Illiquidity or (d) any other event affecting the Settlement Currency (the **"FX Disruption Relevant Currency"**) which would make it unlawful or impractical in whole or in part (including without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial power) for the Issuer (or the Issuer's affiliate) to pay or receive amounts in the FX Disruption Relevant Currency under or in respect of any hedging arrangement relating to or connected with the FX Disruption Relevant Currency; or (ii) if Offshore RMB is specified as the applicable FX Disruption Relevant Currency, each of the events specified in (i) above, plus an Offshore RMB Disruption;

**"Governmental Authority"** means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the Settlement Currency Jurisdiction or, where the Settlement Currency is specified to be RMB, in mainland China and each Offshore RMB Centre;

**"Government Bonds"** means, in relation to a Series of Notes, bonds or any other debt securities issued by a government, government agency or subdivision or a transnational or supranational organisation as specified in the relevant Final Terms and **"Government Bond"** shall be construed accordingly;

**"Hedging Disruption"** means that the Issuer or any of its designated affiliates is unable or it is or has become not reasonably practicable, or it has otherwise become undesirable, for any reason, for the Issuer wholly or any of its designated affiliates or partially after using commercially reasonable efforts and acting in good faith, to (A) hold, acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or desirable to hedge the equity or any other price risk (including but not limited to, any currency risk) of entering into and performing the Issuer's obligations in respect of the Notes or (B) realise, recover, receive, transfer or remit the proceeds of any such transaction(s) or asset(s) or (C) without prejudice to (B) above, transfer amounts denominated in the Settlement Currency (1) from accounts inside the Settlement Currency Jurisdiction to accounts outside the Settlement Currency Jurisdiction (2) between accounts inside the Settlement Currency Jurisdiction or (3) to a party that is a non-resident of the Settlement Currency Jurisdiction or (D) without prejudice to (B) and (C) above, convert the Settlement Currency into an Alternative Payment Currency;

**"Illiquidity"** means where the foreign exchange market in the Settlement Currency Jurisdiction becomes illiquid after the Trade Date and, as a result of which, the Issuer cannot obtain sufficient Settlement Currency in order to satisfy its obligation to pay any amount in respect of the Notes as determined by the Issuer acting in good faith and in a commercially reasonable manner following consultation (if practicable) with two Reference Dealers;

**"Inconvertibility"** means the occurrence of any event after the Trade Date that makes it impossible for the Issuer to convert any amount due in respect of the Notes in the foreign exchange market in the Settlement Currency Jurisdiction, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

**"Increased Cost of Hedging"** means that the Issuer or any of its designated affiliates would incur materially increased costs (as compared with circumstances existing on the Issue Date), including, without limitation, amount of tax (including any potential tax which the Calculation Agent considers may arise), duty, expense or fee (other than brokerage commissions) to (A) hold, acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge equity or any other price risk (including but not limited to, any currency risk) of entering into and performing the Issuer's obligations in respect of the Notes or (B) realise, recover, receive, transfer or remit the proceeds of any such transaction(s) or asset(s), **provided that** any such materially increased

amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer or its designated affiliates, as applicable, shall not be deemed an Increased Cost of Hedging;

"**Index**" means in relation to a Series of Notes, the index to which such Series of Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 17 (*Adjustments to Indices*) and Condition 19 (*Additional Disruption Events*) and "**Indices**" shall be construed accordingly;

"**Index Basket**" means, in relation to a Series of Notes, the basket of indices to which such Series of Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 17 (*Adjustments to Indices*) and Condition 19 (*Additional Disruption Events*), and "**Index Baskets**" shall be construed accordingly;

"**Index Cessation Event**" means, in respect of a Series of Notes that references an Applicable Benchmark which is a Reference Rate or a Floating Rate Option, or any other interest rate, yield, cost of funds or similar rate, the occurrence or existence, as determined by the Issuer, of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the administrator of the Applicable Benchmark announcing that it has ceased or will cease to provide the Applicable Benchmark permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Applicable Benchmark, the central bank for the currency of the Applicable Benchmark, an insolvency official with jurisdiction over the administrator for the Applicable Benchmark, a resolution authority with jurisdiction over the administrator for the Applicable Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Applicable Benchmark, which states that the administrator of the Applicable Benchmark has ceased or will cease to provide the Applicable Benchmark permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark;
- (iii) if the Applicable Benchmark is the Sterling London interbank offered rate, the Swiss Franc London interbank offered rate, the U.S. Dollar London interbank offered rate, the Euro London interbank offered rate or the Japanese Yen London interbank offered rate (each, a "**Specified Rate**"), or is a swap rate which references a swap transaction with a floating leg of a Specified Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Applicable Benchmark announcing that (i) the regulatory supervisor has determined that such Applicable Benchmark is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark is intended to measure and that representativeness will not be restored and (ii) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;
- (iv) if the Relevant Benchmark is SOR, if SOR for a tenor equal to the relevant Interest Period (the "**relevant tenor**") is not published by ABS Benchmarks Administration Co Pte. Ltd. (or any successor administrator) (the "**SOR Administrator**") or an authorised distributor and is not otherwise provided by the SOR Administrator, and as of the day that is two Singapore and London Banking Days (as defined below) preceding the next following Interest Payment Date, the U.S. Dollar London interbank offered rate for the relevant tenor has been permanently discontinued or is Non-Representative (as defined below) and there is either no U.S. Dollar London interbank offered rate which has not been permanently discontinued and which is not Non-Representative for a period which is longer than the relevant tenor or no U.S. Dollar London interbank offered rate which has not been permanently discontinued and which is not Non-Representative for a period which is shorter than the relevant tenor (and for these purposes (x) the U.S. Dollar London interbank offered rate in a particular tenor shall be "**Non-Representative**" if the regulatory supervisor for the administrator of such rate (i) has determined and announced that such rate in such tenor is no longer representative of the underlying market and economic reality that such rate is intended to measure and representativeness will not be



restored and (ii) is aware that certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts have been or are engaged, and (y) a "**Singapore and London Banking Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore and London); or

- (v) in respect of an Applicable Benchmark which has an Underlying Fallback Rate, a public statement or publication of information by the regulatory supervisor for the administrator of the Underlying Fallback Rate, the central bank for the currency of the Underlying Fallback Rate, an insolvency official with jurisdiction over the administrator for the Underlying Fallback Rate, a resolution authority with jurisdiction over the administrator for the Underlying Fallback Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Underlying Fallback Rate, which states that the administrator of the Underlying Fallback Rate has ceased or will cease to provide the Underlying Fallback Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Underlying Fallback Rate (and, for these purposes, an "**Underlying Fallback Rate**" in relation to an Applicable Benchmark shall be such rate (if any) as the Issuer determines is the rate underlying such Applicable Benchmark);

"**Index Cessation Effective Date**" means:

- (a) the first date on which the Applicable Benchmark would ordinarily have been published or provided and is no longer published or provided; or
- (b) in the case of limb (c) of the definition of "Index Cessation Event", the first date on which the Applicable Benchmark would ordinarily have been published or provided and is either:
- (i) no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark is intended to measure and that representativeness will not be restored, by reference to the most recent statement or publication contemplated in such limb (c), and even if such Applicable Benchmark continues to be published or provided on such date; or
- (ii) no longer published or provided;

"**Index-Linked Notes**" means a Series of Notes in respect of which an amount calculated by reference to an Index or Indices and/or a formula is payable (as indicated in the relevant Final Terms);

"**Index Rules**" means, in respect of an Index, the rules of the Index Sponsor in relation to such Index specified as such in the relevant Final Terms;

"**Index Sponsor**" means, in respect of an Index, the corporation or other entity specified as such in the relevant Final Terms and any successor corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during or at the end of each Scheduled Trading Day (as the case may be);

"**Index Substitution Notice**" means a notice specifying a Substitute Index to be substituted for the Index and the date as of which such substitution is to take effect;

"**Initial Index Basket Level**" means, with respect to an Index Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Index Basket, the Initial Index Level of the Worst Performing Index; and
- (ii) if "**Best of Basket**" is specified with respect to such Index Basket, the Initial Index Level of the Best Performing Index;

"**Initial Index Level**" means, with respect to an Index, either:

- (i) the level specified as such in the relevant Final Terms; or

- (ii) the Specified Level with respect to such Index determined with respect to the Strike Date;

"**Initial Securities Basket Price**" means, with respect to a Security:

- (i) if "**Worst of Basket**" is specified with respect to such Securities Basket, the Initial Security Price of the Worst Performing Security; and
- (ii) if "**Best of Basket**" is specified with respect to such Securities Basket, the Initial Security Price of the Best Performing Security;

"**Initial Security Price**" means, with respect to a Security, either:

- (i) the price specified as such in the relevant Final Terms; or
- (ii) the Specified Price with respect to such Security determined with respect to the Strike Date;

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding up of or any analogous proceeding affecting an Underlying Company, (A) all the Securities of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Securities of that Underlying Company become legally prohibited from transferring them;

"**Insolvency Filing**" means that the issuer of the Securities institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official or it consents to such petition, **provided that** proceedings instituted or petitions presented by creditors and not consented to by the issuer of the Securities shall not be deemed an Insolvency Filing;

"**Interest Commencement Date**" means the date specified as such in the relevant Final Terms;

"**Interest Determination Date**" means the day determined by the Calculation Agent to be customary for determining the Reference Rate applicable for the relevant Interest Period; **provided that** where so specified in the relevant Final Terms, such day shall be a day (i) if such currency is euro, which is a Euro Business Day, and (ii) if such currency is any other currency, on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre or centres of the country of such currency (or where such currency is a National Currency Unit and the Notes have been redenominated into euro pursuant to Condition 8 (*Redenomination*), the former principal financial centre or centres) or as otherwise may be specified in the Final Terms;

"**Interest Payment Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"**IRC**" means U.S. Internal Revenue Code of 1986, as amended;

"**ISDA**" means the International Swaps and Derivatives Association, Inc. (or any successor);

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date**" means the date specified as such in the relevant Final Terms;

"**Italian Notes**" means Notes for which it is specified in the Final Terms that an application is expected to be made for the Notes to be admitted to the official list of the Italian Stock Exchange;

"**Italian Stock Exchange**" means Borsa Italiana S.p.A.;

"**Limit Valuation Date**" has the meaning given to it in Condition 16 (*Consequences of Disrupted Days*);

"**local banking day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Principal Paying Agent, the Paying Agent, or the Registrar or the Transfer Agent, to which the relevant Note or Coupon is presented for payment is located;

a "**Lock-In Coupon Event**" will be deemed to have occurred in relation to a Lock-In Coupon Valuation Date if the Relevant Observation Performance determined in relation to such Lock-In Coupon Valuation Date is equal to or greater than the Lock-In Coupon Level specified in relation to such Lock-In Coupon Valuation Date, as determined by the Calculation Agent;

"**Lock-In Coupon Level**" means, in respect of a Lock-In Coupon Valuation Date, the percentage specified as such for such Lock-In Coupon Valuation Date in the relevant Final Terms;

"**Lock-In Coupon Valuation Date**" means:

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Lock-In Coupon Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

a "**Lock-In Redemption Event**" will be deemed to have occurred in relation to a Lock-In Redemption Valuation Date if the Relevant Observation Performance determined in relation to such Lock-In Redemption Valuation Date is equal to or greater than the Lock-In Redemption Trigger Level specified in relation to such Lock-In Redemption Valuation Date, as determined by the Calculation Agent;

"**Lock-In Redemption Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Lock-In Redemption Trigger Level**" means, in respect of any Lock-In Redemption Valuation Date, the percentage specified as such in the relevant Final Terms;

"**Lock-In Redemption Valuation Date**" means:

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Lock-In Redemption Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

"**Margin**" means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

"**Market Disruption Event**" means:

- (A) in respect of an Index (a) the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure **provided that** if a Market Disruption Event occurs in respect of a Component Security at any time, then the relevant percentage contribution of that Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event; or (b) with respect to a Multiple Exchange Index, either:
- (i) (1) the occurrence or existence, in respect of any Component Security, of (aa) a Trading Disruption, (bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or
- (ii) the occurrence or existence, in respect of futures or options contracts relating to such Index of:(aa) a Trading Disruption, (bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Related Exchange; or (cc) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Multiple Exchange Index at any time, if a Market Disruption Event occurs in respect of a Component Security at that time, then the relevant percentage contribution of that Component Security to such level of the Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor of such Index as part of the market "opening data"; and

- (B) in respect of a Security, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time or (iii) an Early Closure;

"**Maturity Date**" has the meaning ascribed thereto in Condition 5(a) (*Redemption and Purchase – At Maturity*);

"**Maximum Interest Rate**" means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

"**Merger Event**" means in respect of any relevant Securities, any (i) reclassification or change of such Securities that results in a transfer of or an irrevocable commitment to transfer all of such Securities outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Underlying Company with or into another entity or person (other than a consolidation, amalgamation or merger in which such Underlying Company is the continuing entity and which does not result in a reclassification or change of all of such Securities outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Securities of the Underlying Company that results in a transfer of or an irrevocable commitment to transfer all such Securities (other than such Securities owned or controlled by such other entity or person); or (iv) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all of such Securities outstanding but results in the outstanding Securities (other than Securities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per

cent. of the outstanding Securities immediately following such event, in each case if the closing date of a Merger Event (or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent) is on or before the Final Valuation Date;

If the Notes are DR-Linked Notes, "**Merger Event**" shall include the occurrence of any of the events described in (i) to (iv) (inclusive) above in relation to the relevant Underlying Securities;

"**Minimum Interest Rate**" means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

"**Minimum Redemption Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Minimum Return Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Multiple Exchange Index**" means an Index specified as such in the relevant Final Terms;

"**Multiple Exchange Index-Linked Notes**" means Notes which relate to a Multiple Exchange Index;

"**National Currency Unit**" means the national currency unit of any Participating Member State that becomes a denomination of the euro by reason of Council Regulation (EC) No. 1103/97, Council Regulation (EC) No. 974/98 or any other applicable laws;

"**Nationalisation**" means that all the Securities (or, if the Notes are DR-Linked Notes, the relevant Underlying Securities) or all or substantially all the assets of an Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity;

"**New Issuer**" has the meaning given to it in Condition 14(c) (*Meetings of Noteholders, Modification and Substitution – Substitution*);

"**Non-transferability**" means the occurrence of any event after the Trade Date that makes it impossible for the Issuer to transfer Settlement Currency between accounts inside the Settlement Currency Jurisdiction or from an account inside the Settlement Currency Jurisdiction to an account outside the Settlement Currency Jurisdiction or from an account outside the Settlement Currency Jurisdiction to an account inside the Settlement Currency Jurisdiction, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-Trigger Valuation Date**" means a Coupon Trigger Valuation Date in relation to which no Coupon Trigger Event occurred;

"**Observation Date(s)**" means, in respect of an Index or a Security:

- (i) each of the dates specified as an Observation Date with respect to the relevant Valuation Date in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) subject to the provisions of Condition 16 (*Consequences of Disrupted Days*); or
- (ii) if Performance Observation Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, each Scheduled Trading Day (which is not a Disrupted Day) in the Performance Observation Period;

"**Observation Date Performance**" means in relation to any Observation Date:

- (i) in respect of a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of such Observation Date and such Security:

$$\left[ \frac{\text{Closing Price}}{\text{Initial Security Price}} \right]$$

- (ii) in respect of an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of such Observation Date and such Index:

$$\left[ \frac{\text{Closing Level}}{\text{Initial Index Level}} \right]$$

"**Observation Index Basket Level**" means, in respect of an Index Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Index Basket, the Observation Index Level of the Worst Performing Index; and
- (ii) if "**Best of Basket**" is specified with respect to such Index Basket, the Observation Index Level of the Best Performing Index;

"**Observation Index Level**" means, in respect of an Index, the Specified Level with respect to such Index determined with respect to the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable);

"**Observation Index Performance**" means:

- (i) in relation to an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Index:

$$\left[ \frac{\text{Observation Index Level}}{\text{Initial Index Level}} \right]$$

- (ii) in relation to an Index Basket other than an Index Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Index Basket:

$$\left[ \frac{\text{Observation Index Basket Level}}{\text{Initial Index Basket Level}} \right]$$

- (iii) in relation to an Index Basket in respect of which "Average Basket" is specified:
- (A) where "Single Observation", "Highest Level", "Lowest Level" or "Average Level" are specified as being applicable, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Index Performance of each Index comprising the Basket in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (B) where "Average Basket – Lowest Date" is specified to apply, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005

being rounded up) on the Average Basket – Lowest Observation Date with respect to such Valuation Date; and

- (C) where "Average Basket – Highest Date" is specified to apply, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date with respect to such Valuation Date;

**"Observation Securities Basket Price"** mean, in respect of a Securities Basket:

- (i) if **"Worst of Basket"** is specified with respect to such Securities Basket, the Observation Security Price of the Worst Performing Security; and
- (ii) if **"Best of Basket"** is specified with respect to such Securities Basket, the Observation Security Price of the Best Performing Security;

**"Observation Security Performance"** means:

- (i) in relation to a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Security:

$$\left[ \frac{\text{Observation Security Price}}{\text{Initial Security Price}} \right]$$

- (ii) in relation to a Securities Basket other than a Securities Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Securities Basket:

$$\left[ \frac{\text{Observation Securities Basket Price}}{\text{Initial Securities Basket Price}} \right]$$

- (iii) in relation to a Securities Basket in respect of which "Average Basket" is specified:
- (A) where "Single Observation", "Highest Price", "Lowest Price" or "Average Price" are specified as being applicable, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Security Performance of each Security comprising the Basket in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (B) where "Average Basket – Lowest Date" is specified to apply, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by

the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date with respect to such Valuation Date; and

- (C) where "Average Basket – Highest Date" is specified to apply, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date with respect to such Valuation Date;

**"Observation Security Price"** means, in respect of a Security, the Specified Price with respect to such Security determined with respect to the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable);

**"Offshore RMB"** means RMB that is freely deliverable between accounts in the Offshore RMB Centre in accordance with the law and applicable regulation and guidelines issued by relevant authorities in the Offshore RMB Centre prevailing as of the Trade Date of the Notes;

**"Offshore RMB Centre"** means either Hong Kong, Singapore, Taiwan or any other jurisdiction specified as such in the relevant Final Terms;

**"Offshore RMB Disruption"** means the occurrence of, as determined by the Calculation Agent, an Offshore RMB Inconvertibility, Offshore RMB Non-transferability or Offshore RMB Illiquidity;

**"Offshore RMB Illiquidity"** means the occurrence of any event after the Trade Date that makes it impossible (where it has previously been possible) for the Issuer to obtain a firm quote of an offer price in respect of any amount in Offshore RMB in order to satisfy its obligation to pay an amount under the Notes (the **"Relevant Disrupted Amount"**), in each case on the due date for payment or Valuation Date (as the case may be), either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such Relevant Disrupted Amount, in the general Offshore RMB exchange market in each Offshore RMB Centre in order to perform its obligations under the Notes;

**"Offshore RMB Inconvertibility"** means the occurrence of any event after the Trade Date that makes it impossible (where it had previously been possible) for the Issuer to convert an amount of Offshore RMB no less than the Relevant Disrupted Amount into or from USD (or, if the Settlement Currency specified in the Final Terms is other than USD, then such Settlement Currency) in the general Offshore RMB exchange market in each Offshore RMB Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

**"Offshore RMB Non-Transferability"** means the occurrence in each Offshore RMB Centre of any event after the Trade Date that makes it impossible (where it had previously been possible) for the Issuer to transfer Offshore RMB (i) between accounts inside an Offshore RMB Centre, (ii) from an account inside an Offshore RMB Centre to an account outside such Offshore RMB Centre and outside mainland China, or (iii) from an account outside an Offshore RMB Centre and outside mainland China to an account inside such Offshore RMB Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation). For the purpose of Offshore RMB Non-Transferability and Hong Kong as an Offshore RMB Centre only, a segregated Chinese Renminbi fiduciary cash account with the People's Bank of China and operated by Bank of China (Hong Kong) Limited shall be deemed to be an account inside Hong Kong;

**"Optional Redemption Date (Call Option)"** means each date specified as such in the relevant Final Terms on which the Notes are being redeemed pursuant to Condition 5(f) (*Redemption and Purchase* –



*Redemption at the Option of the Issuer*), subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

**"Outstanding Missed Coupon Amounts"** means, in relation to any Coupon Trigger Valuation Date, an amount equal to the aggregate of the Coupon Trigger Amounts in respect of the Non-Trigger Valuation Dates falling after the last Coupon Trigger Valuation Date on which a Coupon Trigger Event occurred (if any);

**"Participating Member State"** means any member state of the European Union that has adopted or adopts the single currency in accordance with the Treaty;

**"Participation"** means the percentage specified as such in the relevant Final Terms, provided that if no such percentage is specified, the Participation shall be 100%;

**"Performance Observation Period"** means, with respect to:

- (i) the Strike Date, the period from and including the **"Strike Observation Start Date"** to and including the **"Strike Observation End Date"**, each as specified in the relevant Final Terms (the **"Strike Observation Period"**);
- (ii) the Final Valuation Date, the period from and including the **"Final Valuation Observation Start Date"** to and including the **"Final Valuation Observation End Date"**, each as specified in the relevant Final Terms (the **"Final Performance Observation Period"**);
- (iii) any Automatic Early Redemption Valuation Date, the period from and including the **"Autocall Observation Start Date"** to and including the **"Autocall Observation End Date"**, each as specified in the relevant Final Terms (the **"Autocall Observation Period"**);
- (iv) any Coupon Trigger Valuation Date, the period from and including the **"Coupon Trigger Observation Start Date"** to and including the **"Coupon Trigger Observation End Date"**, each as specified in the relevant Final Terms (the **"Coupon Trigger Observation Period"**);
- (v) any Lock-In Coupon Valuation Date, the period from and including the **"Lock-In Coupon Observation Start Date"** to and including the **"Lock-In Coupon Observation End Date"**, each as specified in the relevant Final Terms (the **"Lock-In Coupon Observation Period"**);
- (vi) any Barrier Valuation Date, the period from and including the **"Barrier Observation Start Date"** to and including the **"Barrier Observation End Date"**, each as specified in the relevant Final Terms (the **"Barrier Observation Period"**); and
- (vii) any Lock-In Redemption Valuation Date, the period from and including the **"Lock-In Redemption Observation Start Date"** to and including the **"Lock-In Redemption Observation End Date"**, each as specified in the relevant Final Terms (the **"Lock-In Redemption Observation Period"**);

**"Potential Adjustment Event"** means (i) a subdivision, consolidation or reclassification of relevant Securities (unless resulting in a Merger Event), or a free distribution or dividend of any such Securities to existing holders whether by way of bonus, capitalisation or similar issue; or (ii) a distribution, issue or dividend to existing holders of the relevant Securities of (A) such Securities or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlying Company equally or proportionately with such payments to holders of such Securities or (C) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent; or (iii) an Extraordinary Dividend; or (iv) a call by the Underlying Company in respect of relevant Securities that are not fully paid; or (v) a repurchase by the Underlying Company or any of its subsidiaries of relevant Securities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or (vi) in respect of the Underlying Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Underlying Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, **provided that** any adjustment effected as a result of such an event shall be readjusted

upon any redemption of such rights; or (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Securities; or (viii) any other event specified as such in the relevant Final Terms;

With respect to Depository Receipts, "**Potential Adjustment Event**" shall also include (x) the occurrence of any of the events described in (i) to (viii) (inclusive) above in respect of the relevant Underlying Securities, **provided that** the occurrence of any of the events described in (i) to (vi) (inclusive) in respect of the relevant Underlying Securities shall not constitute a Potential Adjustment Event unless, the Calculation Agent determines that such event has a diluting or concentrative effect on the theoretical value of the Securities and (y) the making of any amendment or supplement to the terms of the Deposit Agreement;

"**Price Source Disruption**" means, in relation to a Relevant Rate, such Relevant Rate is not available for any reason as determined by the Calculation Agent;

"**Protection Level Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Rate of Interest**" means:

- (i) where the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable the rate of interest specified as such in the relevant Final Terms; and
- (ii) where the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable, the rate of interest determined in accordance with Conditions 4B(c) (*Interest – Floating Rate Note Provisions – Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*), 4B(d) (*Interest – Floating Rate Note Provisions – ISDA Determination*) or 4B(e) (*Interest – Floating Rate Note Provisions – Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA*), as applicable;

"**Redemption Amount (Call Option)**" means, in relation to each Note and an Optional Redemption Date (Call Option), the percentage of its Calculation Amount as specified in the relevant Final Terms in respect of such Optional Redemption Date (Call Option) and calculated in accordance with, and subject to, Condition 5(k) (*Redemption and Purchase - Calculation and Rounding*);

"**Redemption Amount**" has the meaning given to it in Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*);

"**Redenomination Date**" means a date (being, in the case of interest-bearing Notes, a date on which interest in respect of such Notes is payable) which:

- (i) is specified by the Issuer in the notice given to the Noteholders pursuant to Condition 8(a) (*Redenomination – General*); and
- (ii) falls on or after such date as the country of the Settlement Currency becomes a Participating Member State;

"**Reference Bank(s)**" means four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

"**Reference Dealers**" means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

"**Reference Rate**" means, as specified in the relevant Final Terms, either BBR, EURIBOR, SONIA, SOFR, €STR, SORA or TONA;

"**Regular Period**" means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Related Exchange**" means, subject to the proviso below, in respect of an Index or Security, each exchange or quotation system specified as such for such Index or Security in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index or Security has temporarily relocated (**provided that** the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index or Security as on the original Related Exchange) **provided, however, that** where "All Exchanges" is specified as the Related Exchange in the relevant Final Terms, "**Related Exchange**" shall mean in respect of an Index or Security each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or Security, as the case may be;

"**Related Payment Date**" means any payment date on the Notes on which the amount payable is calculated by reference to the Relevant Rate determined on the related Scheduled FX Fixing Date;

"**Relevant Banking Day**" means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar is located and, in the case only of an exchange of a Bearer Note for a Registered Note where such request for exchange is made to the Principal Paying Agent or the Transfer Agent, in the place where the specified office of the Principal Paying Agent or, as the case may be, the Transfer Agent is located;

"**Relevant Benchmark**" means, in relation to any Series of Notes:

- (a) each Reference Rate, Floating Rate Option or other interest rate, yield, cost of fund or similar rate specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Reference Rate or Floating Rate Option);
- (b) each Relevant Rate specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Relevant Rate);
- (c) each Index specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Index);
- (d) any other index, benchmark or price source specified in the relevant Final Terms as being applicable to such Notes.

To the extent that any index, benchmark or price source constitutes an Alternative Pre-nominated Index or Replacement Index used pursuant to Condition 13A (*Consequences of a Benchmark Trigger Event*), such index, benchmark or price source, as applicable, shall be a "Relevant Benchmark" from the day on which it is first used;

"**Relevant Benchmark Determination Date**" means, in relation to any Series of Notes and a Relevant Benchmark, a date on which such Relevant Benchmark falls to be determined in accordance with the Conditions;

"**Relevant Benchmark Related Payment Date**" means, in relation to any Series of Notes, a Relevant Benchmark and a Relevant Benchmark Determination Date, any payment date under the Notes for which the amount payable is calculated by reference to the Relevant Benchmark as determined on such Relevant Benchmark Determination Date;

**"Relevant Currency"** means:

- (i) "AUD" which is the lawful currency of Australia;
- (ii) "CHF" which is the lawful currency of Switzerland;
- (iii) "EUR" which is the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty;
- (iv) "GBP" which is the lawful currency of the United Kingdom;
- (v) "JPY" which is the lawful currency of Japan;
- (vi) "SGD" which is the lawful currency of Singapore; and
- (vii) "USD" which is the lawful currency of the United States of America,

in each case as specified in the relevant Final Terms;

**"Relevant Currency Business Day"** means, in relation to a Relevant Rate that is the Alternative Payment Currency Exchange Rate or Alternative Payment Cross Currency Rate or Settlement Currency Exchange Rate, an Alternative Payment Currency Fixing Date;

**"Relevant Final Performance"** means the Final Index Performance or Final Security Performance, as applicable;

**"Relevant Financial Centre"** means the financial centre specified as such in the relevant Final Terms;

**"Relevant Financial Centre Day"** means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre or centres for the currency in which payment falls to be made (or, where such currency is a National Currency Unit and the Notes have been redenominated into euro pursuant to Condition 8 (*Redenomination*), the former principal financial centre or centres) and in any other place set out in the Final Terms. In the case of payments which fall to be made in euro (save for payments in relation to Notes which have been redenominated into euros pursuant to Condition 8 (*Redenomination*)), a Euro Business Day. The Relevant Financial Centre Days in relation to any Tranche determined in accordance with the above provisions as at the Issue Date shall be specified in the relevant Final Terms;

**"Relevant Nominating Body"** means, in respect of a Relevant Benchmark:

- (a) the central bank for the currency in which the Relevant Benchmark is denominated or any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark; or
- (b) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (i) the central bank for the currency in which the Relevant Benchmark is denominated, (ii) any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark, (iii) a group of those central banks or other supervisors or (iv) the Financial Stability Board or any part thereof;

**"Relevant Observation Performance"** means the Observation Index Performance or Observation Security Performance, as applicable;

**"Relevant Rate"** means the Alternative Payment Currency Exchange Rate, Alternative Payment Cross Currency Rate or Settlement Currency Exchange Rate (as applicable);

**"Relevant Reference Asset Fallback Provisions"** means:

- (a) in relation to a Series of Notes where the Affected Relevant Benchmark is an Index, Condition 17(c) (*Adjustments to Indices – Index Cancellation*), as if the relevant Benchmark Trigger Event were an Index Cancellation;

- (b) in relation to any Series of Notes where the Affected Relevant Benchmark is a Relevant Rate, if "Price Source Disruption" is specified as being applicable in the relevant Final Terms, Condition 7(f) (*Payments – Price Source Disruption and FX Disruption*), as if the relevant Benchmark Trigger Event were a Price Source Disruption; and
- (c) in relation to any Series of Notes where the Affected Relevant Benchmark is a Reference Rate, the fallback provisions contained in Conditions 4B(c) (*Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*) and/or 4B(e) (*Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA*) (as applicable);

**"Relevant Screen Page"** means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

**"Relevant Time"** means the time specified as such in the relevant Final Terms;

**"Renminbi"**, **"RMB"** and **"CNY"** all refer to the lawful currency of mainland China;

**"Replacement DRs"** means, if the relevant Deposit Agreement is terminated, any depository receipts which the Calculation Agent determines, in accordance with Condition 21 (*Events relating to DR-Linked Notes*) are to replace the Depository Receipts constituted by such terminated Deposit Agreement;

**"Replacement Index"** has the meaning given to it in Condition 13A(a)(ii)(A) (*Consequences of a Benchmark Trigger Event*);

**"Return Threshold"** means the percentage specified as such in the relevant Final Terms;

**"Scheduled Averaging Date"** means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date;

**"Scheduled Closing Time"** means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

**"Scheduled Final Averaging Date"** means the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date;

**"Scheduled Final Observation Date"** means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been the final Observation Date;

**"Scheduled FX Fixing Date"** has the meaning specified in Condition 7(f) (*Payments – Price Source Disruption and FX Disruption*);

**"Scheduled Observation Date"** means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date;

**"Scheduled Trading Day"** means, in respect of an Index or a Security (as applicable) (a) any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or (b) with respect to a Multiple Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session;

**"Scheduled Valuation Date"** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"**Securities**" means, in relation to a Series of Notes, the equity securities, debt securities (including without limitation Government Bonds), depository receipts or other securities or property, as adjusted pursuant to Condition 18 (*Adjustments and Events affecting Securities*) and Condition 19 (*Additional Disruption Events*), to which such Notes relate, as specified in the relevant Final Terms and subject, in the case of a Series of Notes linked to Depository Receipts, to the provisions of Condition 21 (*Events relating to DR-Linked Notes*) or in the case of a Series of Notes linked to Units in an ETF, to the provisions of Condition 20 (*Adjustments where the Securities are Units in an ETF*) and Condition 22 (*Notes linked to Units in an ETF – General*) and "**Security**" shall be construed accordingly;

"**Securities Basket**" means in relation to a Series of Notes, the basket of Securities to which such Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 18 (*Adjustments and Events affecting Securities*) and Condition 19 (*Additional Disruption Events*) and "**Securities Baskets**" shall be construed accordingly;

"**Settlement Currency**" means the currency specified as such in the relevant Final Terms;

"**Settlement Currency Exchange Rate**" means, for any Alternative Payment Currency Fixing Date, the currency exchange rate between the Cross Currency and the Settlement Currency as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time and as observed by the Calculation Agent;

"**Settlement Currency Jurisdiction**" means the jurisdiction specified as such in the relevant Final Terms;

"**Settlement Cycle**" means, in respect of an Index or a Security, the period of Clearing System Business Days following a trade in the relevant Security or the securities underlying such Index, as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such Exchange (or, if there are multiple Exchanges in respect of an Index, the longest such period);

"**SOFR**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Secured Overnight Financing Rate;

"**SONIA**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Sterling Overnight Index Average;

"**SOR**" means the synthetic rate for deposits in Singapore Dollars known as the Singapore Dollar Swap Offer Rate provided by ABS Benchmarks Administration Co Pte. Ltd., as the administrator of the benchmark (or a successor administrator);

"**SORA**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Singapore Overnight Rate Average;

"**Specified Denomination**" means, with respect to a Note in definitive form, the Denomination of such Note;

"**Specified Maximum Number of Disrupted Days**" means the eighth Scheduled Trading Day or such other number of Scheduled Trading Days specified as such in the relevant Final Terms;

"**Specified Level**" means, with respect to an Index, if the Specified Level with respect to the relevant Valuation Date is specified to be:

- (i) "**Single Observation**", the Closing Level of such Index on the Valuation Date for which the performance of the Index is to be determined;
- (ii) "**Highest Level**", the highest Closing Level of the Index over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iii) "**Lowest Level**", the lowest Closing Level of such Index over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;

- (iv) "**Average Level**", the arithmetic average of the Closing Levels of such Index over the Averaging Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"**Specified Period**" means the period specified as such in the relevant Final Terms;

"**Specified Price**" means, with respect to a Security, if the Specified Price with respect to the relevant determination of performance is specified to be:

- (i) "**Single Observation**", the Closing Price of such Security on the Valuation Date for which the performance of the Security is to be determined;
- (ii) "**Highest Price**", the highest Closing Price of the Security over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iii) "**Lowest Price**", the lowest Closing Price of such Security over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iv) "**Average Price**", the arithmetic average of the Closing Prices of such Security over the Averaging Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up).

"**Strike Date**" means:

- (a) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (b) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Strike Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

"**Strike Percentage**" means the percentage specified as such in the Final Terms;

"**Substitute Index**" means, in respect of an Index, a successor index identified by the Calculation Agent using commercially reasonable efforts, with characteristics, objectives and rules similar to such index in effect immediately prior to the occurrence of the Index Cancellation;

"**T2**" means the real time gross settlement system operated by the Eurosystem, or any successor system;

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Underlying Company, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

"**TONA**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Tokyo Overnight Average Rate;

"**Trading Disruption**" means (a) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the Securities on the Exchange (in the case of Equity-Linked Notes) or on any relevant Exchange(s) relating to securities

that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes); or (ii) in futures or options contracts relating to the relevant Index or the Securities on any relevant Related Exchange; or (b) with respect to a Multiple Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to any Component Security on the Exchange in respect of such Component Security, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange;

**"transfer date"** shall be the Relevant Banking Day following the day on which the relevant Registered Note shall have been surrendered for transfer;

**"Treaty"** means the Treaty on the Functioning of the European Union, as amended;

**"Underlying"** means either an "Underlying Index" or an "Underlying Security";

**"Underlying Company"** means the issuer of the Security as specified in the relevant Final Terms and, if the Notes are DR-Linked Notes, each of the Depository and the issuer of the relevant Underlying Security, in each case subject to adjustment in accordance with Condition 18 (*Adjustments and Events affecting Securities*), and subject, in the case of a Series of Notes linked to Units in an ETF, to the provisions of Condition 22 (*Notes linked to Units in an ETF – General*);

**"Underlying Index"**, in relation to an ETF, means each index to which such ETF relates;

**"Underlying Security"** means, with respect to DR-Linked Notes and a Depository Receipt, the security and any other property to which such Depository Receipt relates;

**"Unit"**, in relation to an ETF, has the meaning given to it in the relevant Final Terms;

**"Unscheduled Holiday"** means, in relation to a Relevant Rate, a day, determined by the Calculation Agent, that is not a Relevant Currency Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until on or later than the second Relevant Currency Business Day (or such other number of Relevant Currency Business Days specified in the relevant Final Terms) immediately preceding the Scheduled FX Fixing Date;

**"USD"** means the lawful currency of the United States of America;

**"Valid Date"** means, in respect of an Index or a Security (as applicable), a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Final Valuation Date, Barrier Valuation Date, Lock-In Redemption Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, or Lock-In Coupon Valuation Date (as applicable) does not or is not deemed to occur;

**"Valuation Date"** means the Strike Date, the Final Valuation Date, any Barrier Valuation Date, any Lock-In Redemption Valuation Date, any Automatic Early Redemption Valuation Date, any Coupon Trigger Valuation Date or any Lock-In Coupon Valuation Date;

**"Valuation Time"** means (a) in relation to each Security to be valued or each Index (other than a Multiple Exchange Index) the level of which falls to be determined on any date, the time on such date specified as such in the relevant Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on such date in relation to such Index or Security, as applicable. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or (b) in relation to a Multiple Exchange Index for the purposes of determining whether a Market Disruption Event in respect of such Index has occurred: (i) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (ii) in respect of any options contracts or future contracts on such Index, the close of trading on the Related Exchange for such Index; and (c) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor and/or set out in the Index Rules for such Index (as applicable);

**"Weighting"** means, in respect of each Index or Security (as applicable) comprised in the relevant Basket, the percentage weighting assigned to such Index or Security and specified as such in the relevant Final Terms.



**"Worst Performing Index"** means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Level of each Index in the Basket has been determined, the Index for which the Specified Level of such Index determined with respect to such day divided by the Initial Index Level for such Index is lowest, as determined by the Calculation Agent; and

**"Worst Performing Security"** means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Price of each Security in the Basket has been determined, the Security for which the Specified Price of such Security determined with respect to such day divided by the Initial Security Price for such Security is lowest, as determined by the Calculation Agent.

2. **Form, Denomination and Title**

(a) **Form**

Notes are issued in bearer form ("**Bearer Notes**"), in registered form ("**Registered Notes**") or in uncertificated registered form ("**Uncertificated Registered Notes**") as set out in the relevant Final Terms. Bearer Notes issued in definitive form are referred to as "**Definitive Notes**". Definitive Notes will be serially numbered. In the case of Registered Notes, a certificate will be issued to each Noteholder in respect of its registered holding. Each such certificate will be numbered serially with an identifying number which will be recorded in the register (the "**Register**") maintained by the Registrar in respect of the Registered Notes.

(b) **Bearer Notes**

(i) *Denomination*

Subject to Condition 8 (*Redenomination*), Bearer Notes will be in the denomination(s) specified in the relevant Final Terms. Bearer Notes of one denomination will not be exchangeable after their initial delivery for Notes of any other denomination.

(ii) *General; Title*

Interest-bearing Definitive Notes will, if so specified in the relevant Final Terms, have attached thereto at the time of their initial delivery Coupons, presentation of which will be a prerequisite to the payment of interest in certain circumstances specified below. Interest-bearing Definitive Notes will also, if so specified in the relevant Final Terms, have attached thereto at the time of their initial delivery, a Talon for further coupons and the expression "Coupons" shall, where the context so permits, include Talons.

Subject as set out below, title to Bearer Notes will pass by delivery. References herein to the "**Holder**s" of Bearer Notes or of Coupons are to the bearers of such Bearer Notes or such Coupons.

To the extent permitted by law, the Issuer, the Principal Paying Agent, any other Paying Agents and the Registrar may deem and treat the Holder of any Bearer Note or of any Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for the purpose of receiving payment on account thereof and for all other purposes.

(c) **Registered Notes**

(i) *Denomination*

Registered Notes will be in the denomination(s) and multiples specified in the relevant Final Terms.

(ii) *General; Title*

Title to Registered Notes passes by registration in the Register. References herein to the "**Holder**s" of Registered Notes are to the persons in whose names such Registered Notes are so registered in the Register.

To the extent permitted by law, the Issuer, the Principal Paying Agent, any other Paying Agents and the Registrar may deem and treat the person in whose name any Registered Note is registered (and, if more than one, the first named thereof) as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for the purpose of receiving payment on account thereof and for all other purposes.

(iii) *Regulations concerning transfer and registration of Registered Notes*

All transfers of Registered Notes and entries on the Register will be made subject to the detailed regulations (the "**Regulations**") concerning exchange and transfer of Registered Notes scheduled to the Issuing and Paying Agency Agreement. The Regulations may be amended, supplemented or replaced by the Issuer with the prior written approval of the Registrar but without the consent of the Holders of any Notes. A copy of the current Regulations are available for inspection during usual business hours at the specified office of the Registrar and the Transfer Agents.

(d) *Uncertificated Registered Notes*

The Uncertificated Registered Notes shall be issued in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Uncertificated Securities Regulations**"). The Uncertificated Registered Notes are participating securities for the purposes of the Uncertificated Securities Regulations. Title to the Uncertificated Registered Notes is recorded on the relevant Operator (as defined below) register of corporate securities. The CREST Registrar on behalf of the Issuer shall maintain a record of uncertificated corporate securities (the "**Record**") in relation to the Uncertificated Registered Notes and shall procure that the Record is regularly updated to reflect the Operator register of corporate securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of Uncertificated Registered Notes shall be treated by the Issuer and the CREST Registrar as the holder of such number of Uncertificated Registered Notes for all purposes (and the expressions "**Noteholder**" and "**Holder**" and related expressions shall be construed accordingly), and (ii) none of the Issuer and the CREST Registrar shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the CREST Registrar maintains are in accordance with particulars entered in the Operator register of corporate securities relating to the Uncertificated Registered Notes.

Uncertificated Registered Notes will be in the denomination(s) and multiples specified in the relevant Final Terms.

Title to Uncertificated Registered Notes will pass upon registration of the transfer in the Operator register of corporate securities. All transactions in relation to Uncertificated Registered Notes (including transfers of Uncertificated Registered Notes) in the open market or otherwise must be effected through an account at the Operator subject to and in accordance with the rules and procedures for the time being of the Operator.

No provision of these Conditions as amended in accordance with the relevant Final Terms shall (notwithstanding anything contained therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to Uncertificated Registered Notes in uncertificated form, (II) the transfer of title to Uncertificated Registered Notes by means of a relevant system or (III) the Uncertificated Securities Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in these Conditions or the relevant Final Terms, so long as the Uncertificated Registered Notes are participating securities, (A) the Operator register of corporate securities relating to the Uncertificated Registered Notes shall be maintained at all times in the United Kingdom, (B) the Uncertificated Registered Notes may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Securities Regulations, and (C) for the avoidance of doubt, the Conditions and the relevant Final Terms in relation to any Uncertificated Registered Note shall remain applicable notwithstanding that they are not endorsed on any certificate for such Uncertificated Registered Note.

As used herein each of "**Operator register of corporate securities**", "**participating securities**", "**record of uncertificated corporate securities**" and "**relevant system**" is as defined in the Uncertificated Securities Regulations and the relevant Operator (as such term is used in the Uncertificated Securities Regulations) is CREST (or any additional or alternative operator from time to time approved by the Issuer and the CREST Registrar in relation to the Uncertificated Registered Notes and in accordance with the Uncertificated Securities Regulations. Any reference herein to the "**Operator**" shall, whenever the context so permits, be deemed to include a reference to any such additional or alternative Operator from time to time and notified to the holders of the Uncertificated Registered Notes in accordance with Condition 12 (*Notices*).

If at any time:

- (i) a Noteholder ceases for any reason to be a member of CREST; or
- (ii) the Uncertificated Registered Notes cease for any reason to be participating securities capable of being held in CREST,

then the Issuer shall, in accordance with the rules and procedures governing CREST, ensure that Registered Notes are issued in exchange for the Uncertificated Registered Notes and that such Registered Notes are registered in such names as the Operator shall notify to the Issuer.

### 3. **Status**

The Notes are direct, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and, at their date of issue, (save for certain obligations required to be preferred by law) with all other unsecured and unsubordinated obligations of the Issuer for the time being outstanding.

### 4. **Interest**

#### 4A. **Fixed Rate Note Provisions**

##### (a) **Application**

Subject to Condition 4F (*Relevant Rate – Fixed*), this Condition 4A (*Interest – Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable.

##### (b) **Accrual of interest**

Fixed Rate Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 7 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Final Redemption Amount or any other redemption amount, as the case may be, is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 4A (*Interest – Fixed Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the day the Calculation Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment, in which case the Notes will continue to bear interest as aforesaid).

##### (c) **Fixed Coupon Amount**

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one denomination (as specified in the relevant Final Terms), shall be the relevant Fixed Coupon Amount in respect of the relevant denomination.

**(d) Calculation of interest amount**

The amount of interest payable in respect of the Notes for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, in the case of Notes represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, the Aggregate Outstanding Nominal Amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes; or
- (ii) in the case of Notes in definitive form or if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Calculation Amount,

and, in each case, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Settlement Currency (as defined in Condition 1 (*Definitions*)) (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, or the Notes are represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes and "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the amount of interest payable in respect of such Note or, as the case may be, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount shall be the product of (1) the amount (determined in the manner provided above) of interest payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Specified Denomination or, as the case may be, the Aggregate Outstanding Nominal Amount.

**4B. Floating Rate Note Provisions**

**(a) Application**

Subject to Condition 4G (*Relevant Rate – Floating*), this Condition 4B (*Interest – Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable.

**(b) Accrual of interest**

Floating Rate Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 7 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Final Redemption Amount or any other redemption amount, as the case may be, is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 4B (*Interest – Floating Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the day the Calculation Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment, in which case the Notes will continue to bear interest as aforesaid).

**(c) Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA**

If Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA is specified in the relevant Final Terms as being applicable, then the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation

Agent on the following basis, subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*):

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, and unless otherwise specified in the relevant Final Terms, the Calculation Agent will:
  - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time;
  - (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the Settlement Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Settlement Currency) on the first day of the relevant Interest Period for loans in the Settlement Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time;

**provided, however, that** if the Calculation Agent or the Issuer (in consultation with the Calculation Agent) determines that in its opinion (x) there is no realistic prospect of the Reference Banks providing the quotations specified in (iii)(b)(1) above or (y) any such quotations are unlikely to be representative of an underlying market:

- (A) the Calculation Agent shall not be required to request the quotations specified in (iii)(A) above or to make the determination specified in (iv) above; and
- (B) the Calculation Agent may (in consultation with the Issuer) determine a rate by reference to such other sources and/or methodology as directed by the Issuer acting in good faith and a commercially reasonable manner.

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to (or where the above proviso applies, elects not to) determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period: (i) subject to (ii) below, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period; or (ii) if the Notes are Fixed/Floating Rate Notes for which no Rate of Interest has yet been determined under this Condition 4B (*Interest - Floating Rate Note Provisions*), the Rate of Interest applicable to the Notes during such Interest Period will be the rate applicable to

the Notes in respect of the preceding Interest Period for which Condition 4A (*Fixed Rate Note Provisions*) applied.

(d) **ISDA Determination**

If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i)
  - (A) the "Floating Rate Option" is as specified in the relevant Final Terms;
  - (B) the "Designated Maturity", if applicable, is a period specified in the relevant Final Terms;
  - (C) the relevant "Reset Date" unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions; and
  - (D) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Final Terms and:
    - (1) if Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Final Terms;
    - (2) if Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or
    - (3) if Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;
  - (E) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Final Terms and:
    - (1) if Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days specified in relevant Final Terms;
    - (2) if Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Overnight Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or

- (3) if Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms; and
- (F) if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms;
- (ii) references in the ISDA definitions to:
  - (A) "Confirmation" shall be references to the relevant Final Terms;
  - (B) "Calculation Period" shall be references to the relevant Interest Period;
  - (C) "Termination Date" shall be references to the final Interest Period End Date; and
  - (D) "Effective Date" shall be references to the Interest Commencement Date;
- (iii) an "Administrator/Benchmark Event" shall be deemed to have occurred for the purpose of the 2021 ISDA Definitions and this Condition 4B(d)5(d) if there is an event or circumstance which has the effect that the Issuer or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use the Applicable Benchmark (as defined in the 2021 ISDA Definitions) under such interest rate swap transaction to perform its or their obligations under the Notes; and
- (iv) unless otherwise defined, capitalised terms used in this Condition 4B(d) shall have the meaning ascribed to them in the ISDA Definitions,

**provided, however, that:**

- (1) if in relation to any Interest Period the application of the above provisions does not result in the determination of an ISDA Rate and the Issuer (in consultation with the Calculation Agent) has not determined a Benchmark Trigger Event to have occurred, then (a) the Calculation Agent shall determine the ISDA Rate for such Interest Period having regard to such facts and circumstances as it considers relevant and (b) the Calculation Agent shall not be required to obtain quotations from Reference Banks (as defined in the ISDA Definitions) for purposes of determining the ISDA Rate for such Interest Period notwithstanding that it might otherwise be required to do so as a fallback procedure for the relevant Floating Rate Option pursuant to the ISDA Definitions; and
- (2) if in relation to any Interest Period the Issuer (in consultation with the Calculation Agent) determines a Benchmark Trigger Event to have occurred, then (a) the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) shall apply and (b) the Calculation Agent shall not be required to obtain quotations from Reference Banks (as defined in the ISDA Definitions) for purposes of determining the ISDA Rate for such Interest Period notwithstanding that it might otherwise be required to do so as a fallback procedure for the relevant Floating Rate Option pursuant to the ISDA Definitions.

(e) **Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA**

- (i) If Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA is specified in the relevant Final Terms as being applicable, then the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the Relevant Rate, all as determined by the Calculation Agent on the Interest Determination Date for such Interest Period.
- (ii) If the Notes become due and payable in accordance with Condition 9 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which the Notes became due and payable and the Rate of Interest applicable to the Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.
- (iii) If "Payment Delay" is specified as the Observation Method in the relevant Final Terms, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead.

(iv) *Definitions*

"**Applicable Period**" means,

- (A) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, in relation to any Interest Period, the Observation Period relating to such Interest Period; and
- (B) where "Lag", "Lock-Out" or "Payment Delay" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period.

"**d**" means the number of calendar days in the Applicable Period.

"**d<sub>0</sub>**" means the number of Reference Rate Business Days in the Applicable Period.

"**Effective Interest Payment Date**" means each date specified as such in the relevant Final Terms.

"**i**" means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Reference Rate Business Day in the Applicable Period in chronological order from (and including) the first Reference Rate Business Day in the Applicable Period (each a "**Reference Rate Business Day(i)**").

"**n<sub>i</sub>**" means, in relation to any Reference Rate Business Day(i), the number of calendar days from (and including) such Reference Rate Business Day(i) up to (but excluding) the next following Reference Rate Business Day.

"**Non-Reset Date**" means each Reference Rate Business Day(i) in an Applicable Period, the Reference Rate Determination Date in relation to which falls on or after the Rate Cut-Off Date (if any).

"**Observation Period**" means, in relation to an Interest Period, the period from (and including) the date which is "p" Reference Rate Business Days prior to the first day of such Interest Period (and in respect of the first Interest Period, the Interest Commencement Date) and ending on (but excluding) the date which is "p" Reference Rate Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Reference Rate Business Days prior to such earlier date, if any, on which the Notes become due and payable).



"**p**" means the whole number specified as such in the Final Terms representing a number of Reference Rate Business Days.

"**Rate Cut-Off Date**" means:

- (A) where "Lock-Out" is specified as the Observation Method in the relevant Final Terms and "SONIA" is specified as the relevant Reference Rate, in relation to any Interest Period, the Reference Rate Business Day immediately prior to the Interest Determination Date;
- (B) where "Lock-Out" is specified as the Observation Method in the relevant Final Terms and a Reference Rate other than SONIA is specified as the relevant Reference Rate, in relation to any Interest Period, the second Reference Rate Business Day falling prior to the Interest Determination Date;
- (C) where "Payment Delay" is specified as the Observation Method in the relevant Final Terms, and:
  - (I) "SONIA" is specified as the relevant Reference Rate, the Reference Rate Business Day immediately prior to the Interest Determination Date in relation to the final Interest Period only;
  - (II) a Reference Rate other than SONIA is specified as the relevant Reference Rate, the second Reference Rate Business Day falling prior to the Interest Determination Date; and
- (D) in any other circumstances, no Rate Cut-Off Date shall apply.

"**Reference Rate**" means in relation to any Reference Rate Business Day:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such Reference Rate Business Day as provided by the administrator of SONIA (or any successor administrator of such rate) to authorised distributors, or as otherwise published by such authorised distributors, on the Reference Rate Business Day immediately following such Reference Rate Business Day;
- (B) where "SOFR" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Secured Overnight Financing Rate ("**SOFR**") as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors, on the next succeeding Reference Rate Business Day for trades made on such Reference Rate Business Day;
- (C) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily euro short-term rate ("**€STR**") for such Reference Rate Business Day as published by the European Central Bank, as administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors, on the Reference Rate Business Day immediately following such Reference Rate Business Day;
- (D) where "SORA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Singapore Overnight Rate Average ("**SORA**") rate for such Reference Rate Business Day as provided by the Monetary Authority of Singapore as the administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors, on the Reference Rate Business Day immediately following such Reference Rate Business Day; or
- (E) where "TONA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Tokyo Overnight Average Rate ("**TONA**") rate for such Reference Rate Business Day as provided by the Bank of Japan as

the administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors, on the Reference Rate Business Day immediately following such Reference Rate Business Day.

**"Reference Rate(i)"** or **"REF<sub>i</sub>"** means in relation to any Reference Rate Business Day(i), the Reference Rate for the Reference Rate Determination Date in relation to such Reference Rate Business Day(i), **provided that** where either "Lock Out" or "Payment Delay" are specified as the Observation Method in the relevant Final Terms, Reference Rate(i) (or REF<sub>i</sub>) in respect of each Interest Non-Reset Date (if any) in an Applicable Period shall be Reference Rate(i) (or REF<sub>i</sub>) as determined in relation to the Rate Cut-Off Date.

**"Reference Rate Business Day"** means:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in London;
- (B) where "SOFR" is specified as the Reference Rate in the relevant Final Terms, means any day except for a Saturday, Sunday or a day on which The Securities Industry and Financial Markets Association ("**SIFMA**") recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;
- (C) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a Euro Business Day;
- (D) where "SORA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in Singapore; or
- (E) where "TONA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in Tokyo.

**"Reference Rate Determination Date"** means, in relation to any Reference Rate Business Day(i):

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the Reference Rate Business Day falling "p" Reference Rate Business Days prior to such Reference Rate Business Day(i); and
- (B) otherwise, such Reference Rate Business Day(i).

**"Relevant Rate"** means with respect to an Interest Period:

- (A) where "Compounded Daily Rate" is specified as the Determination Method in the relevant Final Terms, the rate of return of a daily compound interest investment (with the applicable Reference Rate specified in the Final Terms as reference rate for the calculation of interest) calculated as follows, with the resulting percentage rounded, if necessary, (i) in the case of SONIA, €STR and SORA, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards and (ii) in the case of SOFR and TONA to the nearest one hundred-thousandth of a percentage point (0.00001%), with 0.000005% being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{REF}_i \times n_i}{Y} \right) - 1 \right] \times \frac{Y}{d}$$

- (B) where "Weighted Average Rate" is specified as the Determination Method in the relevant Final Terms the arithmetic mean of Reference Rate(i) for each Reference Rate Business Day during such Applicable Period (each "**Reference Rate Business Day(i)**"), calculated by multiplying the relevant Reference Rate(i) for any Reference Rate Business Day(i) by the number of days such Reference Rate(i) is in effect (being the number of calendar days from (and including) such Reference Rate Business Day(i) up to (but excluding) the next following Reference Rate Business Day), determining the sum of such products and dividing such sum by the number of calendar days in the relevant Applicable Period.

"Y" is the number specified as such in the relevant Final Terms, or if no number is so specified, a number reflecting the denominator for day count fractions customarily used to calculate floating rate interest amounts on instruments denominated in the Specified Currency and with an original maturity equal to that of the Notes, as determined by the Calculation Agent.

- (v) Additional Provisions applicable where "SONIA" or "€STR" is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable):

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date, in each case with respect to the Reference Rate, have occurred, Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof.
- (B) If the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Reference Rate(i), then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e) (i) - (iv):
- (I) Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Relevant Recommended Rate;
- (II) if there is a Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date, but neither the administrator of the Relevant Recommended Rate nor authorised distributors provide or publish the Relevant Recommended Rate in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, then, subject to paragraph (3) below, in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Relevant Recommended Rate prior to the related

Reference Rate Determination Date. If there is no last provided or published Relevant Recommended Rate, then in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Reference Rate (without taking into account any deemed changes to the term "Reference Rate" pursuant to Condition 4B(e)(v)(B)(i) above) prior to the related Reference Rate Determination Date; and

- (III) if:
- (x) there is no Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date referred to in the first paragraph of Condition 4B(e)(v)(B) above; or
  - (y) there is a Relevant Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Relevant Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(e)(iv), Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Final Fallback Rate. In respect of any day for which the Final Fallback Rate is required, references to the Final Fallback Rate will be deemed to be references to the last provided or published Final Fallback Rate as at close of business in the RFR Financial Centre on that day.

- (C) Definitions for the purposes of this Condition 4B(e)(v) and Condition 4B(e)(vii):

**"EDFR"** means, in respect of any relevant day, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, in respect of that day;

**"EDFR Spread"** means:

- (1) if no Relevant Recommended Rate is recommended before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to the Reference Rate referred to in the first paragraph of Condition 4B(e)(v)(B), the arithmetic mean of the daily difference between €STR and EDFR over an observation period of 30 Reference Rate Business Days starting 30 Reference Rate Business Days prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the Reference Rate referred to in the first paragraph of Condition 4B(e)(v)(B) occurs and ending on the Reference Rate Business Day immediately preceding such day; or
- (2) if an Index Cessation Event or Administrator/Benchmark Event with respect to the Relevant Recommended Rate occurs, the arithmetic mean of the daily difference between the Relevant Recommended Rate and EDFR over an observation period of 30 Reference Rate Business Days starting 30 Reference Rate Business Days prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the Relevant

Recommended Rate occurs and ending on the Euro Business Day immediately preceding such day;

**"Final Fallback Rate"** means in respect of any relevant day:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, the official bank rate as determined by the Monetary Policy Committee of the Bank of England and published by the Bank of England from time to time, in effect on that day; or
- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a rate equal to EDFR in respect of that day, plus the EDFR Spread;

**"RFR Financial Centre"** means:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, London; or
- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, Frankfurt; and

**"Relevant Recommended Rate"** means in respect of any relevant day:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SONIA by (i) the administrator of SONIA if the administrator of SONIA is a national central bank, or (ii) if the national central bank administrator of SONIA does not make a recommendation or the administrator of SONIA is not a national central bank, a committee designated for this purpose by one or both of the Financial Conduct Authority (or any successor thereto) and the Bank of England and as provided by the then administrator or provider of that rate, or if that rate is not provided by the then administrator or provider thereof, published by an authorised distributor, in respect of that day;
- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for €STR by:
  - (I) the European Central Bank (or any successor administrator for €STR); or
  - (II) a committee officially endorsed or convened by (a) the European Central Bank (or any successor administrator of €STR) and/or (b) the European Securities and Markets Authority,

in each case for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day;

- (3) where "SORA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SORA by the Monetary Authority of Singapore or by a committee officially endorsed or convened by the Monetary Authority of Singapore (which rate may be produced by the Monetary Authority of Singapore or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the

then administrator thereof, published by an authorised distributor, in respect of that day; or

- (4) where "TONA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for TONA by a committee officially endorsed or convened by the Bank of Japan for the purpose of recommending a replacement for TONA (which rate may be produced by the Bank of Japan or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day.
- (vi) Additional Provisions applicable where "SOFR" is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable):

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date, and:
- (I) where "**ARRC Fallbacks**" are specified as applicable in the relevant Final Terms a SOFR Transition Event and a related SOFR Replacement Date have not both occurred; or
- (II) where "**ARRC Fallbacks**" are not specified as applicable in the relevant Final Terms, and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator Benchmark Event Date, in each case with respect to SOFR, have occurred,

Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof.

- (B) Where "**ARRC Fallbacks**" are specified as applicable in the relevant Final Terms, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines that a SOFR Transition Event and the related SOFR Replacement Date have occurred in relation to the Reference Rate (or any SOFR Replacement Rate previously determined in accordance with this Condition 4B(e)(C) on the Reference Rate Business Day on which a determination of Reference Rate is due to be made, the SOFR Replacement Rate will replace the then-current Reference Rate for all purposes and in respect of all determinations on such Reference Rate Business Day and (without prejudice to the further operation of this Condition 4B(e)(C) all subsequent determinations; provided that, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or its designee (in consultation with the Issuer) is unable to or does not determine a SOFR Replacement Rate in accordance with the provisions below prior to 5:00 p.m. (New York time) on the relevant Interest Determination Date, the interest rate for the related Interest Period will be equal to (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest

Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period); provided, however, that if the Notes are Fixed/Floating Rate Notes for which no Rate of Interest has yet been determined under this Condition 4B (*Interest Floating Rate Note Provisions*), the Rate of Interest applicable to the Notes during such Interest Period will be the rate applicable to the Notes in respect of the preceding Interest Period for which Condition 4A (*Fixed Rate Note Provisions*) applied.

- (C) If "**ARRC Fallbacks**" are not specified as applicable in the relevant Final Terms, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to SOFR, then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) - 4B(e)(iv),
- (I) Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be deemed to be the rate (inclusive of any adjustments or spreads) that was recommended as the replacement for SOFR by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for SOFR (which rate may be produced by the Federal Reserve Bank of New York or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof, published by an authorised distributor, in respect of that day (the "**Fed Recommended Rate**") as determined in relation to related Reference Rate Determination Date for such Reference Rate Business Day(i);
- (II) if there is a Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR, but neither the administrator nor authorised distributors provide or publish the Fed Recommended Rate, then, subject to paragraph (III) below, in respect of any day for which the Fed Recommended Rate is required, references to the Fed Recommended Rate will be deemed to be references to the last provided or published Fed Recommended Rate. However, if there is no last provided or published Fed Recommended Rate, then in respect of any day for which the Fed Recommended Rate is required, references to the Fed Recommended Rate will be deemed to be references to the last provided or published SOFR;
- (III) if:
- (x) there is no Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR; or
- (y) there is a Fed Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an

Part II – Information Relating to the Notes  
Section II.4 – Terms and Conditions of the English Law Notes

Administrator/Benchmark Event Date have occurred, in each case with respect to the Fed Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) - 4B(e)(iv), Reference Rate(i) in relation to each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date with respect to SOFR or the Applicable Fallback Effective Date with respect to the Fed Recommended Rate (as applicable) will be the Overnight Bank Funding Rate ("**OBFR**") administered by the Federal Reserve Bank of New York (or a successor administrator), as determined in relation to the related Reference Rate Determination Date for such Reference Rate Business Day(i) but as if references to "Reference Rate Business Day(i)" were to "New York Fed Business Day", but so that in the case of the Applicable Period in which the Applicable Fallback Effective Date occurred, "d<sub>0</sub>" shall be construed so that it means the aggregate of (x) the number of Reference Rate Business Days in the Applicable Period up to (but excluding) the Applicable Fallback Effective Date and (y) the number of New York Fed Business Days in the Applicable Period relating to such Interest Period from (and including) the Applicable Fallback Effective Date (and "i" shall be construed accordingly);

(IV) if neither the administrator nor authorised distributors provide or publish the OBFR, then, subject to paragraph (V) below, in respect of any day for which the OBFR is required, references to the OBFR will be deemed to be references to the last provided or published OBFR;

(V) if:

(x) there is no Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR, or there is a Fed Recommended Rate and an Applicable Fallback Effective Date subsequently occurs with respect to it; and

(y) there is an OBFR and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator Benchmark Event Date have occurred, in each case with respect to the OBFR, then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(e)(iv), Reference Rate(i) in relation to each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date with respect to OBFR (or, if the Applicable Fallback Effective Date with respect to SOFR or the Applicable Fallback Effective Date with respect to the Fed Recommended Rate (as applicable) is later, the Reference Rate Business Day(i) occurring on or after the Applicable Fallback Rate with respect to SOFR or the Fed Recommended Rate, as applicable) will be the short-term interest rate target set by the Federal Open Market Committee, as prevailing on such Reference Rate Determination Date, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee, as prevailing on such Reference Rate Determination Date (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range, rounded, if necessary, to the nearest second decimal place with 0.005 being rounded upwards) (the "**FOMC Target Rate**") determined in accordance with the definition of Reference Rate(i), but as if references to "Reference Rate Business Day(i)" were to "New York City Business Day", but so that in the case of the Applicable Period in which the Applicable Fallback Effective



Date occurred, "d<sub>0</sub>" shall be construed so that it means the aggregate of (x) the number of Reference Rate Business Days in the Applicable Period up to (but excluding) the Applicable Fallback Effective Date and (y) the number of New York City Business Days in the Applicable Period relating to such Interest Period from (and including) the Applicable Fallback Effective Date (and "i" shall be construed accordingly); and

- (z) In respect of any day for which the FOMC Target Rate is required, references to the FOMC Target Rate will be deemed to be references to the last provided or published FOMC Target Rate as at close of business in New York City on that day.

(D) *Definitions for purposes of this Condition 4B(e)(vi):*

"**designee**" means an affiliate or any other agent of the Issuer.

"**Federal Reserve Board**" means the Board of Governors of the U.S. Federal Reserve System.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Reference Rate for the applicable tenor.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"**New York City Business Day**" means a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in New York City.

"**New York Fed Business Day**" means any day except for a Saturday, Sunday or a day on which the Fedwire Securities Services or the Fedwire Funds Service of the Federal Reserve Bank of New York is closed.

"**Reference Time**" with respect to any determination of the Reference Rate means (1) if the Reference Rate is SOFR, the time specified for such determination specified in the definition of the Reference Rate, and (2) if the Reference Rate is not SOFR, the time determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer).

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"**SIFMA**" means the Securities Industry and Financial Markets Association or any successor thereto.

**"SOFR Replacement Adjustment"** means the first alternative set forth in the order below that can be determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as of the SOFR Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Replacement;
- (2) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) giving due consideration to any industry-accepted spread adjustments, or method for calculating or determining such spread adjustment, for the replacement of the then-current Reference Rate with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated floating rate notes at such time.

**"SOFR Replacement Date"** means the earliest to occur of the following events with respect to the then-current Reference Rate (including the daily published component used in the calculation thereof):

- (1) in the case of clause (1) or (2) of the definition of "SOFR Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Reference Rate permanently or indefinitely ceases to provide the Reference Rate (or such component); or
- (2) in the case of clause (3) of the definition of "SOFR Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the SOFR Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the SOFR Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

**"SOFR Replacement Rate"** means the first alternative set forth in the order below that can be determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as of the SOFR Replacement Date:

- (1) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Reference Rate and (ii) the SOFR Replacement Adjustment;
- (2) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment; or
- (3) the sum of: (i) the alternate rate of interest that has been selected by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as the replacement for the then-current Reference Rate for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Reference Rate for U.S. dollar-denominated floating rate notes at such time and (ii) the SOFR Replacement Adjustment.

**"Corresponding Tenor"** with respect to a SOFR Replacement Rate means a tenor (including overnight) having approximately the same length (disregarding business day adjustments) as the applicable tenor for the then-current Reference Rate.

**"SOFR Transition Event"** means the occurrence of one or more of the following events with respect to the then-current Reference Rate (including the daily published component used in the calculation thereof):

- (1) a public statement or publication of information by or on behalf of the administrator of the Reference Rate (or such component) announcing that such administrator has ceased or will cease to provide the Reference Rate (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate (or such component); or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate (or such component), the central bank for the currency of the Reference Rate (or such component), an insolvency official with jurisdiction over the administrator for the Reference Rate (or such component), a resolution authority with jurisdiction over the administrator for the Reference Rate (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate (or such component) has ceased or will cease to provide the Reference Rate (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate (or such component); or
- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate announcing that the Reference Rate is no longer representative.

**"Unadjusted SOFR Replacement"** means the SOFR Replacement Rate excluding the SOFR Replacement Rate Adjustment.

- (vii) Additional Provisions applicable where **"SORA"** or **"TONA"** is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable):

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date, and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date, in each case with respect to the Reference Rate, have occurred, Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof.
- (B) If the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date

have occurred, in each case with respect to the Reference Rate(i), then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – (iv):

- (1) Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Relevant Recommended Rate;
- (2) if there is a Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date, but neither the administrator of the Relevant Recommended Rate nor authorised distributors provide or publish the Relevant Recommended Rate in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, then, subject to paragraph (3) below, in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Relevant Recommended Rate prior to the related Reference Rate Determination Date. If there is no last provided or published Relevant Recommended Rate, then in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Reference Rate (without taking into any deemed changes to the term "Reference Rate" pursuant to Condition 4B(e)(vii)(B)(1) above) prior to the related Reference Rate Determination Date; and
- (3) if:
  - (i) there is no Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date referred to in the first paragraph of Condition 4B(e)(vii)(B) above; or
  - (ii) there is a Relevant Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Relevant Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – (iv), Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be a commercially reasonable alternative for the Applicable Benchmark determined by the Calculation Agent (failing which, the Issuer), taking into account all available information that in good faith it considers relevant including a rate implemented by the central counterparties and/or futures exchanges (if any), in each case with trading volumes in derivatives or futures referencing the Applicable Benchmark that the Calculation Agent considers sufficient for that rate to be a representative alternative rate.

- (C) The definitions set out in Condition 4B(e)(v)(E) shall be equally applicable to this Condition 4B(e)(vii).

(f) *Maximum or Minimum Interest Rate*

If any Maximum Interest Rate or Minimum Interest Rate is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

In no event shall the Rate of Interest in respect of any Interest Period be less than zero.

(g) *Calculation of Interest Amount*

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the Notes for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, in the case of Notes represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, the Aggregate Outstanding Nominal Amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes notwithstanding that the formula specified in the relevant Final Terms may provide for calculation in relation to the Calculation Amount; or
- (ii) in the case of Notes in definitive form or if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Calculation Amount,

and, in each case, multiplying the product by the Day Count Fraction for such Interest Period, rounding the resulting figure to the nearest sub-unit of the Settlement Currency (as defined in Condition 1 (*Definitions*)) (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, or the Notes are represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes and "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the amount of interest payable in respect of such Note or, as the case may be, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount shall be the product of (1) the amount (determined in the manner provided above) of interest payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Specified Denomination or, as the case may be, the Aggregate Outstanding Nominal Amount.

If interest is required to be paid in respect of the Notes in relation to a period other than an Interest Period, then such interest shall be calculated in accordance with the above paragraph but as if reference therein to "Interest Period" were to such other period. For the avoidance of doubt, where Notes are redeemed prior to their stated Maturity Date (whether as a result of the occurrence of an Automatic Early Redemption Event or for any other reason) interest shall be payable with respect to the period from and including the most recent Interest Payment Date to but excluding the final date of redemption.

(h) *Dividend Equivalent Payments*

In respect of any Series of Notes where the principal and/or interest in respect of such Notes is determined by reference to one or more variables such as an index, formula, security, currency exchange rate, interest rate or other factor (each variable being a "**Reference Asset**" or, if it is comprised in a basket of variables, a "**Reference Asset Component**"), if the Final Terms in respect of such Notes states the Notes are "Section 871(m) Notes", the Final Terms shall further specify whether the "Dividend Withholding" or "Issuer Withholding" approach to withholding in relation to Section 871(m) IRC shall be applicable to the Notes.

If "Dividend Withholding" is specified in the relevant Final Terms, the relevant Final Terms shall provide for the Issuer to make payments to Noteholders in respect of any dividend equivalent amounts received or deemed received in respect of any Reference Asset or Reference Asset Component and shall include provisions relating to the amount and timing of such payments.

If "Issuer Withholding" is specified in the relevant Final Terms, the Final Terms shall specify whether any dividend equivalent amounts are to be treated as being reinvested during the term of the Notes and what portion thereof is expected as of the Issue Date to be treated for U.S. federal income tax purposes as having been withheld from a payment due to the Noteholders

(i) *Publication*

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s), to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but in any event not later than the fourth Business Day thereafter. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum denomination, the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum denomination.

(j) *Notifications etc.*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4B (*Interest – Floating Rate Note Provisions*) by the Calculation Agent will be made by the Calculation Agent and will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

**4C. *Coupon Trigger Notes***

This Condition 4C (*Interest – Coupon Trigger Notes*) is applicable where Coupon Trigger Event is specified in the relevant Final Terms as being applicable, subject to the additional provisions of Condition 4D (*Lock-In Coupon Event*) and Condition 4E (*Coupon Trigger Recovery Event*) below.

If a Coupon Trigger Event occurs in relation to any Coupon Trigger Valuation Date, then the Issuer shall pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Trigger Amount on the relevant Coupon Trigger Payment Date.

The Calculation Agent will cause any Coupon Trigger Amount required to be determined by it together with details of the Coupon Trigger Valuation Date to be notified to the Paying Agents as soon as practicable after such determination (including where such amount is payable following the occurrence of a Lock-In Coupon Event in accordance with Condition 4D (*Lock-In Coupon Event*) below).

If a Coupon Trigger Event does not occur in relation to a Coupon Trigger Valuation Date, then no Coupon Trigger Amount under this Condition 4C shall be payable in respect of the Notes on the relevant Coupon Trigger Payment Date.

**4D. *Lock-In Coupon Event***

This Condition 4D (*Lock-In Coupon Event*) is applicable to the Notes only if Lock-In Coupon Event is specified in the relevant Final Terms as being applicable.

If a Lock-In Coupon Event occurs in relation to any Lock-In Coupon Valuation Date, then the Issuer shall, notwithstanding any other provisions of Condition 4C (*Coupon Trigger Notes*) pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon

Trigger Amount on each relevant Coupon Trigger Payment Date falling on or after the relevant Lock-In Coupon Valuation Date.

4E. ***Coupon Trigger Recovery Event***

This Condition 4E (*Coupon Trigger Recovery Event*) shall apply if Coupon Trigger Recovery Event is specified in the relevant Final Terms as being applicable.

If a Coupon Trigger Recovery Event occurs in relation to any Coupon Trigger Valuation Date, then (in addition to any Coupon Trigger Amount that might be payable pursuant to Condition 4C) the Issuer shall pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Outstanding Missed Coupon Amounts on the relevant Coupon Trigger Payment Date.

If a Coupon Trigger Recovery Event does not occur in relation to a Coupon Trigger Valuation Date, then no Outstanding Missed Coupon Amount shall be payable in respect of the Notes on the relevant Coupon Trigger Payment Date under this Condition 4E (notwithstanding any amount which might be payable pursuant to Condition 4C).

The Calculation Agent will cause any Outstanding Missed Coupon Amounts required to be determined by it together with details of the Coupon Trigger Valuation Date to be notified to the Paying Agents as soon as practicable after such determination.

4F. ***Relevant Rate - Fixed***

If Condition 4C (*Interest – Coupon Trigger Notes*) is specified as being applicable in the Final Terms and "Relevant Rate – Fixed" is further specified as being applicable in the relevant Final Terms, then this Condition 4F (*Relevant Rate – Fixed*) shall apply.

Where this Condition 4F (*Relevant Rate – Fixed*) is applicable, to the extent that a "Coupon Trigger Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Trigger Amount (including such Coupon Trigger Amounts as are required to be calculated to determine any Outstanding Missed Coupon Amounts) shall be determined in accordance with Condition 4A (*Fixed Rate Notes*).

4G. ***Relevant Rate - Floating***

If Condition 4C (*Interest – Coupon Trigger Notes*) is specified as being applicable in the Final Terms and "Relevant Rate – Floating" is further specified as being applicable in the relevant Final Terms, then this Condition 4G (*Relevant Rate – Floating*) shall apply.

Where this Condition 4G (*Relevant Rate – Floating*) is applicable, to the extent that a "Coupon Trigger Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Trigger Amount (including such Coupon Trigger Amounts as are required to be calculated to determine any Outstanding Missed Coupon Amounts) shall be determined in accordance with Condition 4B (*Interest - Floating Rate Note Provisions*).

5. **Redemption and Purchase**

(a) ***At Maturity***

Unless previously redeemed or purchased and cancelled, each Note will be redeemed by the Issuer at an amount per Calculation Amount (the "**Final Redemption Amount**") in the Settlement Currency specified in the relevant Final Terms determined in accordance with this Condition 5(a) (*Redemption and Purchase – At Maturity*) together with Condition 5(b) (*Redemption Provisions*) on the date specified in the relevant Final Terms as the scheduled date on which such Note is to be redeemed (the "**Maturity Date**").

(b) ***Redemption Provisions***

The Calculation Agent will, as soon as practicable after the Final Valuation Date, calculate the Final Redemption Amount in relation to each Note. Subject to Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*) and Condition 5(c) (*Lock-In Redemption*), the Final

Redemption Amount of a Note will be calculated in accordance with one of the following paragraphs of this Condition 5(b), depending on the type of Final Redemption Amount specified in the relevant Final Terms.

(i) *Booster with Barrier Redemption*

If Booster with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- (B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, 100%; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(ii) *Airbag with Barrier Redemption*

If Airbag with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold and no Barrier Event has occurred, the result of the following formula:

$$\text{Max} \{ \text{Conditional Protection Percentage}; 100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]] \}$$

- (B) if the Relevant Final Performance is equal to or greater than the Return Threshold and a Barrier Event has occurred, the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- (C) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage; or
  - (D) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(iii) *Barrier Redemption*

If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and



- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold and/or no Barrier Event has occurred, 100%; or
  - (B) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(iv) *Digital with Barrier Redemption*

If Digital with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage
  - (B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(v) *Digital Growth with Barrier Redemption*

If Digital Growth with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:  
$$\text{Max}\{100\% + \text{Digital Return Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\}$$
  - (B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(vi) *Growth with Full Protection Redemption*

If Growth with Full Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) the result of the following formula:

$$\text{Max \{Protection Level Percentage; 100\%} \\ + \text{Min[Cap; Participation} \times \text{Max [0; Relevant Final Performance - 100\%]\}}$$

(vii) *Growth with Partial Protection Redemption*

If Growth with Partial Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min [Cap; Participation} \times \text{Max [0; Relevant Final Performance - 100\%]$$

- (B) if the Relevant Final Performance is less than the Return Threshold, the result of the following formula:

$$\text{Max[Minimum Return Percentage; Relevant Final Performance]}$$

(viii) *Digital with Partial Protection Redemption*

If Digital with Partial Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage; or
  - (B) if the Relevant Final Performance is less than the Return Threshold, the result of the following formula:

$$\text{Max[Minimum Return Percentage; Relevant Final Performance]}$$

(ix) *Buffer Redemption*

If Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Strike Percentage, 100%; or
  - (B) if the Relevant Final Performance is less than the Strike Percentage, the result of the following formula:

$$\text{[Relevant Final Performance/Strike Percentage]}$$

(x) *Booster with Buffer Redemption*

If Booster with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min} [\text{Cap; Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

$$[\text{Relevant Final Performance} / \text{Strike Percentage}]$$

(xi) *Digital with Buffer Redemption*

If Digital with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage;
  - (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

$$[\text{Relevant Final Performance} / \text{Strike Percentage}]$$

(xii) *Digital Growth with Buffer Redemption*

If Digital Growth with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$\text{Max} \{100\% + \text{Digital Return Percentage}; 100\% + \text{Min} [\text{Cap; Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]\};$$

- (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or

- (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

[Relevant Final Performance/Strike Percentage]

(xiii) *Step-Down Growth with Partial Protection Redemption*

If Step-Down Growth with Partial Protection is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
- (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$\text{Min}[100\% + \text{Cap}; \text{Minimum Redemption Percentage} + [\text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]]$

- (B) if the Relevant Final Performance is less than the Return Threshold, the Minimum Redemption Percentage.

(c) ***Lock-In Redemption***

If Lock-In Redemption Event is specified to be applicable in the relevant Final Terms, then, notwithstanding any provision of Condition 5(b), if a Lock-In Redemption Event has occurred with respect to the Notes, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) Lock-In Redemption Percentage.

(d) ***Redemption for Taxation Reasons***

If in respect of a Series of Notes Condition 6B (*Taxation – Gross-up*) is specified as applicable in the relevant Final Terms, and:

- (i) on a subsequent date for the payment of interest on such Series of Notes the Issuer would be required to pay any additional amounts in accordance with the provisions of Condition 6B (*Taxation – Gross-up*); or
- (ii) if the Issuer were to seek to redeem such Notes (for which purpose no regard shall be had to whether or not the Issuer would otherwise be entitled to redeem such Notes), the Issuer would be required to pay any additional amounts in accordance with the provisions of Condition 6B (*Taxation – Gross-up*);

the Issuer may, having given not less than 30 nor more than 45 days' notice (ending, in the case of Floating Rate Notes, on an Interest Payment Date) to the Noteholders in respect of such Series of Notes, redeem all, but not some only, of such Notes, at their Early Redemption Amount specified in the relevant Final Terms together with interest accrued and unpaid, if any, to the date fixed for redemption **provided that** no such notice of redemption shall be given earlier than 90 days (or in the case of Floating Rate Notes a number of days which is equal to the lesser of the aggregate of the number of days in the then current Interest Period plus 60 days and 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.

The Issuer may exercise such option in respect of any Note notwithstanding the prior exercise by the Issuer of its option to require the redemption of such Note under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), below, if

the due date for redemption under this Condition 5(d) would occur prior to that under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), but not otherwise and, in such circumstances, the exercise of the option under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*) shall be rendered ineffective.

Prior to giving any notice of redemption pursuant to this Condition 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*) the Issuer may obtain a certificate of an independent legal adviser or accountant to the effect either that such a circumstance does exist or that, upon a change in or amendment to the laws of the United Kingdom (including any regulations pursuant thereto), or in the interpretation or administration thereof, which at the date of such certificate is proposed and in the opinion of such legal adviser or accountant is reasonably expected to become effective on or prior to the date on which the relevant payment of principal or interest in respect of the Notes would otherwise be made, becoming so effective, such circumstances would exist and any such certificate shall be sufficient to establish the circumstances required by this Condition 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*).

**(e) *Early Redemption for Autocallable Notes***

This Condition 5(e) (*Redemption and Purchase – Early Redemption for Autocallable Notes*) applies only where Early Redemption for Autocallable Notes is specified as being applicable in the relevant Final Terms.

If an Automatic Early Redemption Event occurs in relation to any Automatic Early Redemption Date, then unless previously redeemed or purchased and cancelled, the Notes will be automatically redeemed in whole, but not in part, on such Automatic Early Redemption Date and subject to Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*), the redemption amount payable by the Issuer on such date upon redemption of each Note shall be an amount per Calculation Amount in the Settlement Currency equal to the relevant Automatic Early Redemption Amount.

**(f) *Redemption at the Option of the Issuer (Call Option)***

Where Redemption at the Option of the Issuer (Call Option) is specified as being applicable in the relevant Final Terms, the Issuer may at any time or as may otherwise specified in the relevant Final Terms, having given not less than or five nor more than 30 days' notice (or such other notice period as may be specified in the relevant Final Terms) to the Noteholders in accordance with Condition 12 (*Notices*) which notice shall be irrevocable), elect to redeem on an Optional Redemption Date (Call Option) all of the Notes then outstanding on such Optional Redemption Date (Call Option) and at an amount in the Settlement Currency per Calculation Amount equal to the Redemption Amount (Call Option) specified in the relevant Final Terms as corresponding to such Optional Redemption Date (Call Option), together with interest accrued but unpaid thereon to the date fixed for redemption, as determined by the Calculation Agent in accordance with the Conditions.

**(g) *Early Redemption for Illegality***

The Issuer shall have the right to terminate its obligations under the Notes, if the Calculation Agent shall have determined that the performance of such obligations under the Notes (or, the Issuer's or the Issuer's designated affiliates' obligations under any hedging arrangements established in connection therewith) shall after the Trade Date:

- (i) have become unlawful, or
- (ii) unless "Early Redemption for Impracticability" is specified as not applicable in the relevant Final Terms, have become impracticable,

in whole or in part, including, without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or

request of any governmental, administrative, legislative or judicial authority or power **provided, however, that** if the Calculation Agent determines that the relevant obligations have become unlawful, the Issuer may obtain an opinion of an independent legal adviser to that effect prior to terminating its obligations under the Notes, and any such opinion shall be sufficient to establish the circumstances required by this Condition 5(f) (*Redemption and Purchase – Early Redemption for Illegality*). In such circumstances the Issuer will pay to each Noteholder the Early Redemption Amount specified in the relevant Final Terms. Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 12 (*Notices*).

**(h) Purchases**

Each of the Issuer and any person directly or indirectly connected with the Issuer may at any time purchase Notes at any price in the open market or otherwise, and such Notes may be held, reissued, resold or, provided such Notes are held by the Issuer, at the option of the Issuer, reissued or cancelled.

**(i) Cancellation**

All Notes which are redeemed pursuant to Condition 5(a) (*Redemption and Purchase – At Maturity*), 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(e) (*Redemption and Purchase – Early Redemption for Autocallable Notes*), 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*) or 5(g) (*Redemption and Purchase – Early Redemption for Illegality*) shall, and all Notes purchased by the Issuer pursuant to Condition 5(h) (*Redemption and Purchase – Purchases*) may, at the option of the Issuer, be cancelled forthwith (together with, in the case of Definitive Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). All Notes redeemed or purchased and cancelled as aforesaid may not be re-issued or resold.

**(j) No Other Redemption Provisions**

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 5(a) (*Redemption and Purchase – At Maturity*), 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(e) (*Redemption and Purchase – Early Redemption for Autocallable Notes*), 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), 5(g) (*Redemption and Purchase – Early Redemption for Illegality*), Condition 17 (*Adjustments to Indices*), Condition 18 (*Adjustments and Events affecting Securities*), Condition 19 (*Additional Disruption Events*) and Condition 21 (*Events relating to DR-Linked Notes*).

**(k) Calculation and Rounding**

Any redemption amount payable on redemption of a Note (the "**Redemption Amount**") shall be calculated pursuant to this Condition 5 (*Redemption and Purchase*) and in rounding any values determined or calculated in connection with such Redemption Amount, the Calculation Agent shall apply the following rounding conventions:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, in the case of Notes represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, the Redemption Amount shall be calculated in relation to the Aggregate Outstanding Nominal Amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes, rounded to the nearest currency sub-unit (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention) notwithstanding that the formula specified in the relevant Final Terms may provide for the Redemption Amount to be calculated in relation to the Calculation Amount; or
- (ii) in the case of Notes in definitive form or if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Redemption Amount shall be calculated in relation to the Calculation Amount rounded to the nearest currency sub-unit (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention).

For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, or the Notes are represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes and "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Redemption Amount shall be the product of (1) the amount (determined in the manner provided above) payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Specified Denomination or, as the case may be, the Aggregate Outstanding Nominal Amount.

6. **Taxation**

6A. **Taxation – No gross-up**

This Condition 6A (*Taxation – No gross-up*) will be applicable to all Series of Notes unless it is specified in the relevant Final Terms that Condition 6B (*Taxation – Gross-up*) is applicable.

All payments by the Issuer of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of the United Kingdom unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges. In the event that the Issuer is so required by law to withhold or deduct, the Issuer shall not be required to pay any additional amounts in connection with such withholding or deduction.

6B. **Taxation – Gross-up**

This Condition 6B (*Taxation – Gross-up*) will only be applicable to a Series of Notes where it is specified in the relevant Final Terms that this Condition 6B (*Taxation – Gross-up*) is applicable.

All payments by the Issuer of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of the United Kingdom unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges.

In the event that the Issuer is so required by law to withhold or deduct, it will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders or Couponholders, as the case may be, after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Notes and/or, as the case may be, Coupons, in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) to, or to a third party on behalf of, a Holder of a Note or Coupon who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of it having some connection with the United Kingdom or any other relevant jurisdiction, other than the mere holding of such Note or Coupon;
- (b) unless it is proved, in the case of Bearer Notes, to the satisfaction of the Principal Paying Agent or the Paying Agent to whom the same is presented, or, in the case of Registered Notes, to the satisfaction of the Registrar, that the Holder is unable to avoid such withholding or deduction by satisfying any statutory requirement or by making a declaration of non residence or other similar claim for exemption to the relevant tax authorities or by notifying (and/or presenting evidence of such notification to) any tax authorities of such payment of principal or interest or by presenting the relevant Note or Coupon at the specified office of another Paying Agent;
- (c) more than 30 days after the Relevant Date (defined below) except, in the case of Bearer Notes, to the extent that the Holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days;

- (d) in the case of Registered Notes, unless it is proved to the satisfaction of the Registrar that the Holder, immediately upon becoming the Holder, (i) was eligible for the benefits of a tax treaty with the United Kingdom or any other relevant jurisdiction that provides for a complete exemption from withholding taxes on payments under the Notes, or (ii) was otherwise entitled to a complete exemption from withholding taxes on payments under the Notes; or
- (e) to, or to a third party on behalf of, a Holder who is not the sole beneficial owner of the Note or any Coupon, or a portion of either, or that is a fiduciary or partnership, but only to the extent that a beneficiary or settlor with respect to the fiduciary, a beneficial owner or member of the partnership would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment.

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due but, in the case of Bearer Notes, if the full amount of the money payable has not been received by the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such money having been so received, notice to that effect shall have been duly given to the relevant Holders in accordance with Condition 12 (*Notices*).

If the Issuer becomes resident for tax purposes in any taxing jurisdiction other than the United Kingdom, references in this Condition 6 (*Taxation*) to the United Kingdom shall be construed as references to the United Kingdom and/or such other jurisdiction.

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

- (i) any additional amounts which may be payable under this Condition 6 (*Taxation*);
- (ii) the principal amount payable on the relevant Notes on the Maturity Date;
- (iii) the principal amount payable on redemption of the relevant Notes prior to such Maturity Date; and
- (iv) any premium and any other amounts which may be payable under or in respect of the relevant Notes.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts permitted or required by the rules of IRC Section 871(m) or IRC Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**U.S. Permitted Withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any U.S. Permitted Withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of U.S. Permitted Withholding.

## 7. **Payments**

### (a) ***Bearer Notes***

Payments of principal and interest (if any) in respect of Bearer Notes will (subject as provided below) be made against presentation (save in the case of partial payment, surrender of the relevant Note or, in the case of payments of interest, surrender of the relevant Coupon at the specified office of any Paying Agent outside the United States (subject to the next paragraph). No payments on Bearer Notes will be made by mail to an address in the United States or by transfer to an account maintained by the Holder in the United States.

Payments of amounts due in respect of interest on Bearer Notes and exchanges of Talons for Coupon sheets will not be made at the specified office of any Paying Agent in the United States or its possessions (as defined in the IRC and Regulations thereunder) unless (a) payment in full of amounts due in respect of interest on such Notes when due or, as the case may be, the exchange of Talons at all the specified offices of the Paying Agents outside the United States is illegal or



effectively precluded by exchange controls or other similar restrictions and (b) such payment or exchange is permitted by applicable United States law, in which case the Issuer shall forthwith appoint a further Paying Agent with a specified office in New York City.

If the due date for payment of any amount due in respect of any Bearer Note is not both a Relevant Financial Centre Day and, if such Bearer Note is a Definitive Note or if the Final Terms so specify, a local banking day, then the Holder thereof will not be entitled to payment thereof until the next day which is such a day and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 4A (*Interest – Fixed Rate Note Provisions*) or Condition 4B (*Interest – Floating Rate Note Provisions*).

Upon the due date for redemption of any Definitive Note other than a Fixed Rate Note, all unmatured Coupons and Talons (if any) relating to such Definitive Note (whether or not attached) shall become void and no payment shall be made in respect of them.

Definitive Notes which are Fixed Rate Notes should be presented for payment with all unmatured Coupons appertaining thereto, failing which the face value of any missing unmatured Coupon (or, in the case of payment not being made in full, that portion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total amount of principal due) will be deducted from the sum due for payment. Any amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon within a period of 10 years from the Relevant Date (as defined in Condition 6 (*Taxation*)) for the payment of such principal, whether or not such Coupon has become void pursuant to Condition 10 (*Prescription*) or, if later, five years from the date on which such Coupon would have become due.

Notwithstanding the above, if any Definitive Notes should be issued with a Maturity Date and an interest rate or rates such that, on the presentation for payment of any such Definitive Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required to be deducted would be greater than the amount otherwise due for payment, then, upon the due date for redemption, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that the amount required to be deducted would not be greater than the amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Definitive Note to become void, the relevant Paying Agent shall, in its sole and absolute discretion, determine which unmatured Coupons are to become void, and shall select, in its sole and absolute discretion, for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

Upon any Definitive Notes becoming due and repayable prior to their Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

In relation to Definitive Notes initially delivered with Talons attached thereto, on or after the due date for the payment of interest on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent outside the United States (save as provided above) in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 10 (*Prescription*). Each Talon shall, for the purpose of these Conditions, be deemed to mature on the due date for the payment of interest on which the final Coupon comprised in the relative Coupon sheet matures.

If (otherwise than by reason of the application of the above) the due date for redemption of any Bearer Note is not the due date for the payment of a Coupon appertaining thereto, interest accrued in respect of such Note from and including the last preceding due date for the payment of a Coupon (or from the Issue Date or the Interest Commencement Date, as the case may be) will be paid only against surrender of such Bearer Note and all unmatured Coupons appertaining thereto.

**(b) Registered Notes**

Payment of the amount due on final redemption in respect of Registered Notes will be made against presentation and, save in the case of partial payment of any such amount, surrender of the relevant certificate at the specified office of the Registrar or of the Transfer Agent. If the due date for payment of the Final Redemption Amount or any other redemption amount, as the case may be, of any Registered Note is not both a Relevant Financial Centre Day and, if such Registered Note is not in global form or if the Final Terms so specify, a local banking day, then the Holder thereof will not be entitled to payment thereof until the next day which is such a day and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 4A (*Interest – Fixed Rate Note Provisions*) or Condition 4B (*Interest – Floating Rate Note Provisions*).

Payment of amounts (whether principal, interest or otherwise) due (other than on final redemption) in respect of Registered Notes will be paid to the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the Register at the close of business (local time in the place of the specified office of the Registrar) on the fifteenth day prior to the due date for such payment (the "**Record Date**").

Payment will be made in the currency in which such amount is due either by cheque posted to the Noteholder's registered address (or, in the case of joint Holders, the first-named) not later than the relevant due date for payment unless prior to the relevant Record Date the Holder thereof (or, in the case of joint Holders, the first-named) has applied to the Registrar or to the Transfer Agent and the Registrar or, as the case may be, the Transfer Agent has acknowledged such application for payment to be made to a designated account denominated in the relevant Settlement Currency, in each case as specified in Condition 7(d) (*Payments – General Provisions*).

**(c) Uncertificated Registered Notes**

The Issuer shall pay or cause to be paid when due payments of principal and interest (if any) in respect of Uncertificated Registered Notes to the relevant Noteholder's cash memorandum account (as shown in the records of the Operator), such payment to be made in accordance with the rules of the Operator. Each of the persons shown in the Operator register of corporate securities as holder of a particular principal amount of Uncertificated Registered Notes must look solely to the settlement bank or institution at which its cash memorandum account is held for its share of each such payment so made by or on behalf of the Issuer.

**(d) General Provisions**

The following provisions apply to both Bearer Notes and Registered Notes (and do not apply to Uncertificated Registered Notes). Subject to Condition 7(e) (*Payments – Payment of Alternative Payment Currency Equivalent*), payments of amounts due (whether principal, interest or otherwise) in respect of Notes will be made in the relevant Settlement Currency either by cheque or, at the option of the payee, by transfer to an account in the relevant Settlement Currency specified by the payee other than, for payments in respect of Bearer Notes, any such account in the United States.

Payments and deliveries will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 6 (*Taxation*).

Without prejudice to the generality of the foregoing, the Issuer reserves the right to require any person receiving payment of principal or, as the case may be, payment of interest with respect to any Note or Coupon to provide a Paying Agent with such certification or information as may be required to enable the Issuer or any parent or holding company of the Issuer or any subsidiary of any such parent or holding company to comply with the requirements of the U.S. Federal Income Tax laws or such other laws as the Issuer or any such parent or holding company or subsidiary thereof may be required to comply with.

(e) ***Payment of Alternative Payment Currency Equivalent***

If:

- (i) "Payment of Alternative Payment Currency Equivalent" is specified as applicable in the relevant Final Terms, or is applicable in accordance with the proviso to Condition 7(f)(Y); or
- (ii) a Clearing System Currency Eligibility Event has occurred and is continuing,

then, if by reason of a FX Disruption Event or a Clearing System Currency Eligibility Event, the Issuer is not able to satisfy payments in respect of the Notes when due in the Settlement Currency, the Issuer may, settle any such payment in U.S. dollars or any other currency specified as the Alternative Payment Currency in the relevant Final Terms on the due date at the Alternative Payment Currency Equivalent of any such amount due.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7(e) (*Payments – Payment of Alternative Payment Currency Equivalent*) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Noteholders. By acceptance thereof, purchasers of the Notes will be deemed to have acknowledged and agreed and to have waived any and all actual or potential conflicts of interest that may arise as a result of the calculation of the Alternative Payment Currency Equivalent by the Calculation Agent.

(f) ***Price Source Disruption and FX Disruption***

- (X) If "Price Source Disruption" is specified as being applicable in the relevant Final Terms, then, if on any day on which the Calculation Agent is required to determine a Relevant Rate (a "**Scheduled FX Fixing Date**"):
  - (A) a Price Source Disruption occurs, (other than as a result of an Unscheduled Holiday), the Calculation Agent shall:
    - (1) determine the Relevant Rate by reference to the rate of exchange published by available recognised financial information vendors (as selected by the Calculation Agent) on the Scheduled FX Fixing Date (the "**Fallback Reference Price**"); or
    - (2) unless the Final Terms specify Dealer Poll as not applicable, in the event that the Calculation Agent is unable to determine a Fallback Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fallback Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market, the Calculation Agent will request four Reference Dealers to provide a quotation of their rate for the Relevant Rate as of the Scheduled FX Fixing Date. If at least two quotations are provided, the Relevant Rate will be the arithmetic mean of such quotations; and
    - (3) if (i) the Final Terms specify Dealer Poll as not applicable and the Calculation Agent is unable to determine a Fallback Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fallback Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; (ii) the Calculation Agent determines that the Relevant Rate determined in accordance with paragraph (2) above does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; or (iii) fewer than 2 quotations are provided by Reference Dealers

following the Calculation Agent's request pursuant to paragraph (2) above, the Calculation Agent will determine the Relevant Rate on the first succeeding Business Day on which the Price Source Disruption ceases to exist; **provided, however, that** if the Price Source Disruption continues for thirty consecutive calendar days (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (the "**FX Cut-off Date**"), the Calculation Agent shall determine its good faith estimate of the Relevant Rate on that FX Cut-off Date; or

- (B) an Unscheduled Holiday occurs (whether or not a Price Source Disruption also occurs), the Scheduled FX Fixing Date for such Relevant Rate and all other Relevant Rates which have the same Scheduled FX Fixing Date shall be postponed to the first succeeding Relevant Currency Business Day; **provided, however that** in the event that the Scheduled FX Fixing Date is postponed as a result of the occurrence of an Unscheduled Holiday (a "**Postponed FX Fixing Date**"), and if the Postponed FX Fixing Date has not occurred on or before the thirtieth consecutive calendar day (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (any such period being a "**Deferral Period**"), then the next day after the Deferral Period that is or would have been a Relevant Currency Business Day but for an Unscheduled Holiday, shall be deemed to be the Postponed FX Fixing Date and the Calculation Agent, acting in a commercially reasonable manner, shall determine its good faith estimate of the Relevant Rate on that Postponed FX Fixing Date.
- (Y) If at any time, a FX Disruption Event occurs, the Issuer, in its sole and absolute discretion, may elect to either:
  - (A) unless Redemption following FX Disruption Event is specified as being not applicable in the relevant Final Terms, having given not less than five days' notice to the Noteholders in accordance with Condition 12 (*Notices*), redeem all, but not some only, of the Notes at their Early Redemption Amount (and, if the FX Disruption Event occurs on a Scheduled FX Fixing Date on which there is a Price Source Disruption or Unscheduled Holiday, and the Early Redemption Amount is specified as being Fair Market Value in the relevant Final Terms, for the purposes of determining such Fair Market Value the Calculation Agent shall first determine any Relevant Rate (A) in accordance with sub-paragraph (X)(A) or (X)(B) above, as applicable, of this Condition 7(f) (*Payments – Price Source Disruption and FX Disruption*) if "Price Source Disruption" is specified as applicable in the relevant Final Terms or, otherwise (B) in good faith and in a commercially reasonable manner) on the date notified to the Noteholders; or
  - (B) instruct the Calculation Agent to make such adjustment(s) to the Conditions as it determines to be necessary or desirable to reflect or account for any market practice that develops in respect of the FX Disruption Event,

**provided, however that** in relation to sub-paragraphs (Y)(A) and (Y)(B) above, if as a result of the FX Disruption Event the Issuer is not able to satisfy payments in respect of the Notes when due in the Settlement Currency, the Issuer may settle any such payment pursuant to the provisions of Condition 7(e) (*Payments – Payment of Alternative Payment Currency Equivalent*).

If a Scheduled FX Fixing Date is postponed in accordance with this Condition 7(f) (*Payments – Price Source Disruption and FX Disruption*), any Related Payment Date will also be postponed, if needed, such that the Related Payment Date shall fall at least three (3) local banking days (or such other number of local banking days as may be specified in the relevant Final Terms) following the postponed Scheduled FX Fixing Date or, if later, the FX Cut-off Date or Postponed FX Fixing Date, as applicable.

8. **Redenomination**

(a) **General**

Where redenomination is specified in the relevant Final Terms as being applicable and in respect of Notes denominated in a National Currency Unit, the Issuer may, without the consent of the Noteholders, upon giving at least 30 days' prior notice to the Noteholders in accordance with Condition 12 (*Notices*), designate a Redenomination Date.

With effect from the Redenomination Date:

- (i) each Note shall (unless already so provided by mandatory provisions of applicable law) be deemed to be redenominated into such amount of euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Settlement Currency, converted into euro at the rate for the conversion of the relevant Settlement Currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with EC regulations); **provided, however, that** if the Issuer determines that market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;
- (ii) if Notes are in definitive form:
  - (A) all unmatured Coupons denominated in the relevant Settlement Currency (whether or not attached to the Notes) will become void on the Euro Exchange Date and no payments will be made in respect thereof;
  - (B) the payment obligations contained in all Notes denominated in the Settlement Currency will become void on the Euro Exchange Date but all other obligations of the Issuer thereunder (including the obligation to exchange such Notes in accordance with this Condition 8(a)(ii) (*Redenomination – General*)) shall remain in full force and effect; and
  - (C) new Notes and Coupons denominated in euro will be issued in exchange for Notes and Coupons denominated in the relevant Settlement Currency in such manner as the Issuer may specify and as shall be notified to the Noteholders in the Euro Exchange Notice;
- (iii) all payments in respect of the Notes (other than, unless the Redenomination Date is on or after such date as the relevant Settlement Currency ceases to be a sub-division of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro, as though references in the Notes to the Settlement Currency were to euro. Such payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union; and
- (iv) such other changes will be made to the Conditions as the Issuer may decide to conform such Notes to conventions then applicable to Notes denominated in euro. Any such other changes will not take effect until after it has been notified to the Noteholders in accordance with Condition 12 (*Notices*).

Neither the Issuer nor any Paying Agent will be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of euro or any currency conversion or rounding effected in connection therewith.

(b) **Interest**

Following redenomination of the Notes pursuant to Condition 8(a) (*Redenomination – General*):

- (i) where Notes are in definitive form, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate principal amount of the Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (ii) in respect of Fixed Rate Notes where interest is payable annually, any interest required to be calculated for a period of less than one year in respect of the Notes shall be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed fall in a leap year, the sum of (a) the number of those days falling in a leap year divided by 366 and (b) the number of those days falling in a non-leap year divided by 365); **provided, however, that** if the Issuer determines that the market practice in respect of internationally offered euro denominated securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;
- (iii) in respect of Fixed Rate Notes where interest is payable quarterly or semi-annually, the amount of interest payable in respect of each Note on any Interest Payment Date shall be calculated by applying the Rate of Interest to the principal amount of such Note, dividing the product by four or two (as the case may be) and rounding the figure down to the nearest euro 0.01. If interest is required to be calculated for any other period, it shall be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed fall in a leap year, the sum of (a) the number of those days falling in a leap year divided by 366 and (b) the number of those days falling in a non-leap year divided by 365); **provided, however, that** if the Issuer determines that the market practice in respect of internationally offered euro denominated securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;
- (iv) in respect of Floating Rate Notes, the Interest Amount payable in respect of the Notes for each Interest Period will be calculated by applying the Rate of Interest for such Interest Period to the principal amount of such Note during the Interest Period, multiplying the product by the actual number of days in such Interest Period divided by 360 and rounding the resulting figure down to the nearest euro 0.01; and
- (v) in respect of Floating Rate Notes, the Rate of Interest for any subsequent Interest Period shall be determined by the Calculation Agent on the basis of provisions which it determines reflects the market practice in respect of internationally offered euro denominated securities.

9. **Events of Default**

If any one or more of the following events (each, an "**Event of Default**") shall occur and be continuing in relation to a Series of Notes:

- (a) the Issuer fails to remedy a default in the repayment of any principal due on the Notes of such Series or any of them or in the payment of any interest due in respect of the Notes of such Series or any of them, in each case within 14 days of notice of such default having been given to the Principal Paying Agent or other Paying Agent or the Registrar (as the case may be) by any

Noteholder in accordance with Condition 12(b) (*Notices from Noteholders*), **provided that** it shall not be such a default to withhold or refuse any such payment (1) if the Issuer determines, acting in good faith, that there is a material risk of the payment being contrary to any fiscal or other law or regulation or the order of any court of competent jurisdiction, or any statement, guidance, policy, recommendation or interpretation of any governmental or regulatory body (whether or not having the force of law), in each case applicable to such payment (and any such determination made by the Issuer in accordance with advice given at any time by independent legal advisers shall be conclusive and binding on the Noteholders) or (2) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time by independent legal advisers as to such validity or applicability; or

- (b) an order is made or an effective resolution is passed for the winding-up of the Issuer in England (otherwise than in connection with a scheme of reconstruction or amalgamation the terms of which shall previously have been approved in writing by an Extraordinary Resolution of the Holders of the relevant Series of Notes),

then any Noteholder may, by written notice to the Issuer, effective upon the date of receipt thereof by the Issuer (such date the "**Early Redemption Date**"), declare the Note held by the Holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount, as specified in the relevant Final Terms, together with interest accrued and unpaid until the date of its redemption, without presentment, demand, protest or other notice of any kind.

#### 10. **Prescription**

Notes and Coupons will become void unless presented for payment within a period of 10 years and five years, respectively, from the Relevant Date (as defined in Condition 6 (*Taxation*)) in respect thereof. Any monies paid by the Issuer to the Principal Paying Agent for the payment of the principal or interest in respect of any Notes or Coupons and remaining unclaimed when such Notes or Coupons become void will then revert to the Issuer and all liability of the Principal Paying Agent with respect thereto will thereupon cease.

There shall not be included in any Coupon sheet issued in exchange for a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 10 (*Prescription*) or Condition 7 (*Payments*).

#### 11. **Replacement, Exchange and Transfer**

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

Upon the terms and subject to the conditions set out in the Issuing and Paying Agency Agreement and the relevant Final Terms, a Registered Note may be exchanged for a Registered Note or Notes of equal aggregate principal amount in such different authorised denominations as may be requested by the Noteholder by surrender of such Registered Note at the specified office of the Registrar or of the Transfer Agent, together with a written request for the exchange.

Upon the terms and subject to the conditions set out in the Issuing and Paying Agency Agreement, a Registered Note, in definitive form, may be transferred in whole or in part only (**provided that** such part is, or is an appropriate multiple of, the minimum denomination set out in the Final Terms) by the Holder or Holders surrendering the Registered Note for registration of transfer at the specified office of the Registrar or the Transfer Agent, duly endorsed by, or accompanied by a written instrument to transfer in form satisfactory to the Issuer and the Registrar or the Transfer Agent, duly executed by the Holder or Holders thereof or his or their attorney duly authorised in writing. A new Registered Note will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Registered Note in respect of the balance not transferred will be issued to the transferor.

If so set out in the relevant Final Terms, the Holder of Bearer Notes may exchange the same for the same aggregate principal amount of Registered Notes upon the terms and subject to the conditions set forth in the Issuing and Paying Agency Agreement. In order to exchange a Bearer Note for a Registered Note, the Holder thereof shall surrender such Bearer Note at the specified office outside the United States of the Principal Paying Agent or of the Registrar or the Transfer Agent, together with a written request for the exchange. Each Bearer Note so surrendered must be accompanied by all unmatured Coupons appertaining thereto other than the Coupon in respect of the next payment of interest falling due after the exchange date (as defined below) where the exchange date would, but for the provisions of this paragraph, occur between the Record Date (as defined in Condition 7(b) (*Payments – Registered Notes*)) for such payment of interest and the date on which such payment of interest fall due.

Each new Registered Note to be issued upon the transfer of a Registered Note or the exchange of a Bearer Note for a Registered Note will, within three Relevant Banking Days of the transfer date or, as the case may be, the exchange date be available for delivery at the specified office of the Registrar or the Transfer Agent, or, at the option of the Holder requesting such exchange or transfer be mailed (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder.

The costs and expenses of effecting any exchange or registration of transfer pursuant to the foregoing provisions, except for the expenses of delivery by other than regular mail or insurance charges that may be imposed in relation hereto, shall be borne by the Issuer.

The Registrar or the Transfer Agent, as the case may be, shall not be required to register the transfer or exchange of Registered Notes for a period of 15 days preceding the due date for any payment of principal or interest in respect of such Notes.

12. **Notices**

(a) ***Notices to Noteholders***

All notices to the Holders of Notes or the Coupons appertaining thereto will be valid: (i) if published, in the case of Bearer Notes and Coupons, in one leading daily newspaper with circulation in London (which is expected to be the *Financial Times* or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe); (ii) in the case of Registered Notes, if mailed to their registered addresses (as advised by the Registrar) or to that of the first named of them in the case of joint Holders; **provided that**, in each case, in the case of Notes admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system the rules of such listing authority, stock exchange and/or quotation system by which the Notes have then been admitted to listing, trading and/or quotation have been complied with; and (iii) in the case of Uncertificated Registered Notes, if sent by first class mail or (if posted to an address overseas) by airmail to the holders at their respective addresses appearing in the Record and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Uncertificated Registered Notes are listed by or on a competent authority or stock exchange and the rules of that competent authority or stock exchange so require, such notice will be published in a daily newspaper of general circulation in the places or places required by that competent authority or stock exchange. Any such notice shall be deemed to have been given on the date of such publication or delivery or, if published more than once, on the date of the first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

Holders of any Coupons appertaining to Bearer Notes will be deemed for all purposes to have notice of the contents of any notice given to the Holders of such Bearer Notes in accordance herewith.

(b) ***Notices from Noteholders***

Notices given by any Noteholder shall be in writing and given by lodging the same, together with relevant Note or Notes (if applicable), with the Principal Paying Agent or other Paying Agent or with the Registrar (as the case may be) at its specified office.



13. **Paying Agents, Calculation Agents, Issue Agents, Transfer Agents and Registrars**

- (a) The names of the initial Principal Paying Agent, the other initial Paying Agents, the initial Calculation Agents, the initial Issue Agent, the initial Transfer Agent, the initial Registrar and their respective initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent, Calculation Agent, Issue Agent, Transfer Agent or Registrar and/or approve any change in the specified office through which any Paying Agent, Calculation Agent, Issue Agent, Transfer Agent or Registrar acts, **provided that:**

- (i) so long as any Bearer Notes are outstanding, there will at all times be a Principal Paying Agent; and
- (ii) so long as any Registered Notes are outstanding, there will at all times be a Registrar and a Transfer Agent.
- (b) In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the second paragraph of Condition 7(a) (*Payments – Bearer Notes*). Any variation, termination, appointment or change shall only take effect (other than in the case of an insolvency, when it shall be of immediate effect) after notice has been given to the Noteholders in accordance with Condition 12 (*Notices*).
- (c) All calculations and determinations made by the Calculation Agent pursuant to the Conditions for the purposes of the Notes (including any determinations by the Calculation Agent as to the exercise or non-exercise by it of its powers, duties and discretions for such purposes) shall be made in good faith and a commercially reasonable manner.
- (d) The Agents and the Calculation Agent shall not act as agents for the Noteholders but shall be the agents of the Issuer. All calculation functions required of the Calculation Agent under these Conditions may be delegated to any such person as the Calculation Agent, in its absolute discretion, may decide.

13A **Consequences of a Benchmark Trigger Event**

- (a) If the Issuer (in consultation with the Calculation Agent) determines that a Benchmark Trigger Event has occurred in relation to a Relevant Benchmark relating to a Series of Notes, then:
- (i) if an Alternative Pre-nominated Index has been specified in relation to such Relevant Benchmark in the relevant Final Terms:
- (A) unless the Issuer determines that replacing the Relevant Benchmark with the Alternative Pre-nominated Index would not produce a commercially reasonable result, references to such Relevant Benchmark shall be deemed to be replaced with references to the Alternative Pre-nominated Index with effect from such date as the Issuer shall determine (acting in good faith and in a commercially reasonable manner); and
- (B) the Issuer shall make such other adjustments to the Conditions as it determines are necessary to account for the effect on the Notes of referencing the Alternative Pre-nominated Index in place of such Relevant Benchmark including, without limitation, to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Notes; and
- (ii) if an Alternative Pre-nominated Index has not been specified in relation to such Relevant Benchmark in the relevant Final Terms or the Issuer determines that replacing the Relevant Benchmark with the Alternative Pre-nominated Index would not produce a commercially reasonable result, the Issuer shall do any of the following:
- (A) determine that references to such Relevant Benchmark shall be deemed to be replaced by references to such index, benchmark or price source as the Issuer determines would have the effect of placing the Issuer in an economically

equivalent position to that which it would have been in had the Benchmark Trigger Event not occurred (the "**Replacement Index**") (and in making such determination the Issuer shall be entitled to take into account such facts and circumstances as it considers relevant including, without limitation, (i) any index, benchmark or other price source which measures the same market or economic reality as the Relevant Benchmark and which is formally designated, nominated or recommended by the administrator or sponsor of the Relevant Benchmark or (ii) any index, benchmark or other price source which is formally designated, nominated or recommended by any Relevant Nominating Body, in each case to replace the Relevant Benchmark), in which case:

- (1) references to such Relevant Benchmark shall be deemed to be replaced with references to such Replacement Index with effect from such date as the Issuer shall determine (acting in good faith and in a commercially reasonable manner); and
  - (2) the Issuer shall make such other adjustments to the Conditions as it determines are necessary to account for the effect on the Notes of referencing the Replacement Index in place of such Relevant Benchmark including, without limitation, to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Notes; or
- (B) follow the steps for determining the relevant rate or level set out in the Relevant Reference Asset Fallback Provisions (if any); or
- (C) determine that the Notes shall be redeemed, in which case the Issuer shall redeem the Notes at the Early Redemption Amount specified in the relevant Final Terms on the date selected by the Issuer and give notice of such redemption to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*);

**provided, however, that** if (1) it is or would be unlawful at any time under applicable law or regulation or (2) it would contravene any applicable licensing requirements, in each case, for any of the above provisions or determinations to apply to the Notes, then such provision shall not apply and the Issuer shall not make such determination (as the case may be) and the Issuer shall instead take any of the above actions that complies with the applicable law, regulation or licensing requirements.

- (b) If the Issuer is not able to determine the Relevant Benchmark in accordance with the provisions of this Condition 13A (*Consequences of a Benchmark Trigger Event*) on any Relevant Benchmark Determination Date, then the Relevant Benchmark Determination Date shall be postponed to such date as it is able to make such determination and any Relevant Benchmark Related Payment Date will also be postponed, if needed, such that the Related Payment Date shall fall at least three (3) local banking days (or such other number of days as may be specified in the relevant Final Terms) following the postponed Relevant Benchmark Determination Date.
- (c) No further payment on account of interest or otherwise shall be due in respect of any payment postponed pursuant to this Condition 13A (*Consequences of a Benchmark Trigger Event*) (so that, for the avoidance of doubt, any interest payable in respect of the Notes on a Relevant Benchmark Related Payment Date which is so postponed shall be calculated as if such Relevant Benchmark Related Payment Date had not been postponed pursuant to this Condition 13A) (*Consequences of a Benchmark Trigger Event*) unless, in the case of a Fixed Rate Note or a Floating Rate Note there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in Condition 4A (*Fixed Rate Note Provisions*) or 4B (*Floating Rate Note Provisions*), as appropriate.
- (d) The Issuer shall promptly following the determination of any replacement for a Relevant Benchmark pursuant to paragraph (a)(i)(A) or (a)(ii)(A) above give notice thereof and of any changes pursuant to paragraph (a)(i)(B) or (a)(ii)(A)(2) (as applicable) to the Principal Paying Agent, the Calculation Agent and the Noteholders (in accordance with Condition 12 (*Notices*)).

- (e) Without prejudice to Condition 17(b) (*Adjustments to Indices – Index Modification*), if the definition, methodology or formula for a Relevant Benchmark in respect of a Series of Notes, or other means of calculating the Relevant Benchmark in respect of a Series of Notes, is changed, then references to such Relevant Benchmark shall be to such Relevant Benchmark as so changed.
- (f) In making any determination under this Condition 13A (*Consequences of a Benchmark Trigger Event*), the Issuer shall take account of such facts and circumstances as it considers relevant, including, without limitation, any determinations made in respect of any of the Issuer's hedging arrangements in relation to the Notes (including in respect of any termination or re-establishment of hedging arrangements) and the Issuer's funding costs; **provided, however, that**, in the case of a Series of Italian Notes, it shall not take account of any such determinations made in respect of such hedging arrangements and/or the Issuer's funding costs. Except to the extent such exclusion is prohibited by law in the absence of fraud or gross negligence on the part of the Issuer, no liability will attach to the Issuer in connection with any determination made by the Issuer pursuant to this Clause 13A.

14. **Meetings of Noteholders, Modification and Substitution**

(a) ***Meetings of Noteholders***

The Master Note Issuance Agreement contains provisions for convening meetings of the Holders of the Notes of any Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Note Issuance Agreement) of a modification of the Notes or any of the provisions of the Master Note Issuance Agreement. Such a meeting may be convened by the Issuer or by Holders of the Notes of any Series holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders of the Notes of any Series whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes (including modifying the date of maturity of the Notes, reducing or cancelling the amount of principal payable in respect of the Notes or altering the currency of payment of the Notes), the quorum shall be one or more persons holding or representing not less than 75 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing a clear majority, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Holders of the Notes of any Series shall be binding on all the Noteholders, whether or not they are present at the meeting. Any modification of the Notes shall be notified to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

(b) ***Modification***

Subject in the case of the Issuing and Paying Agency Agreement and the Master Note Issuance Agreement (as applicable) to the agreement of the other parties thereto the Issuer may agree, without the consent of the Noteholders, to:

- (i) any modification (except as mentioned above) of the Issuing and Paying Agency Agreement or the Master Note Issuance Agreement or the Conditions which is not materially prejudicial to the interests of the Noteholders as a whole;
- (ii) any modification of the Conditions or the Issuing and Paying Agency Agreement or the Master Note Issuance Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated; or

- (iii) any modification of the Notes which is made to correct an inconsistency between the final terms and conditions of the Note issue (comprising these Conditions as completed by the relevant Final Terms) and the relevant termsheet relating to the Notes.

Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

(c) ***Substitution***

The Issuer may also agree, without the consent of the Noteholders, to the substitution of a subsidiary or holding company of the Issuer or any subsidiary of any such holding company (the "**New Issuer**") in place of the Issuer as principal debtor under the Notes of any Series and the Coupons appertaining thereto (if any), **provided that** such Notes and the Coupons appertaining thereto (if any) are irrevocably guaranteed by the Issuer. In the event of any such substitution, any reference in these Conditions to the Issuer shall be construed as a reference to the New Issuer. Any such substitution shall be promptly notified to the relevant Noteholders in accordance with Condition 12 (*Notices*). In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and no Noteholder shall be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Noteholder.

15. **Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Holders of Notes of any Series or Holders of the Coupons appertaining thereto (if any) to create and issue further notes ranking equally in all respects with the Notes of such Series so that the same shall be consolidated and form a single series with such Notes for the time being outstanding.

16. **Consequences of Disrupted Days**

- (a) For the purposes of this Condition 16 (*Consequences of Disrupted Days*), "**Limit Valuation Date**" shall mean, if any Scheduled Valuation Date or Scheduled Observation Date in respect of a Note is a Disrupted Day, the Specified Maximum Number of Disrupted Days following such Scheduled Valuation Date or Scheduled Observation Date, notwithstanding the fact that such day is a Disrupted Day.
- (b) If any Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day, then:
- (A) in the case of a Note which relates to a single Index or Security, the Valuation Date or Observation Date (as applicable) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, **provided that** the Valuation Date or Observation Date (as applicable) shall not fall after the Limit Valuation Date. In that case:
- (1) in respect of an Index-Linked Note, the Limit Valuation Date will be deemed to be the Valuation Date or Observation Date (as applicable), notwithstanding the fact that such day is a Disrupted Day, and the Calculation Agent shall determine the level of the Index as of the Valuation Time on the Limit Valuation Date determined in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Limit Valuation Date of each security or other property comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or other property on the Limit Valuation Date, its estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and
- (2) in respect of an Equity-Linked Note, the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable), notwithstanding

the fact that such day is a Disrupted Day and the Calculation Agent shall determine its estimate of the value of the relevant Security as of the Valuation Time on that Limit Valuation Date;

- (B) in the case of a Note which relates to an Index Basket, the Valuation Date or Observation Date (as applicable) for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date or Scheduled Observation Date (as applicable) and the Valuation Date or Observation Date (as applicable) for each Index affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day which is not a Disrupted Day relating to that Index, unless each of the succeeding Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day relating to that Index. In that case, the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable) for the relevant Index notwithstanding the fact that such day is a Disrupted Day relating to that Index and the Calculation Agent shall determine the level of that Index, as of the Valuation Time on the Limit Valuation Date in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Limit Valuation Date of each security or other property comprised in the relevant Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or other property on the Limit Valuation Date, its estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and
- (C) in the case of a Note which relates to a Securities Basket, the Valuation Date or Observation Date (as applicable) for each Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date or Scheduled Observation Date (as applicable), and the Valuation Date or Observation Date (as applicable) for each Security affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Security, unless each of the Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day relating to that Security. In that case, (1) the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable) for the relevant Security, notwithstanding the fact that such day is a Disrupted Day, and (2) the Calculation Agent shall determine its estimate of the value for that Security as of the Valuation Time on the Limit Valuation Date.
- (c) If Averaging Dates are specified in the relevant Final Terms, then notwithstanding any other provisions of these Conditions, the following provisions will apply to the valuation of the relevant Index or Security:
- (A) If any Averaging Date is a Disrupted Day, then, if the consequence specified in the relevant Final Terms in relation to "**Averaging Date Market Disruption**" with respect to the relevant Averaging Date is:
- (1) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Final Security Price, Final Index Level, Final Redemption Amount, Coupon Trigger Amount or Automatic Early Redemption Amount, as applicable, **provided that**, if through the operation of this provision no Averaging Date would occur with respect to the relevant Index, then Condition 16(b) (*Consequences of Disrupted Days*) will apply for purposes of determining the relevant level or relevant value (as applicable), price or amount on the final Averaging Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day. If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or a Potential Adjustment Event, shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 16(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date

had been postponed to such last Averaging Date in accordance with this Condition 16 (*Consequences of Disrupted Days*);

- (2) "**Postponement**", then Condition 16(b) (*Consequences of Disrupted Days*) will apply for purposes of determining the relevant level or relevant value (as applicable), price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the relevant Notes. If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or a Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 16(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 16 (*Consequences of Disrupted Days*); or
- (3) "**Modified Postponement**", then:
- (aa) in the case of a Note which relates to a single Index or Security, such Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Limit Valuation Date immediately following the Scheduled Final Averaging Date in relation to the relevant Scheduled Valuation Date, then the Limit Valuation Date shall be deemed to be the Averaging Date notwithstanding the fact that such day is a Disrupted Day (irrespective of whether that Limit Valuation Date is already an Averaging Date) and
- (i) in respect of an Index-Linked Note, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 16(b)(A)(1) (*Consequences of Disrupted Days*); and
- (ii) in respect of an Equity-Linked Note, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 16(b)(A)(2); and
- (bb) in the case of a Note which relates to an Index Basket and/or a Securities Basket, the Averaging Date for each Index or Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date and the Averaging Date for an Index or Security affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index or Security. If the first succeeding Valid Date in relation to such Index or Security has not occurred as of the Valuation Time on the Limit Valuation Date immediately following the Scheduled Final Averaging Date, then the Limit Valuation Date shall be deemed to be the Averaging Date (irrespective of whether that Limit Valuation Date is already an Averaging Date) and
- (i) in respect of an Index, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 16(b)(B) (*Consequences of Disrupted Days*); and
- (ii) in respect of a Security, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 16(b)(C) (*Consequences of Disrupted Days*).

If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant redemption amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 16(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 16 (*Consequences of Disrupted Days*).

For the purposes of this Condition 16(c)(A)(3) only, "**Limit Valuation Date**" shall mean, if any Averaging Date in respect of a Note is a Disrupted Day, the Specified Maximum Number of Disrupted Days following the Scheduled Final Averaging Date, notwithstanding the fact that such day is a Disrupted Day.

- (d) If a Scheduled Valuation Date or Scheduled Final Observation Date is postponed (x) in accordance with this Condition 16 (*Consequences of Disrupted Days*) and/or (y) as a result of it not being a Scheduled Trading Day, any Disrupted Day Related Payment Date will also be postponed, if needed, such that the Disrupted Day Related Payment Date shall fall at least three (3) local banking days (or such other number of local banking days as may be specified in the Final Terms) following the later of (i) the postponed Valuation Date or postponed Observation Date or, if later, the Limit Valuation Date, as applicable and (ii) the postponed Scheduled FX Fixing Date or, if later, the FX Cut-off Date or Postponed FX Fixing Date, as applicable (if any). In respect of a Note which relates to an Index Basket and/or a Securities Basket, the postponed Valuation Date or postponed Observation Date or Limit Valuation Date referred to in this paragraph (d) will be deemed to be, in respect of a Scheduled Valuation Date or Scheduled Final Observation Date, the latest postponed Valuation Date or postponed Observation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation Date or Scheduled Final Observation Date.
- (e) Unless Interest Adjustment is specified in the relevant Final Terms as being applicable, no further payment on account of interest or otherwise shall be due in respect of any payment postponed pursuant to this Condition 16(d) (so that, for the avoidance of doubt, any interest payable in respect of the Notes on a Disrupted Day Related Payment Date which is so postponed shall be calculated as if such Disrupted Day Related Payment Date had not been postponed pursuant to this Condition 16(d)) unless, in the case of a Fixed Rate Note or a Floating Rate Note, there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in Condition 4A (*Interest - Fixed Rate Note Provisions*) or Condition 4B (*Interest - Floating Rate Note Provisions*), as appropriate.

#### 17. **Adjustments to Indices**

This Condition 17 (*Adjustments to Indices*) is applicable only in relation to Index-Linked Notes.

##### (a) **Successor Index**

If a relevant Index is (A) not calculated and announced by the Index Sponsor but is calculated and published by a successor to the Index Sponsor acceptable to the Calculation Agent, or (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that Index (the "**Successor Index**") will be deemed to be the Index.

##### (b) **Index Modification**

If on or prior to any Valuation Date, Observation Date or Averaging Date, a relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation or other routine events) (an "**Index Modification**"), then the Calculation Agent shall determine whether such Index Modification has a material effect on the Notes, and if so, shall make such adjustment(s) (if any) as it determines appropriate to account

for the economic effect of the Index Modification and determine the effective date of any such modification or adjustment.

(c) ***Index Cancellation***

If on or prior to any Valuation Date, Observation Date or Averaging Date (A) the Index Sponsor fails to calculate and announce a relevant Index, (B) the Index Sponsor announces that it suspends the calculation and publication of the level of a relevant Index, or (C) the Index Sponsor permanently cancels the Index and no Successor Index exists (each, an "**Index Cancellation**"), then:

- (A) the Issuer shall as soon as is reasonably practicable after determining the same give notice (an "**Index Cancellation Notice**") of such Index Cancellation to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*);
- (B) if "Index Substitution" is specified as being applicable in the relevant Final Terms, the Issuer shall, acting in good faith and a commercially reasonable manner, determine whether or not and the date as of which the Index is to be substituted with a Substitute Index and, if it so determines, it shall give an Index Substitution Notice to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*) and, with effect from the date so determined, the Substitute Index shall be deemed to be the Index; and
- (C) if no Substitute Index has been identified within 10 Business Days of the giving of such Index Cancellation Notice or if Index Substitution has not been specified as being applicable in the relevant Final Terms, the Issuer shall, in its sole and absolute discretion, determine whether or not the relevant Notes shall continue and:
  - (1) if it determines that the Notes shall continue, then the Calculation Agent shall determine the Specified Level or Closing Level required to be determined with respect to such Valuation Date, Observation Date or Averaging Date using, in lieu of a published level of that Index, the Specified Level or Closing Level required to be determined with respect to such Valuation Date, Observation Date or Averaging Date as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the Index Cancellation, but using only those components that comprised that Index immediately prior to that Index Cancellation; and
  - (2) if it determines that the Notes shall not continue, the Issuer shall redeem the relevant Notes as of the date selected by the Issuer and give notice thereof to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*), specifying the Early Redemption Amount and early redemption date, and the entitlements of the relevant Noteholders to receive the Final Redemption Amount (or any other payment to be made by the Issuer, as the case may be) shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of such amount as is determined by the Calculation Agent to be the Fair Market Value of the Notes immediately prior to such early redemption.

(d) ***Correction of Index Levels***

If the level of an Index published by the Index Sponsor at any time and used or to be used by the Calculation Agent for any calculation or determination under the Notes is subsequently corrected and the correction is published by the Index Sponsor after the original publication, the Calculation Agent will make such adjustment as it determines to be appropriate, if any, to the settlement or payment terms of the Notes to account for such correction.



18. **Adjustments and Events affecting Securities**

This Condition 18 is applicable only in relation to Equity-Linked Notes.

(a) *Potential Adjustment Events*

If Potential Adjustment Events is specified as "Applicable" in the relevant Final Terms, the Calculation Agent shall determine whether or not at any time a Potential Adjustment Event has occurred and where it determines such an event has occurred, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Securities and, if so, will make such adjustment(s) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and/or any other adjustment(s) and, in any case, any other variable relevant to the payment terms of the relevant Notes as the Calculation Agent determines to be appropriate to account for that diluting or concentrative effect and determine the effective date(s) of such adjustment(s).

(b) *Extraordinary Events*

Without prejudice to Condition 18(e) (*Security Substitution*) below, if Extraordinary Events is specified as 'Applicable' in the relevant Final Terms, following the occurrence of any Extraordinary Event (other than a Delisting in respect of any Depository Receipts), the Issuer will determine whether or not the relevant Notes shall continue and, if so, determine any adjustments to be made. If the Issuer determines that the relevant Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date selected by the Calculation Agent, acting in a commercially reasonable manner. If the Issuer determines that the relevant Notes shall be redeemed, then the Notes shall be redeemed as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer) as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

(c) *Conversion*

If Conversion is specified as 'Applicable' in the relevant Final Terms, following the occurrence of any Conversion, the Issuer will determine whether or not the Notes will continue and, if so, determine any adjustment(s) to be made. If the Issuer determines that the Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment and determine the effective date(s) of such adjustment(s). If the Issuer determines that the Notes shall be redeemed, then the Notes shall be redeemed as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer), as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

(d) *Correction of Prices*

If Correction of Prices is specified as 'Applicable' in the relevant Final Terms, in the event that any price published or announced on a given day and utilised or to be utilised for the purpose of any calculation or determination under the Notes is subsequently corrected and the correction is published or announced by the Exchange within one Settlement Cycle after the original publication, the Calculation Agent will make such adjustment(s) as it determines to be appropriate, if any, to the amount payable in respect of the Notes and their terms to account for

such correction and the Calculation Agent shall determine the effective date(s) of such adjustment(s) **provided that** if any amount has been paid in an amount which exceeds the amount that would have been payable if the correction had been taken into account, no further amount in an amount at least equal to the excess is payable in respect of the Notes and the Calculation Agent determines that it is not practicable to make such an adjustment to account fully for such correction, the Issuer shall be entitled to reimbursement of the relevant excess payment (or, as the case may be, the proportion thereof not accounted for by an adjustment made by the Calculation Agent) by the relevant Noteholder, together with interest on that amount for the period from and including the day on which payment was originally made to (but excluding) the day of payment of reimbursement by the Noteholder (all as calculated by the Calculation Agent). Any such reimbursement shall be effected in such manner as the Issuer shall determine.

(e) *Security Substitution*

- (i) If the relevant Final Terms specify Substitution of Securities to be applicable, if any Security (the "**Affected Security**") to which the relevant Note relates is affected by an Extraordinary Event (other than a Delisting in respect of any Depositary Receipts) or an Additional Disruption Event occurs, then, without prejudice to any other rights that the Issuer may have under the Notes, the Issuer shall have the option to replace the Affected Security with a substitute security (the "**Substitute Security**") selected by the Calculation Agent with effect from a date selected by the Calculation Agent (the "**Substitution Reference Date**").
- (ii) The Substitute Security shall satisfy such criteria as the Calculation Agent determines (which may, but need not, include, without limitation, the Substitute Security belonging to a similar economic sector as the Affected Security and the Underlying Company of the Substitute Security having a similar creditworthiness to the Underlying Company of the Affected Security).
- (iii) The Initial Price of the Substitute Security shall be determined in accordance with the following formula:  
$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Security Price(k)}/\text{Affected Security Price(j)})$$

Where:

"**Affected Security Price(j)**" means either (i) the last closing price per share of the Affected Security on or prior to the Substitution Reference Date or (ii) an exchange traded price per share of the Affected Security on or recently prior to the Substitution Reference Date, in each case as determined by the Calculation Agent;

"**Affected Security Price(k)**" means the Initial Price per share of the relevant Affected Security as specified in the relevant Final Terms; and

"**Substitute Price**" means the official closing price per share of the relevant Substitute Security as of the Valuation Time on the date on which the Affected Security Price(j) is determined or, if such date is not a Scheduled Trading Day in respect of the Substitute Security, the next following Scheduled Trading Day in respect of the Substitute Security.
- (iv) If the currency of the Substitute Security is different from the currency of the Affected Security, the Calculation Agent may make such adjustments to the terms and conditions of the Notes as it determines to be appropriate to account for such difference.
- (v) The Calculation Agent shall notify the Noteholders in accordance with Condition 12 (*Notices*) of the Substitute Security and of any changes to the terms and conditions of the Notes made pursuant to paragraph (iv) above as soon as practicable after determining the same.
- (vi) In the event that (i) the Issuer determines not to substitute the Security in accordance with the provisions of this Condition 18(e), or (b) the Calculation Agent determines that it cannot substitute the Affected Security in accordance with the provisions of this Condition 18(e), the Issuer may make appropriate adjustments or redeem the Notes of

the relevant Series in accordance with Condition 18(b) (*Extraordinary Events*) or Condition 19 (*Additional Disruption Events*), as applicable.

19. **Additional Disruption Events**

Without prejudice to Condition 18(e) (*Security Substitution*) following the occurrence of any Additional Disruption Event, the Issuer will determine whether or not the relevant Notes shall continue and, if so, the Calculation Agent shall determine any adjustments to be made. If the Issuer determines that the relevant Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date selected by the Calculation Agent. If the Issuer determines that the relevant Notes shall be terminated, then the Notes shall be terminated as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer), as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

20. **Adjustments where the Securities are Units in an ETF**

Where the Securities are specified in the relevant Final Terms as being Units in an ETF, in the case of the occurrence at any time on or prior to the Valuation Date of any Extraordinary Event affecting the ETF or the value of the Units, the Calculation Agent may make any adjustment as provided in Condition 18 (*Adjustments and Events affecting Securities*) or Condition 19 (*Additional Disruption Events*) or:

- (i) if the Calculation Agent determines that no adjustment that it could make under Condition 18 (*Adjustments and Events affecting Securities*) or Condition 19 (*Additional Disruption Events*) would produce a commercially reasonable result:
  - (A) the Calculation Agent will use commercially reasonable efforts to identify a new underlying asset with characteristics, investment objectives and policies similar to those in effect for the Affected Units immediately prior to the occurrence of the relevant Extraordinary Event and any substitution of the new underlying asset for the Affected Units shall be effected at such time and in such manner as determined by the Calculation Agent; and
  - (B) if necessary, the Calculation Agent will adjust any relevant terms, including, but not limited to, adjustments to account for changes in volatility, investment strategy or liquidity relevant to the Units or the Notes; or
- (ii) if the Calculation Agent determines that the relevant Notes shall be redeemed, then the Notes shall be redeemed as of the date selected by the Calculation Agent in its discretion and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount and any accrued interest shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

In this Condition 20, "**Affected Unit(s)**" means each Unit subject to an applicable Extraordinary Event.

21. **Events relating to DR-Linked Notes**

In relation to DR-Linked Notes only, if a Delisting of the Securities occurs or the Depository announces that the Deposit Agreement is (or will be) (or is at any time, whether or not announced by the Depository) terminated, then the Issuer will determine whether or not the Notes shall continue. If the Issuer determines that:

- (i) the Notes shall continue, it shall elect whether the Security shall thereafter be (x) the Replacement DRs or (y) the Underlying Security and the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the terms of the Notes (including, without limitation, any change to the notional number of Securities and/or the formula for the relevant Redemption Amount), and which change or adjustment(s) shall be effective on such date selected by the Calculation Agent; or

- (ii) the Notes shall not continue, then the Notes shall be redeemed as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer) as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

22. **Notes Linked to Units in an ETF – General**

If the relevant Final Terms specify that the Securities in relation to a Series of Notes are Units in an ETF, then these Conditions shall apply to the Notes as if references herein to "Underlying Company" were references to the "ETF" and as if references therein to "Security" were references to "Unit".

23. **Effects of European Economic and Monetary Union**

Following the occurrence of an EMU Event, the Calculation Agent shall make such adjustment (and determine the effective date of such adjustment) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms and, in any case, any other variable relevant to the settlement or payment terms of the relevant Notes.

Following the occurrence of an EMU Event, without prejudice to the generality of the foregoing, the Issuer shall be entitled to make such conversions between amounts denominated in the National Currency Units and the euro, and the euro and the National Currency Units, in each case, in accordance with the conversion rates and rounding rules in Regulation (EC) No. 1103/97 as it determines to be appropriate.

Neither the Issuer nor the Calculation Agent will be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection therewith.

24. **Third Party Rights**

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

25. **Governing Law**

(a) ***Governing law***

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

(b) ***English courts***

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with the Notes (including any Dispute regarding the existing, validity or redemption of the Notes or the consequence of their nullity).

## SECTION II.5 - TERMS AND CONDITIONS OF THE FRENCH LAW NOTES

*The following are the terms and conditions of the French Law Notes (the "Conditions") which apply to all French Law Notes and which are completed by the relevant Final Terms for each issue of Notes.*

The Notes are issued by HSBC Bank plc ("**HBEU**") or HSBC Continental Europe ("**HBCE**", and together with HBEU, the "**Issuers**" and each an "**Issuer**") pursuant to a programme for the issuance of notes and warrants (the "**Programme**"). The relevant Final Terms (as defined below) will specify which of HBEU or HBCE is the "**Issuer**" in relation to a particular Series of Notes (as defined below). References to "**Issuer**" in these Conditions shall mean (i) if the Notes to which these Conditions apply are issued by HBEU, HBEU and (ii) if the Notes to which these Conditions apply are issued by HBCE, HBCE. The Notes have the benefit of a master note issuance agreement dated 24 February 1999 as most recently amended and restated on or about 25 May 2023 (as further modified and/or amended from time to time, the "**Master Note Issuance Agreement**") and made between, among others, the Issuers, HSBC Bank plc and HSBC Continental Europe (formerly known as HSBC France) as dealers (each a "**Dealer**" and together the "**Dealers**", which expression shall include any additional or successor Dealer) and The Hongkong and Shanghai Banking Corporation Limited (which entity shall not be a dealer for the purposes of the Notes), and, for the purposes only of calculations in relation to the Notes, an issuing and paying agency agreement dated 24 February 1999 as most recently amended and restated on or about 25 May 2023 (as further modified and/or amended from time to time, the "**Issuing and Paying Agency Agreement**") and made between, among others, the Issuers, HSBC Bank plc and HSBC Continental Europe as calculation agents (HSBC Bank plc or, as the case may be, HSBC Continental Europe being the "**Calculation Agent**" with respect to the Notes if so specified in the relevant Final Terms, which expression includes any successor or other Calculation Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms) and the other parties specified therein. The Notes issued by HBEU will also have the benefit of a French note agency agreement dated on or about 29 November 2021 (as modified and/or amended from time to time, the "**HBEU French Note Agency Agreement**") and made between HBEU and BNP Paribas as principal paying agent and paying agent (in relation to such Notes, the "**Principal Paying Agent**" and the "**Paying Agent**"). The Notes issued by HBCE will also have the benefit of a French law agency agreement dated 26 May 2022 as most recently amended and restated on or about 23 December 2022 (as further modified and/or amended from time to time, the "**HBCE French Note Agency Agreement**") and made between HBCE and BNP Paribas as principal paying agent and paying agent (in relation to such Notes, the "**Principal Paying Agent**" and the "**Paying Agent**"). References to "**French Note Agency Agreement**" in these Conditions, shall mean (i) if the Notes to which these Conditions apply are issued by HBEU, the HBEU French Note Agency Agreement and (ii) if the Notes to which these Conditions apply are issued by HBCE, the HBCE French Note Agency Agreement.

All Notes will be issued in series (each, a "**Series**") and each Series may comprise one or more tranches (each, a "**Tranche**") of Notes issued on different issue dates. Each Tranche will be the subject of final terms ("**Final Terms**"), which will form part of the Conditions of the Notes of such Tranche. Other than the issue date, the issue price and the date for the first payment of interest, the Notes of each Series will have identical terms and conditions. The Notes of each Tranche will have identical terms and conditions.

Copies of the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement and the French Note Agency Agreements are available for inspection by Holders (as defined below) of Notes, and copies of the relevant Final Terms, this Base Prospectus and any supplemental prospectus may be obtained by Holders of Notes in each case during normal business hours at the specified office of the Issuer and of the Principal Paying Agent. The Holders (as defined in Condition 2 (*Form, Denomination and Title*)) for the time being of Notes are deemed to have notice of all the provisions of the Issuing and Paying Agency Agreement, the French Note Agency Agreements, the Master Note Issuance Agreement and the relevant Final Terms which are applicable to them.

Words and expressions defined in the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement or the French Note Agency Agreements or used in the relevant Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between any of the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement, the relevant French Note Agency Agreement and the relevant Final Terms, the relevant Final Terms will prevail.

### 1. Definitions

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as

defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of the Notes of the relevant Series, as published by ISDA on its website ([www.isda.org](http://www.isda.org));

"**€STR**" means, in respect of any specified period, the interest rate benchmark known as the daily euro short-term rate;

"**Additional Disruption Event**" means such of Change in Law, Hedging Disruption, Increased Costs of Hedging and/or Insolvency Filing as are specified as such in the relevant Final Terms;

"**Administrator/Benchmark Event**" means, in relation to any Series of Notes and an Applicable Benchmark, an event or circumstance which has the effect that the Issuer or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use such Applicable Benchmark to perform its or their obligations under the Notes;

"**Administrator/Benchmark Event Date**" means, in respect of any Administrator/Benchmark Event, the date from which the Applicable Benchmark may no longer be used under any applicable law or regulation by the Issuer or the Calculation Agent;

"**Affected Relevant Benchmark**" means, in relation to any Series of Notes, the Relevant Benchmark affected by a Benchmark Trigger Event;

"**Aggregate Outstanding Nominal Amount**" means the aggregate outstanding nominal amount of the Notes;

"**Alternative Exchange**" means, in relation to any Securities, an exchange or quotation system on which the Securities are re-listed, re-traded or re-quoted and which is located in the same country as the Exchange (or, where the Exchange is within the European Union or the United Kingdom, in any member state of the European Union or the United Kingdom), unless (in any such case) the Calculation Agent determines that the listing, trading or quotation on such exchange or quotation system will materially alter the risk profile of the Notes (in which case such exchange or quotation system shall not constitute an "**Alternative Exchange**");

"**Alternative Payment Cross Currency Rate**" means, for any Alternative Payment Currency Fixing Date, the currency exchange rate between the Cross Currency and the Alternative Payment Currency as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time and as observed by the Calculation Agent;

"**Alternative Payment Currency**" means the currency, which may be Offshore RMB, specified as such in the relevant Final Terms or, if no such currency is specified, USD;

"**Alternative Payment Currency Equivalent**" means the relevant amount in the Settlement Currency determined by the Calculation Agent converted into the relevant Alternative Payment Currency using the Alternative Payment Currency Exchange Rate for the relevant Alternative Payment Currency Fixing Date;

"**Alternative Payment Currency Exchange Rate**" means

- (i) the rate of exchange between the Settlement Currency and Alternative Payment Currency (expressed as the number of units of Alternative Payment Currency per one unit of Settlement Currency or as the number of units of Settlement Currency per one unit of Alternative Payment Currency (as applicable)) as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time on the Alternative Payment Currency Fixing Date and as observed by the Calculation Agent;
- (ii) if Cross Currency Exchange Rate is specified as applicable in the relevant Final Terms, the rate of exchange determined in accordance with, or derived from the Alternative Payment Cross Currency Rate and the Settlement Currency Exchange Rate, as determined by the Calculation Agent; or
- (iii) such other rate as may be specified in the relevant Final Terms.

The Calculation Agent shall round such rate to the closest four (4) decimal places, 0.00005 being rounded up. If on an Alternative Payment Currency Fixing Date the Relevant Rate is not available for any reason as determined by the Calculation Agent, the Calculation Agent will determine the Alternative Payment Currency Exchange Rate in accordance with sub-paragraph (X)(A) or (X)(B), as applicable, of Condition 7(e) (*Payments - Price Source Disruption and FX Disruption*) or, if Price Source Disruption is specified as not applicable in the relevant Final Terms, in its discretion;

**"Alternative Payment Currency Fixing Date"** means:

- (i) the date specified as such in the Final Terms;
- (ii) if "Condition 1" is specified as applicable in the relevant Final Terms, the relevant Interest Payment Date, Maturity Date or other date on which the relevant payment falls due (as appropriate); or
- (iii) otherwise, the fifth day (or such other number of days specified in the relevant Final Terms) prior to the relevant Interest Payment Date, Maturity Date or other date on which the relevant payment falls due (as appropriate).

If such date falls on a day that is a Saturday or Sunday or on which commercial banks are not open for general business and dealings in foreign exchange in the jurisdiction or place specified in the relevant Final Terms, or if no such jurisdiction or place is specified in the relevant Final Terms, the Settlement Currency Jurisdiction, the Alternative Payment Currency Jurisdiction and, if Cross Currency Exchange Rate is specified as applicable in the relevant Final Terms, the Cross Currency Jurisdiction (a "**closed day**"), then:

- (x) if "Condition 1" is specified as applicable in the relevant Final Terms, the Alternative Payment Currency Fixing Date shall be the immediately following calendar day that is not a closed day; and
- (y) otherwise, the Alternative Payment Currency Fixing Date shall be the immediately preceding calendar day that is not a closed day;

**"Alternative Payment Currency Fixing Page"** means the Reuters or other screen page specified as such in the relevant Final Terms or any successor page thereof or, if such page is not specified in the relevant Final Terms or there is no successor page, the Calculation Agent will determine the relevant Alternative Payment Currency Exchange Rate by reference to the spot rate prevailing in the international exchange market;

**"Alternative Payment Currency Fixing Time"** means (i) the time and place specified as such in the relevant Final Terms or, such other time and place as the Calculation Agent determines in the case of a successor page to the Alternative Payment Currency Fixing Page specified in the relevant Final Terms or (ii) if no such time and place is specified in the Final Terms, such time and place as the Calculation Agent determines;

**"Alternative Payment Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms or, if the Alternative Payment Currency is USD, the United States of America;

**"Alternative Pre-nominated Index"** means, in respect of a Relevant Benchmark, the first of the indices, benchmarks or other price sources specified in the relevant Final Terms as an "Alternative Pre-nominated Index" and which is not subject to a Benchmark Trigger Event;

**"Applicable Benchmark"** means any of the following:

- (a) a Relevant Benchmark;
- (b) a Reference Rate;
- (c) any index, benchmark or other price source that is referred to in a Relevant Benchmark;
- (d) any rate that applies as a fallback pursuant to Conditions 4B(e)(v), 4B(e)(vi) or 4B(e)(vii);

- (e) an Alternative Pre nominated Index used pursuant to Condition 13(A) (*Consequences of a Benchmark Trigger Event*); and
- (f) a Replacement Index used pursuant to Condition 13(A) (*Consequences of a Benchmark Trigger Event*);

"**Applicable Fallback Effective Date**" means, in respect of an Applicable Benchmark and an Index Cessation Event or an Administrator/Benchmark Event, the Index Cessation Effective Date or the Administrator/Benchmark Event Date, as applicable;

"**Automatic Early Redemption Amount**" means, in respect of an Automatic Early Redemption Valuation Date and as calculated by the Calculation Agent in accordance with, and subject to, Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*), an amount equal to the Calculation Amount multiplied by the relevant Automatic Early Redemption Rate corresponding to such Automatic Early Redemption Valuation Date;

"**Automatic Early Redemption Date**" means, in respect of an Automatic Early Redemption Valuation Date, the corresponding date specified as such in relation to such Automatic Early Redemption Valuation Date in the relevant Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

"**Automatic Early Redemption Event**" will be deemed to have occurred in relation to an Automatic Early Redemption Valuation Date if the Relevant Observation Performance determined in respect of such Automatic Early Redemption Valuation Date is equal to or greater than the relevant Automatic Early Redemption Percentage specified in respect of such Automatic Early Redemption Valuation Date, as determined by the Calculation Agent;

"**Automatic Early Redemption Percentage**" means, in respect of an Automatic Early Redemption Valuation Date, the percentage specified as such for such Automatic Early Redemption Valuation Date in the relevant Final Terms;

"**Automatic Early Redemption Rate**" means, in respect of an Automatic Early Redemption Valuation Date, the percentage rate specified as such for such Automatic Early Redemption Valuation Date in the relevant Final Terms;

"**Automatic Early Redemption Valuation Date(s)**" means:

- (i) in respect of a Note which relates to a single Index or Security, each of the date(s) specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each of the date(s) specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Automatic Early Redemption Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

"**Average Basket – Lowest Observation Date**" means, with respect to a Valuation Date, the Observation Date specified in respect to such Valuation Date for which the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index or Security (as applicable) comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) is lowest;

"**Average Basket – Highest Observation Date**" means, with respect to a Valuation Date, the Observation Date specified in respect to such Valuation Date for which the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index or Security



(as applicable) comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) is highest;

"**Averaging Date(s)**" means, in respect of an Index or a Security:

- (i) each of the dates specified as an Averaging Date with respect to the relevant Valuation Date in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) subject to the provisions of Condition 15 (*Consequences of Disrupted Days*); or
- (ii) if Averaging Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, each Scheduled Trading Day (which is not a Disrupted Day) in the Averaging Period;

"**Averaging Period**" means with respect to:

- (i) the Strike Date, the period from and including the "**Strike Averaging Start Date**" to and including the "**Strike Averaging End Date**", each as specified in the relevant Final Terms (the "**Strike Averaging Period**");
- (ii) the Final Valuation Date, the period from and including the "**Final Valuation Averaging Start Date**" to and including the "**Final Valuation Averaging End Date**", each as specified in the relevant Final Terms (the "**Final Performance Averaging Period**");
- (iii) any Automatic Early Redemption Valuation Date, the period from and including the "**Autocall Averaging Start Date**" to and including the "**Autocall Averaging End Date**", each as specified in the relevant Final Terms (the "**Autocall Averaging Period**");
- (iv) any Coupon Trigger Valuation Date, the period from and including the "**Coupon Trigger Averaging Start Date**" to and including the "**Coupon Trigger Averaging End Date**", each as specified in the relevant Final Terms (the "**Coupon Trigger Averaging Period**");
- (v) any Lock-In Coupon Valuation Date, the period from and including the "**Lock-In Coupon Averaging Start Date**" to and including the "**Lock-In Coupon Averaging End Date**", each as specified in the relevant Final Terms (the "**Lock-In Coupon Averaging Period**");
- (vi) any Barrier Valuation Date, the period from and including the "**Barrier Averaging Start Date**" to and including the "**Barrier Averaging End Date**", each as specified in the relevant Final Terms (the "**Barrier Averaging Period**"); and
- (vii) any Lock-In Redemption Valuation Date, the period from and including the "**Lock-In Redemption Averaging Start Date**" to and including the "**Lock-In Redemption Averaging End Date**", each as specified in the relevant Final Terms (the "**Lock-In Redemption Averaging Period**");

a "**Barrier Event**" will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) where "**Inclusive**" is specified to apply with respect to the Barrier Event in the relevant Final Terms:
  - (a) if "**European**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of the Barrier Valuation Date is less than or equal to the Barrier Level;
  - (b) if "**Bermudan**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any of the Barrier Valuation Dates is less than or equal to the Barrier Level; and
  - (c) if "**Daily**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any Barrier Valuation Date during the Barrier Valuation Period is less than or equal to the Barrier Level;

- (ii) where "**Non-Inclusive**" is specified to apply with respect to the Barrier Event in the relevant Final Terms:
  - (a) if "**European**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of the Barrier Valuation Date is less than the Barrier Level;
  - (b) if "**Bermudan**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any of the Barrier Valuation Dates is less than the Barrier Level; and
  - (c) if "**Daily**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any Barrier Valuation Date during the Barrier Valuation Period is less than the Barrier Level;

"**Barrier Level**" means the percentage specified as such in the relevant Final Terms;

"**Barrier Observation Method**" means European, Bermudan or Daily as specified in the relevant Final Terms;

"**Barrier Valuation Date(s)**" means:

- (i) if "**European**" is specified as the applicable Barrier Observation Method:
  - (a) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Barrier Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

- (ii) if "**Bermudan**" is specified as the applicable Barrier Observation Method:
  - (a) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the relevant Barrier Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

- (iii) if "**Daily**" is specified as the applicable Barrier Observation Method:
  - (a) in respect of a Note which relates to a single Index or Security, each Scheduled Trading Day (which is not a Disrupted Day) in the Barrier Valuation Period (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day, and the provisions of Condition 16 (*Consequences of Disrupted Days*) shall apply with respect to such Barrier Valuation Date); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, each day in the Barrier Valuation Period which (i) is a Scheduled Trading Day in respect of all

Indices or Securities (as applicable) in the Basket and (ii) is not a Disrupted Day in respect of any Index or Security (as applicable) in the Basket (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Indices or Securities (as applicable) shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day in respect of any Index or Security, and the provisions of Condition 15 (*Consequences of Disrupted Days*) shall apply with respect to such Barrier Valuation Date);

**"Barrier Valuation Period"** means the period from and including the **"Barrier Valuation Period Start Date"** to and including the **"Barrier Valuation Period End Date"**, each as specified in the relevant Final Terms;

**"Basket"** means, in respect of a Note, a basket composed of each Index or each Security (as the case may be) specified in the relevant Final Terms in the relative proportions indicated in the Final Terms;

**"BBR"** means, in respect of any Relevant Currency and any specified period, the rate for bills of exchange denominated in such Relevant Currency and having a tenor equal to such specified period;

**"Benchmark Trigger Event"** means:

- (i) in respect of a Series of Notes that references a Relevant Benchmark that is a Reference Rate or a Floating Rate Option, or any other interest rate, yield, cost of funds or similar rate:
  - (A) an Index Cessation Event; or
  - (B) an Administrator/Benchmark Event; and
- (ii) in respect of any other Series of Notes, an Administrator/Benchmark Event;

**"Best Performing Index"** means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Level of each Index in the Basket has been determined, the Index for which the Specified Level of such Index determined with respect to such day divided by the Initial Index Level for such Index is highest, as determined by the Calculation Agent;

**"Best Performing Security"** means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Price of each Security in the Basket has been determined, the Security for which the Specified Price of such Security determined with respect to such day divided by the Initial Security Price for such Security is highest, as determined by the Calculation Agent;

**"Business Centre(s)"** means the city or cities specified as such in the relevant Final Terms;

**"Business Day"** means:

- (i) in relation to a Note in respect of which amounts are payable in euro, a Euro Business Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Business Centre and on which the relevant Clearing System is open for business; or
- (ii) in relation to any other Note, a day on which commercial banks and foreign exchange markets settle payments generally in each Business Centre and on which the relevant Clearing System is open for business;

**"Business Day Convention"**, in relation to any particular date, has the meaning given in the relevant Final Terms (which shall be one of the following expressions) and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day

unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

- (iii) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred; **provided, however, that:**
  - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Amount**" means the amount in the Settlement Currency specified as such in the relevant Final Terms;

"**Cap**" means the percentage specified as such in the relevant Final Terms, provided that if no such percentage is specified, the Cap shall be unlimited;

"**Change in Law**" means, in relation to any Notes, on or after the Issue Date, (A) due to the adoption of or any change in any applicable law or regulation (including without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines acting in a commercially reasonable manner that (x) it will, or there is a substantial likelihood that it will, with the passing of time, or it has become illegal for the Issuer or any of its designated affiliates to hold, acquire or dispose of or realise, recover or remit the proceeds of the sale or disposal of, Securities, Component Securities, or other components comprised in an Index relating to such Notes or any transaction(s) or asset(s) it deems necessary to hedge the equity price risk or any other relevant price risk including, without limitation, any currency risk, of the Issuer issuing and performing its obligations with respect to the Notes (y) it has become illegal for the Issuer or any of its designated affiliates to hold, acquire, purchase, sell or maintain one or more (i) positions or contracts in respect of any securities, options, futures, derivatives or foreign exchange in relation to such Notes, or in relation to the Issuer's hedging activities in connection with the Notes or in relation to the hedging activities of the Issuer or any of its designated affiliates in connection with the Notes, (ii) stock loan transactions in relation to such Notes or (iii) other instruments or arrangements (howsoever described) held by the Issuer or any of its designated affiliates in order to hedge, individually or on a portfolio basis, such Notes or (z) the Issuer or any of its designated affiliates will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position)

"**Clearing System**" means, in relation to a Series of Notes, Euroclear France, Euroclear and/or Clearstream, Luxembourg in which Notes of the relevant Series are for the time being held, or, in relation to an individual Note, in which that Note is for the time being held, in each case as specified in the relevant Final Terms;

"**Clearing System Business Day**" means, in relation to any Securities, any day on which the principal domestic clearing system customarily used for settling trades in such Securities is (or, but for the occurrence of an event beyond the control of the Issuer as a result of which such clearing system cannot clear the transfer of such securities, would have been) open for the acceptance and execution of settlement instructions;

"**Clearing System Currency Eligibility Event**" means the relevant Clearing System(s) ceases to accept payments in the Settlement Currency;

"**Clearstream, Luxembourg**" means Clearstream Banking S.A.;

"**Closing Level**" means (a) with respect to an Index other than a Multiple Exchange Index, the level of such Index as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange or (b) with respect to a Multiple Exchange Index, the official closing level of such Index as calculated and published by the Index Sponsor, in each case on the relevant Valuation Date, Averaging Date or Observation Date (as applicable) for which the performance of the Index is to be determined;

"**Closing Price**" means, in relation to a Security, the price of such Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the relevant Valuation Date, Averaging Date or Observation Date (as applicable) for which the performance of the Security is to be determined;

"**Component Security**" means, with respect to an Index, each component security of that Index;

"**Conditional Protection Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Conversion**" means, in respect of any Securities, any irreversible conversion by the Underlying Company of such Securities into other securities;

"**Coupon Trigger Amount**" means, in respect of the relevant Coupon Trigger Valuation Date and as calculated by the Calculation Agent;

- (i) if "**Digital Coupon**" is specified as being applicable in the relevant Final Terms, an amount equal to the Calculation Amount multiplied by the Coupon Trigger Rate corresponding to such Coupon Trigger Valuation Date;
- (ii) if "**Relevant Rate – Fixed**" is specified as being applicable in the relevant Final Terms, an amount calculated in accordance with Condition 4F (*Relevant Rate – Fixed*); and
- (iii) if "**Relevant Rate – Floating**" is specified as being applicable in the relevant Final Terms, an amount calculated in accordance with Condition 4G (*Relevant Rate – Floating*);

a "**Coupon Trigger Event**" will be deemed to have occurred in relation to a Coupon Trigger Valuation Date if the Relevant Observation Performance determined in respect of such Coupon Trigger Valuation Date is equal to or greater than the relevant Coupon Trigger Level specified in respect of such Coupon Trigger Valuation Date, as determined by the Calculation Agent;

"**Coupon Trigger Level**" means, in respect of a Coupon Trigger Valuation Date, the percentage specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

"**Coupon Trigger Payment Date**" means, in respect of a Coupon Trigger Valuation Date, the corresponding date specified as such in relation to such Coupon Trigger Valuation Date in the relevant Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

"**Coupon Trigger Rate**" means, in respect of a Coupon Trigger Valuation Date, the percentage rate specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

a "**Coupon Trigger Recovery Event**" will be deemed to have occurred in relation to a Coupon Trigger Valuation Date if the Relevant Observation Performance determined in respect of such Coupon Trigger

Valuation Date is equal to or greater than the relevant Coupon Trigger Recovery Level specified in respect of such Coupon Trigger Valuation Date, as determined by the Calculation Agent;

**"Coupon Trigger Recovery Level"** means, in respect of a Coupon Trigger Valuation Date, the percentage specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

**"Coupon Trigger Valuation Date"** means

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Coupon Trigger Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

**"Cross Currency"** means the currency specified as such in the relevant Final Terms, or if such currency is not specified in the relevant Final Terms, the Cross Currency shall mean USD;

**"Cross Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms;

**"Day Count Fraction"** means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in the relevant Final Terms and:

- (i) if **"Actual/Actual"**, **"Actual/Actual (ISDA)"**, **"Act/Act"** or **"Act/Act (ISDA)"** is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **"Actual/Actual (ICMA)"** or **"Act/Act (ICMA)"** is specified means:
  - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (b) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any one year; and
    - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (iii) if **"Actual/365 (Fixed)"**, **"Act/365 (Fixed)"**, **"A/365 (Fixed)"** or **"A/365F"** is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;
- (iv) if **"Actual/365 (Sterling)"** is specified, the actual number of days in the Calculation Period divided by 365, or in the case of an Interest Payment Date falling in a leap year, 366;
- (v) if **"Actual/360"**, **"Act/360"** or **"A/360"** is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;

- (vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vii) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>2</sub> will be 30; and

- (viii) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" 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 D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 Termination Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30;

"**Deferral Period**" has the meaning ascribed thereto in Condition 7(e) (*Payments - Price Source Disruption and FX Disruption*);

"**Delisting**" means (a) that the Exchange announces that, pursuant to the rules of such Exchange, the Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an Alternative Exchange or (b) that the Calculation Agent determines that listing or trading of Securities on the Exchange (or an Alternative Exchange) has not commenced and will not commence in the foreseeable future prior to redemption of the Notes;

"**Deposit Agreement**" means, in relation to each Depository Receipt, the agreement(s) or other instrument(s) constituting such Depository Receipt, as from time to time amended or supplemented;

"**Depository**" means, in relation to a Depository Receipt, the issuer of such Depository Receipt as appointed under the Deposit Agreement, including its successors from time to time;

"**Depository Receipt(s)**" means any Security specified as such in the relevant Final Terms **provided that** if the relevant Deposit Agreement is terminated at any time, any reference to any Depository Receipt(s) shall thereafter be construed as a reference to the relevant Underlying Securities or relevant Replacement DRs, as applicable and as determined by the Calculation Agent pursuant to Condition 20 (*Events relating to DR-Linked Notes*);

"**Digital Return Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Disrupted Day**" means:

- (i) in respect of an Index: (a) any Scheduled Trading Day in respect of such Index on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Index has occurred; (b) with respect to a Multiple Exchange Index any Scheduled Trading Day in respect of such Index on which (i) the Index Sponsor fails to publish the level of such Index, (ii) the Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event in respect of such Index has occurred; or
- (ii) in respect of a Security, any Scheduled Trading Day in respect of such Security on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Security has occurred;

"**Disrupted Day Related Payment Date**" means any payment date on the Notes on which the amount payable is calculated by reference to the price or level (as applicable) of an Index, an Index Basket, a Security or a Securities Basket determined on the related Valuation Date or Limit Valuation Date;

"**DR-Linked Notes**" means a Series of Equity-Linked Notes which relate to one or more Securities which are Depository Receipts;



**"Early Closure"** means (a) the closure on any Exchange Business Day of the relevant Exchange (in the case of Equity-Linked Notes) or any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or (b) if the Notes are Multiple Exchange Index-Linked Notes, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Early Redemption Amount"** means, in relation to each Note or Calculation Amount (as applicable) an amount equal to the percentage per Calculation Amount calculated in accordance with, and subject to, Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*) or its Fair Market Value, in each case as specified in the relevant Final Terms for the event giving rise to the early redemption;

**"EMU Event"** means the occurrence of any of the following, as determined by the Calculation Agent:

- (i) the redenomination of any security into euro;
- (ii) the change by any organised market, exchange or clearing, payment or settlement system in the unit of account of its operating procedures to the euro;
- (iii) any change in the currency of denomination of any Index or any Security; or
- (iv) any change in the currency in which some or all of the securities or other property comprising any Index is denominated;

**"Equity-Linked Notes"** means a Series of Notes in respect of which an amount, which shall be calculated by reference to the value of a Security or Securities and/or a formula, is payable (as indicated in the relevant Final Terms);

**"ETF"** means the exchange traded fund or similarly traded or listed fund as specified in the relevant Final Terms;

**"ETF Adviser"** means, with respect to an ETF, any person appointed in the role of discretionary investment manager or non-discretionary investment manager (including a non-discretionary investment manager to a discretionary investment manager or to another non-discretionary investment manager), as provided in the related ETF Documents;

**"ETF Documents"** means, in relation to any ETF, the constitutive and governing documents, subscription agreements and other agreements of such ETF specifying the terms and conditions relating to such ETF, in each case as amended and supplemented from time to time;

**"EURIBOR"** means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Eurozone interbank offered rate;

**"Euro"**, **"euro"** **"EUR"**, **"€"** each mean the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty;

**"Euro Business Day"** or **"TARGET Business Day"** means a day on which T2 is open for settlement of payments in euro;

**"Euroclear"** means Euroclear Bank SA/NV;

**"Euroclear France"** means Euroclear France S.A.;

**"Exchange"** means (a) with respect to a Security or an Index, each exchange or quotation system specified as such in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Security or the components of the Index, as the case may be, has temporarily relocated (**provided that** the Calculation Agent has determined that there is comparable liquidity relative to such Security or components, as the case may be, as on the original Exchange); or (b) in the case of a Multiple Exchange Index and each relevant Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent (which exchange or quotation system as of the Issue Date may be specified as such in the relevant Final Terms); **provided, however, that** if the Exchange (the **"Original Exchange"**) announces that, pursuant to the rules of such Exchange, any Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and the Securities are re-listed, re-traded or re-quoted on an Alternative Exchange, then, so long as the Securities are not listed, traded or publicly quoted on the Original Exchange, such Alternative Exchange shall be the **"Exchange"** in relation to such Securities;

**"Exchange Business Day"** means (a) any Scheduled Trading Day on which each Exchange and any relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or (b) with respect to a Multiple Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the Index and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Disruption"** means (a) any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for the Securities on the Exchange (in the case of Equity-Linked Notes) or on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes), or (ii) to effect transactions in, or obtain market values for, future or options contracts relating to the Securities (in the case of Equity-Linked Notes) or the relevant Index (in the case of Index-Linked Notes) on any relevant Related Exchange; or (b) with respect to a Multiple Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in respect of such Component Security or (ii) futures or options contracts relating to the Index on the relevant Related Exchange;

**"Extraordinary Dividend"** means the amount per Security specified in the relevant Final Terms or, if no such amount is so specified, any dividend or the portion of any dividend which the Calculation Agent determines should be characterised as an Extraordinary Dividend;

**"Extraordinary ETF Event"** means, in the determination of the Calculation Agent, the occurrence or existence of any of the following:

- (i) the ETF (A) is dissolved or has a resolution passed for its dissolution, winding up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such

secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; or (F) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (A) to (E) above;

- (ii) the ETF has violated any leverage restriction that is applicable to, or affecting, such ETF or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the ETF Documents or any contractual restriction binding on or affecting the ETF or any of its assets;
- (iii) the resignation, termination or replacement of the ETF Adviser;
- (iv) any change or modification of the ETF Documents that could reasonably be expected to affect the value of the Units or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent) from those prevailing on the Issue Date;
- (v) any breach or violation of any strategy or investment guidelines stated in the ETF Documents that is reasonably likely to affect the value of the Units or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent);
- (vi) the Issuer, or any of its affiliates, is unable, or it is impractical for it, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary or appropriate to hedge the price risk relating to the Units of entering into and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (1) any restrictions or increase in charges or fees imposed by the ETF on any investor's ability to redeem the Units, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Units, or (2) any mandatory redemption, in whole or in part, of such Units imposed by the ETF (in each case other than any restriction in existence on the Issue Date);
- (vii) (A) cancellation, suspension or revocation of the registration or approval of the Units or the ETF by any governmental, legal or regulatory entity with authority over the Units or the ETF, (B) any change in the legal, tax, accounting or regulatory treatments of the ETF or the ETF Adviser that is reasonably likely to have an adverse impact on the value of the Units or on any investor therein (as determined by the Calculation Agent), or (C) the ETF or the ETF Adviser becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of the ETF;
- (viii) (A) the occurrence of any event affecting the Units that, in the determination of the Calculation Agent, would make it impossible or impracticable to determine the value of the Units, and such event is likely, in the determination of the Calculation Agent, to continue for the foreseeable future; or (B) any failure of the ETF to deliver, or cause to be delivered (1) information that the ETF has agreed to deliver, or cause to be delivered to the Issuer and/or Calculation Agent or (2) information that has been previously delivered to the Issuer and/or Calculation Agent in accordance with the ETF's, or its authorised representative's, normal practice and that the Issuer and/or Calculation Agent deems necessary for it to monitor the ETF's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Units;
- (ix) on or after the Strike Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines that (X) it has become illegal to hold, acquire or dispose of the Units, or (Y) the Issuer will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

- (x) the Issuer would incur a materially increased (as compared with circumstances existing on the Strike Date) amount of tax (including potential taxes which the Calculation Agent considers may arise), duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to the Units of entering into and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Extraordinary ETF Event; and
- (xi) (A) the cancellation or cessation of any Underlying Index or (B) a material change in the formula for or the method of calculating or any other material modification to any Underlying Index (other than a modification prescribed in that formula or method to maintain such Underlying Index in the event of changes in constituent stock and capitalisation and other routine events) or (C) the relevant sponsor of any Underlying Index fails to calculate and announce such Underlying Index;

"**Extraordinary Event**" means (a) in all cases other than where the Final Terms specifies that the Securities are Units in an ETF, a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting (b) in the case where the Final Terms specifies that the Securities are Units in an ETF, a Merger Event, Nationalisation, Insolvency, Delisting or Extraordinary ETF Event;

"**Fair Market Value**" means, in relation to any Note, its fair market value immediately prior to the relevant redemption date, as determined by the Calculation Agent in consultation with the Issuer and in respect only of Notes that are not Italian Notes, less any reasonable costs and expenses of the Issuer and/or any affiliate of the Issuer of unwinding any underlying and/or related hedging and/or funding arrangements, and any such calculation of the fair market value shall have the effect of preserving for the Noteholders the economic equivalent of the obligations of the Issuer to make payments in respect of the Notes which would, but for any early redemption (in the case of any early redemption of such Notes), have fallen due after the relevant early redemption date. For the purposes of calculating the Fair Market Value following an Event of Default pursuant to Condition 9 (*Events of Default*) only, in determining the fair market value of the Notes, no account shall be taken of the creditworthiness of the Issuer, who shall be deemed to be able to perform fully its obligations in respect of the Notes;

"**Final Index Basket Level**" means, in relation to an Index Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Index Basket, the Final Index Level of the Worst Performing Index; and
- (ii) if "**Best of Basket**" is specified with respect to such Index Basket, the Final Index Level of the Best Performing Index;

"**Final Index Level**" means, in respect of an Index, the Specified Level with respect to such Index determined with respect to the Final Valuation Date;

"**Final Index Performance**" means:

- (i) in relation to an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Index:

$$\left[ \frac{\text{Final Index Level}}{\text{Initial Index Level}} \right]$$

- (ii) in relation to an Index Basket other than an Index Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Index Basket:

$$\left[ \frac{\text{Final Index Basket Level}}{\text{Initial Index Basket Level}} \right]$$

- (iii) in relation to an Index Basket in respect of which "Average Basket" is specified:
- (A) where "Single Observation", "Highest Level", "Lowest Level" or "Average Level" are specified as being applicable, the Final Index Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Final Index Performance of each Index comprising the Basket in respect of the Final Valuation Date as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
  - (B) where "Average Basket – Lowest Date" is specified to apply, the Final Index Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date; and
  - (C) where "Average Basket – Highest Date" is specified to apply, the Final Index Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date;

**"Final Securities Basket Price"** means, in relation to a Securities Basket:

- (i) if **"Worst of Basket"** is specified with respect to such Securities Basket, the Final Security Price of the Worst Performing Security; and
- (ii) if **"Best of Basket"** is specified with respect to such Securities Basket, the Final Security Price of the Best Performing Security;

**"Final Security Performance"** means

- (i) in relation to a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Security:

$$\left[ \frac{\text{Final Security Price}}{\text{Initial Security Price}} \right]$$

- (ii) in relation to a Securities Basket other than a Securities Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Securities Basket:

$$\left[ \frac{\text{Final Securities Basket Price}}{\text{Initial Securities Basket Price}} \right]$$

- (iii) in relation to a Securities Basket in respect of which "Average Basket" is specified:
  - (A) where "Single Observation", "Highest Price", "Lowest Price" or "Average Price" are specified as being applicable, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Final Security Performance of each Security comprising the Basket in respect of the Final Valuation Date as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
  - (B) where "Average Basket – Lowest Date" is specified to apply, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation

Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date; and

- (C) where "Average Basket – Highest Date" is specified to apply, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date;

**"Final Security Price"** means, in respect of a Security, the Specified Price with respect to such Security determined with respect to the Final Valuation Date;

**"Final Redemption Amount"** has the meaning given to it in Condition 5(a) (*Redemption and Purchase – At Maturity*);

**"Final Valuation Date"** means:

- (i) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Final Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

**"Fixed/Floating Rate Notes"** means a Note for which Fixed Rate Note provisions (for an initial period from the initial Interest Commencement Date) and Floating Rate Note provisions (for a subsequent period) are specified in the relevant Final Terms as applicable;

**"Fixed Amount Redemption Rate"** means the percentage specified as such in the relevant Final Terms;

**"Fixed Rate Note"** means a Note which bears interest at a fixed rate and in respect of which Condition 4A (*Interest – Fixed Rate Note Provisions*) is applicable;

**"Floating Rate Note"** means a Note which bears interest at a floating rate and in respect of which Condition 4B (*Interest – Floating Rate Note Provisions*) is applicable;

**"Floating Rate Option"** means, in relation to a Note to which ISDA Determination applies, a rate or price source specified as such in the relevant Final Terms;

**"FX Cut-off Date"** has the meaning ascribed thereto in Condition 7(e) (*Price Source Disruption and FX Disruption*);

**"FX Disruption Event"** means the occurrence, as determined by the Calculation Agent of (i) (a) an Inconvertibility, (b) Non-transferability, (c) Illiquidity or (d) any other event affecting the Settlement Currency (the **"FX Disruption Relevant Currency"**) which would make it unlawful or impractical in whole or in part (including without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial power) for the Issuer (or the Issuer's affiliate) to pay or receive amounts in the FX Disruption Relevant Currency under or in respect of any hedging arrangement relating to or connected with the FX Disruption Relevant Currency; or (ii) if Offshore RMB is specified as the applicable FX Disruption Relevant Currency, each of the events specified in (i) above, plus an Offshore RMB Disruption;

**"Governmental Authority"** means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the Settlement

Currency Jurisdiction or, where the Settlement Currency is specified to be RMB, in mainland China and each Offshore RMB Centre;

"**Government Bonds**" means, in relation to a Series of Notes, bonds or any other debt securities issued by a government, government agency or subdivision or a transnational or supranational organisation as specified in the relevant Final Terms and "**Government Bond**" shall be construed accordingly;

"**Hedging Disruption**" means that the Issuer or any of its designated affiliates is unable or it is or has become not reasonably practicable, or it has otherwise become undesirable, for any reason, for the Issuer wholly or any of its designated affiliates or partially after using commercially reasonable efforts and acting in good faith, to (A) hold, acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or desirable to hedge the equity or any other price risk (including but not limited to, any currency risk) of entering into and performing the Issuer's obligations in respect of the Notes or (B) realise, recover, receive, transfer or remit the proceeds of any such transaction(s) or asset(s) or (C) without prejudice to (B) above, transfer amounts denominated in the Settlement Currency (1) from accounts inside the Settlement Currency Jurisdiction to accounts outside the Settlement Currency Jurisdiction (2) between accounts inside the Settlement Currency Jurisdiction or (3) to a party that is a non-resident of the Settlement Currency Jurisdiction or (D) without prejudice to (B) and (C) above, convert the Settlement Currency into an Alternative Payment Currency;

"**Illiquidity**" means where the foreign exchange market in the Settlement Currency Jurisdiction becomes illiquid after the Trade Date and, as a result of which, the Issuer cannot obtain sufficient Settlement Currency in order to satisfy its obligation to pay any amount in respect of the Notes as determined by the Issuer acting in good faith and in a commercially reasonable manner following consultation (if practicable) with two Reference Dealers;

"**Inconvertibility**" means the occurrence of any event after the Trade Date that makes it impossible for the Issuer to convert any amount due in respect of the Notes in the foreign exchange market in the Settlement Currency Jurisdiction, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Increased Cost of Hedging**" means that the Issuer or any of its designated affiliates would incur materially increased costs (as compared with circumstances existing on the Issue Date), including, without limitation, amount of tax (including any potential tax which the Calculation Agent considers may arise), duty, expense or fee (other than brokerage commissions) to (A) hold, acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge equity or any other price risk (including but not limited to, any currency risk) of entering into and performing the Issuer's obligations in respect of the Notes or (B) realise, recover, receive, transfer or remit the proceeds of any such transaction(s) or asset(s), **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer or its designated affiliates, as applicable, shall not be deemed an Increased Cost of Hedging;

"**Index**" means in relation to a Series of Notes, the index to which such Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 16 (*Adjustments to Indices*) and Condition 19 (*Additional Disruption Events*) and "**Indices**" shall be construed accordingly;

"**Index Basket**" means in relation to a Series of Notes, the basket of indices to which such Series of Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 16 (*Adjustments to Indices*) and Condition 19 (*Additional Disruption Events*), and "**Index Baskets**" shall be construed accordingly;

"**Index Cessation Event**" means, in respect of a Series of Notes that references an Applicable Benchmark which is a Reference Rate or a Floating Rate Option, or any other interest rate, yield, cost of funds or similar rate, the occurrence or existence, as determined by the Issuer of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the administrator of the Applicable Benchmark announcing that it has ceased or will cease to provide the Applicable Benchmark permanently or indefinitely, **provided that**, at the time of the statement or

publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark;

- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Applicable Benchmark, the central bank for the currency of the Applicable Benchmark, an insolvency official with jurisdiction over the administrator for the Applicable Benchmark, a resolution authority with jurisdiction over the administrator for the Applicable Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Applicable Benchmark, which states that the administrator of the Applicable Benchmark has ceased or will cease to provide the Applicable Benchmark permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark;
- (iii) if the Applicable Benchmark is the Sterling London interbank offered rate, the Swiss Franc London interbank offered rate, the U.S. Dollar London interbank offered rate, the Euro London interbank offered rate or the Japanese Yen London interbank offered rate, (each, a "**Specified Rate**"), or is a swap rate which references a swap transaction with a floating leg of a Specified Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Applicable Benchmark announcing that (i) the regulatory supervisor has determined that such Applicable Benchmark is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark is intended to measure and that representativeness will not be restored and (ii) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;
- (iv) if the Relevant Benchmark is SOR, if SOR for a tenor equal to the relevant Interest Period (the "**relevant tenor**") is not published by ABS Benchmarks Administration Co Pte. Ltd. (or any successor administrator) (the "**SOR Administrator**") or an authorised distributor and is not otherwise provided by the SOR Administrator, and as of the day that is two Singapore and London Banking Days (as defined below) preceding the next following Interest Payment Date, the U.S. Dollar London interbank offered rate for the relevant tenor has been permanently discontinued or is Non-Representative (as defined below) and there is either no U.S. Dollar London interbank offered rate which has not been permanently discontinued and which is not Non-Representative for a period which is longer than the relevant tenor or no U.S. Dollar London interbank offered rate which has not been permanently discontinued and which is not Non-Representative for a period which is shorter than the relevant tenor (and for these purposes (x) the U.S. Dollar London interbank offered rate in a particular tenor shall be "**Non-Representative**" if the regulatory supervisor for the administrator of such rate (i) has determined and announced that such rate in such tenor is no longer representative of the underlying market and economic reality that such rate is intended to measure and representativeness will not be restored and (ii) is aware that certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts have been or are engaged, and (y) a "**Singapore and London Banking Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore and London); or
- (v) in respect of an Applicable Benchmark which has an Underlying Fallback Rate, a public statement or publication of information by the regulatory supervisor for the administrator of the Underlying Fallback Rate, the central bank for the currency of the Underlying Fallback Rate, an insolvency official with jurisdiction over the administrator for the Underlying Fallback Rate, a resolution authority with jurisdiction over the administrator for the Underlying Fallback Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Underlying Fallback Rate, which states that the administrator of the Underlying Fallback Rate has ceased or will cease to provide the Underlying Fallback Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Underlying Fallback Rate (and, for these purposes, an "**Underlying Fallback Rate**" in relation to an Applicable Benchmark shall be such rate (if any) as the Issuer determines is the rate underlying such Applicable Benchmark);

"**Index Cessation Effective Date**" means:



- (a) the first date on which the Applicable Benchmark would ordinarily have been published or provided and is no longer published or provided; or
- (b) in the case of limb (c) of the definition of "Index Cessation Event", the first date on which the Applicable Benchmark would ordinarily have been published or provided and is either:
  - (i) no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark is intended to measure and that representativeness will not be restored, by reference to the most recent statement or publication contemplated in such limb (c), and even if such Applicable Benchmark continues to be published or provided on such date; or
  - (ii) no longer published or provided;

**"Index-Linked Notes"** means a Series of Notes in respect of which an amount calculated by reference to an Index or Indices and/or a formula is payable (as indicated in the relevant Final Terms);

**"Index Rules"** means, in respect of an Index, the rules of the Index Sponsor in relation to such Index specified as such in the relevant Final Terms;

**"Index Sponsor"** means, in respect of an Index, the corporation or other entity specified as such in the relevant Final Terms and any successor corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during or at the end of each Scheduled Trading Day (as the case may be);

**"Index Substitution Notice"** means a notice specifying a Substitute Index to be substituted for the Index and the date as of which such substitution is to take effect;

**"Initial Index Basket Level"** means, with respect to an Index Basket:

- (i) if **"Worst of Basket"** is specified with respect to such Index Basket, the Initial Index Level of the Worst Performing Index; and
- (ii) if **"Best of Basket"** is specified with respect to such Index Basket, the Initial Index Level of the Best Performing Index;

**"Initial Index Level"** means, with respect to an Index, either:

- (i) the level specified as such in the relevant Final Terms; or
- (ii) the Specified Level with respect to such Index determined with respect to the Strike Date;

**"Initial Securities Basket Price"** means, with respect to a Security:

- (i) if **"Worst of Basket"** is specified with respect to such Securities Basket, the Initial Security Price of the Worst Performing Security; and
- (ii) if **"Best of Basket"** is specified with respect to such Securities Basket, the Initial Security Price of the Best Performing Security;

**"Initial Security Price"** means, with respect to a Security, either:

- (i) the price specified as such in the relevant Final Terms; or
- (ii) the Specified Price with respect to such Security determined with respect to the Strike Date;

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding up of or any analogous proceeding affecting an Underlying Company, (A) all the Securities of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Securities of that Underlying Company become legally prohibited from transferring them;

**"Insolvency Filing"** means that the issuer of the Securities institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official or it consents to such petition, **provided that** proceedings instituted or petitions presented by creditors and not consented to by the issuer of the Securities shall not be deemed an Insolvency Filing;

**"Interest Commencement Date"** means:

- (i) the date specified as such in the relevant Final Terms; and
- (ii) in the case of Notes where "Change of interest basis" is specified as applicable in the relevant Final Terms, following such change in interest basis references in these Conditions to the "Interest Commencement Date" shall be deemed to be references to the date on which such change is effective;

**"Interest Determination Date"** means the day determined by the Calculation Agent to be customary for determining the Reference Rate applicable for the relevant Interest Period; **provided that** where so specified in the relevant Final Terms, such day shall be a day (i) if such currency is euro, which is a Euro Business Day, and (ii) if such currency is any other currency, on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre or centres of the country of such currency (or where such currency is a National Currency Unit and the Notes have been redenominated into euro pursuant to Condition 8 (*Redenomination*), the former principal financial centre or centres) or as otherwise may be specified in the Final Terms;

**"Interest Payment Date"** means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

**"Interest Period"** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

**"IRC"** means U.S. Internal Revenue Code of 1986, as amended;

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor);

**"ISDA Definitions"** has the meaning given in the relevant Final Terms;

**"Issue Date"** means the date specified as such in the relevant Final Terms;

**"Italian Notes"** means Notes for which it is specified in the Final Terms that an application is expected to be made for the Notes to be admitted to the official list of the Italian Stock Exchange;

**"Italian Stock Exchange"** means Borsa Italiana S.p.A.;

**"Limit Valuation Date"** has the meaning given to it in Condition 15 (*Consequences of Disrupted Days*);

**"local banking day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Principal Paying Agent is located;

a "**Lock-In Coupon Event**" will be deemed to have occurred in relation to a Lock-In Coupon Valuation Date if the Relevant Observation Performance determined in relation to such Lock-In Coupon Valuation Date is equal to or greater than the Lock-In Coupon Level specified in relation to such Lock-In Coupon Valuation Date, as determined by the Calculation Agent;

"**Lock-In Coupon Level**" means, in respect of a Lock-In Coupon Valuation Date, the percentage specified as such for such Lock-In Coupon Valuation Date in the relevant Final Terms;

"**Lock-In Coupon Valuation Date**" means:

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Lock-In Coupon Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

a "**Lock-In Redemption Event**" will be deemed to have occurred in relation to a Lock-In Redemption Valuation Date if the Relevant Observation Performance determined in relation to such Lock-In Redemption Valuation Date is equal to or greater than the Lock-In Redemption Trigger Level specified in relation to such Lock-In Redemption Valuation Date, as determined by the Calculation Agent;

"**Lock-In Redemption Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Lock-In Redemption Trigger Level**" means, in respect of any Lock-In Redemption Valuation Date, the percentage specified as such in the relevant Final Terms;

"**Lock-In Redemption Valuation Date**" means:

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Lock-In Redemption Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

"**Margin**" means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

"**Market Disruption Event**" means:

- (A) in respect of an Index (a) the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure **provided that** if a Market Disruption Event occurs in respect of a Component Security at any time, then the relevant percentage contribution of that Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event; or (b) with respect to a Multiple Exchange Index, either:

- (i) (1) the occurrence or existence, in respect of any Component Security, of (aa) a Trading Disruption, (bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or
- (ii) the occurrence or existence, in respect of futures or options contracts relating to such Index of:(aa) a Trading Disruption, (bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Related Exchange; or (cc) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Multiple Exchange Index at any time, if a Market Disruption Event occurs in respect of a Component Security at that time, then the relevant percentage contribution of that Component Security to such level of the Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor of such Index as part of the market "opening data"; and

- (B) in respect of a Security, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time or (iii) an Early Closure;

**"Maturity Date"** has the meaning ascribed thereto in Condition 5(a) (*Redemption and Purchase – At Maturity*);

**"Maximum Interest Rate"** means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

**"Merger Event"** means in respect of any relevant Securities, any (i) reclassification or change of such Securities that results in a transfer of or an irrevocable commitment to transfer all of such Securities outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Underlying Company with or into another entity or person (other than a consolidation, amalgamation or merger in which such Underlying Company is the continuing entity and which does not result in a reclassification or change of all of such Securities outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Securities of the Underlying Company that results in a transfer of or an irrevocable commitment to transfer all such Securities (other than such Securities owned or controlled by such other entity or person); or (iv) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all of such Securities outstanding but results in the outstanding Securities (other than Securities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Securities immediately following such event, in each case if the closing date of a Merger Event (or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent) is on or before the Final Valuation Date;

If the Notes are DR-Linked Notes, **"Merger Event"** shall include the occurrence of any of the events described in (i) to (iv) (inclusive) above in relation to the relevant Underlying Securities;

**"Minimum Interest Rate"** means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

**"Minimum Redemption Percentage"** means the percentage specified as such in the relevant Final Terms;

**"Minimum Return Percentage"** means the percentage specified as such in the relevant Final Terms;

"**Multiple Exchange Index**" means an Index specified as such in the relevant Final Terms;

"**Multiple Exchange Index-Linked Notes**" means Notes which relate to a Multiple Exchange Index;

"**National Currency Unit**" means the national currency unit of any Participating Member State that becomes a denomination of the euro by reason of Council Regulation (EC) No. 1103/97, Council Regulation (EC) No. 974/98 or any other applicable laws;

"**Nationalisation**" means that all the Securities (or, if the Notes are DR-Linked Notes, the relevant Underlying Securities) or all or substantially all the assets of an Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity;

"**Non-transferability**" means the occurrence of any event after the Trade Date that makes it impossible for the Issuer to transfer Settlement Currency between accounts inside the Settlement Currency Jurisdiction or from an account inside the Settlement Currency Jurisdiction to an account outside the Settlement Currency Jurisdiction or from an account outside the Settlement Currency Jurisdiction to an account inside the Settlement Currency Jurisdiction, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-Trigger Valuation Date**" means a Coupon Trigger Valuation Date in relation to which no Coupon Trigger Event occurred;

"**Observation Date(s)**" means, in respect of an Index or a Security:

- (i) each of the dates specified as an Observation Date with respect to the relevant Valuation Date in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) subject to the provisions of Condition 16 (*Consequences of Disrupted Days*); or
- (ii) if Performance Observation Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, each Scheduled Trading Day (which is not a Disrupted Day) in the Performance Observation Period;

"**Observation Date Performance**" means in relation to any Observation Date:

- (i) in respect of a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of such Observation Date and such Security:

$$\left[ \frac{\text{Closing Price}}{\text{Initial Security Price}} \right]$$

- (ii) in respect of an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of such Observation Date and such Index:

$$\left[ \frac{\text{Closing Level}}{\text{Initial Index Level}} \right]$$

"**Observation Index Basket Level**" means, in respect of an Index Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Index Basket, the Observation Index Level of the Worst Performing Index; and
- (ii) if "**Best of Basket**" is specified with respect to such Index Basket, the Observation Index Level of the Best Performing Index;

"**Observation Index Level**" means, in respect of an Index, the Specified Level with respect to such Index determined with respect to the relevant Barrier Valuation Date, Automatic Early Redemption Valuation

Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable);

"**Observation Index Performance**" means:

- (i) in relation to an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Index:

$$\left[ \frac{\text{Observation Index Level}}{\text{Initial Index Level}} \right]$$

- (ii) in relation to an Index Basket other than an Index Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Index Basket:

$$\left[ \frac{\text{Observation Index Basket Level}}{\text{Initial Index Basket Level}} \right]$$

- (iii) in relation to an Index Basket in respect of which "Average Basket" is specified:

- (A) where "Single Observation", "Highest Level", "Lowest Level" or "Average Level" are specified as being applicable, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Index Performance of each Index comprising the Basket in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (B) where "Average Basket – Lowest Date" is specified to apply, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date with respect to such Valuation Date; and
- (C) where "Average Basket – Highest Date" is specified to apply, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date with respect to such Valuation Date;

"**Observation Securities Basket Price**" mean, in respect of a Securities Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Securities Basket, the Observation Security Price of the Worst Performing Security; and

- (ii) if "**Best of Basket**" is specified with respect to such Securities Basket, the Observation Security Price of the Best Performing Security;

"**Observation Security Performance**" means:

- (i) in relation to a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Security:

$$\left[ \frac{\text{Observation Security Price}}{\text{Initial Security Price}} \right]$$

- (ii) in relation to a Securities Basket other than a Securities Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Securities Basket:

$$\left[ \frac{\text{Observation Securities Basket Price}}{\text{Initial Securities Basket Price}} \right]$$

- (iii) in relation to a Securities Basket in respect of which "Average Basket" is specified:
- (A) where "Single Observation", "Highest Price", "Lowest Price" or "Average Price" are specified as being applicable, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Security Performance of each Security comprising the Basket in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (B) where "Average Basket – Lowest Date" is specified to apply, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date with respect to such Valuation Date; and
- (C) where "Average Basket – Highest Date" is specified to apply, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date with respect to such Valuation Date;

"**Observation Security Price**" means, in respect of a Security, the Specified Price with respect to such Security determined with respect to the relevant Barrier Valuation Date, Automatic Early Redemption

Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable);

"**Offshore RMB**" means RMB that is freely deliverable between accounts in the Offshore RMB Centre in accordance with the law and applicable regulation and guidelines issued by relevant authorities in the Offshore RMB Centre prevailing as of the Trade Date of the Notes;

"**Offshore RMB Centre**" means either Hong Kong, Singapore, Taiwan or any other jurisdiction specified as such in the relevant Final Terms;

"**Offshore RMB Disruption**" means the occurrence of, as determined by the Calculation Agent, an Offshore RMB Inconvertibility, Offshore RMB Non-transferability or Offshore RMB Illiquidity;

"**Offshore RMB Illiquidity**" means the occurrence of any event after the Trade Date that makes it impossible (where it has previously been possible) for the Issuer to obtain a firm quote of an offer price in respect of any amount in Offshore RMB in order to satisfy its obligation to pay an amount under the Notes (the "**Relevant Disrupted Amount**"), in each case on the due date for payment or Valuation Date (as the case may be), either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such Relevant Disrupted Amount, in the general Offshore RMB exchange market in each Offshore RMB Centre in order to perform its obligations under the Notes;

"**Offshore RMB Inconvertibility**" means the occurrence of any event after the Trade Date that makes it impossible (where it had previously been possible) for the Issuer to convert an amount of Offshore RMB no less than the Relevant Disrupted Amount into or from USD (or, if the Settlement Currency specified in the Final Terms is other than USD, then such Settlement Currency) in the general Offshore RMB exchange market in each Offshore RMB Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Offshore RMB Non-Transferability**" means the occurrence in each Offshore RMB Centre of any event after the Trade Date that makes it impossible (where it had previously been possible) for the Issuer to transfer Offshore RMB (i) between accounts inside an Offshore RMB Centre, (ii) from an account inside an Offshore RMB Centre to an account outside such Offshore RMB Centre and outside mainland China, or (iii) from an account outside an Offshore RMB Centre and outside mainland China to an account inside such Offshore RMB Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation). For the purpose of Offshore RMB Non-Transferability and Hong Kong as an Offshore RMB Centre only, a segregated Chinese Renminbi fiduciary cash account with the People's Bank of China and operated by Bank of China (Hong Kong) Limited shall be deemed to be an account inside Hong Kong;

"**Optional Redemption Date (Call Option)**" means each date specified as such in the relevant Final Terms on which the Notes are being redeemed pursuant to Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer*), subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

"**Outstanding Missed Coupon Amounts**" means, in relation to any Coupon Trigger Valuation Date, an amount equal to the aggregate of the Coupon Trigger Amounts in respect of the Non-Trigger Valuation Dates falling after the last Coupon Trigger Valuation Date on which a Coupon Trigger Event occurred (if any);

"**Paying Agents**" means the Principal Paying Agent and each Paying Agent;

"**Participating Member State**" means any member state of the European Union that has adopted or adopts the single currency in accordance with the Treaty;

"**Participation**" means the percentage specified as such in the relevant Final Terms, provided that if no such percentage is specified, the Participation shall be 100%;



**"Performance Observation Period"** means, with respect to:

- (i) the Strike Date, the period from and including the **"Strike Observation Start Date"** to and including the **"Strike Observation End Date"**, each as specified in the relevant Final Terms (the **"Strike Observation Period"**);
- (ii) the Final Valuation Date, the period from and including the **"Final Valuation Observation Start Date"** to and including the **"Final Valuation Observation End Date"**, each as specified in the relevant Final Terms (the **"Final Performance Observation Period"**);
- (iii) any Automatic Early Redemption Valuation Date, the period from and including the **"Autocall Observation Start Date"** to and including the **"Autocall Observation End Date"**, each as specified in the relevant Final Terms (the **"Autocall Observation Period"**);
- (iv) any Coupon Trigger Valuation Date, the period from and including the **"Coupon Trigger Observation Start Date"** to and including the **"Coupon Trigger Observation End Date"**, each as specified in the relevant Final Terms (the **"Coupon Trigger Observation Period"**);
- (v) any Lock-In Coupon Valuation Date, the period from and including the **"Lock-In Coupon Observation Start Date"** to and including the **"Lock-In Coupon Observation End Date"**, each as specified in the relevant Final Terms (the **"Lock-In Coupon Observation Period"**);
- (vi) any Barrier Valuation Date, the period from and including the **"Barrier Observation Start Date"** to and including the **"Barrier Observation End Date"**, each as specified in the relevant Final Terms (the **"Barrier Observation Period"**); and
- (vii) any Lock-In Redemption Valuation Date, the period from and including the **"Lock-In Redemption Observation Start Date"** to and including the **"Lock-In Redemption Observation End Date"**, each as specified in the relevant Final Terms (the **"Lock-In Redemption Observation Period"**);

**"Potential Adjustment Event"** means (i) a subdivision, consolidation or reclassification of relevant Securities (unless resulting in a Merger Event), or a free distribution or dividend of any such Securities to existing holders whether by way of bonus, capitalisation or similar issue; or (ii) a distribution, issue or dividend to existing holders of the relevant Securities of (A) such Securities or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlying Company equally or proportionately with such payments to holders of such Securities or (C) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent; or (iii) an Extraordinary Dividend; or (iv) a call by the Underlying Company in respect of relevant Securities that are not fully paid; or (v) a repurchase by the Underlying Company or any of its subsidiaries of relevant Securities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or (vi) in respect of the Underlying Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Underlying Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, **provided that** any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Securities; or (viii) any other event specified as such in the relevant Final Terms;

With respect to Depository Receipts, **"Potential Adjustment Event"** shall also include (x) the occurrence of any of the events described in (i) to (viii) (inclusive) above in respect of the relevant Underlying Securities, **provided that** the occurrence of any of the events described in (i) to (vi) (inclusive) in respect of the relevant Underlying Securities shall not constitute a Potential Adjustment Event unless, the Calculation Agent determines that such event has a diluting or concentrative effect on the theoretical value of the Securities and (y) the making of any amendment or supplement to the terms of the Deposit Agreement;

**"Price Source Disruption"** means, in relation to the Relevant Rate, such Relevant Rate is not available for any reason as determined by the Calculation Agent;

**"Protection Level Percentage"** means the percentage specified as such in the relevant Final Terms;

**"Rate of Interest"** means:

- (i) where the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable and neither "Interest Step-up" nor "Interest Step-down" are specified as applicable, the rate of interest specified as such in the relevant Final Terms;
- (ii) where the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable and "Interest Step-up" is specified as applicable, the rate of interest determined in accordance with Condition 4A(e) (*Fixed Rate Note Provisions – Interest Step-up*);
- (iii) where the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable and "Interest Step-down" is specified as applicable, the rate of interest determined in accordance with Condition 4A(f) (*Fixed Rate Note Provisions – Interest Step-down*); and
- (iv) where the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable, the rate of interest determined in accordance with Conditions 4B(c) (*Interest – Floating Rate Note Provisions – Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*), 4B(d) (*Interest – Floating Rate Note Provisions – ISDA Determination*) or 4B(e) (*Interest – Floating Rate Note Provisions – Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA*), as applicable;

**"Redemption Amount (Call Option)"** means, in relation to each Note and an Optional Redemption Date (Call Option), the percentage of its Calculation Amount as specified in the relevant Final Terms in respect of such Optional Redemption Date (Call Option) and calculated in accordance with, and subject to, Condition 5(k) (*Redemption and Purchase - Calculation and Rounding*);

**"Redemption Amount"** has the meaning given to it in Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*);

**"Redenomination Date"** means a date (being, in the case of interest-bearing Notes, a date on which interest in respect of such Notes is payable) which:

- (i) is specified by the Issuer in the notice given to the Noteholders pursuant to Condition 8(a) (*Redenomination – General*); and
- (ii) falls on or after such date as the country of the Settlement Currency becomes a Participating Member State;

**"Reference Bank(s)"** means four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

**"Reference Dealers"** means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

**"Reference Rate"** means, as specified in the relevant Final Terms, either BBR, EURIBOR, SONIA, SOFR, €STR, SORA or TONA;

**"Regular Period"** means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in

any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Related Exchange**" means, subject to the proviso below, in respect of an Index or Security, each exchange or quotation system specified as such for such Index or Security in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index or Security has temporarily relocated (**provided that** the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index or Security as on the original Related Exchange) **provided, however, that** where "All Exchanges" is specified as the Related Exchange in the relevant Final Terms, "**Related Exchange**" shall mean in respect of an Index or Security each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or Security, as the case may be;

"**Related Payment Date**" means any payment date on the Notes on which the amount payable is calculated by reference to the Relevant Rate determined on the related Scheduled FX Fixing Date;

"**Relevant Benchmark**" means, in relation to any Series of Notes:

- (a) each Reference Rate, Floating Rate Option or other interest rate, yield, cost of fund or similar rate specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Reference Rate or Floating Rate Option);
- (b) each Relevant Rate specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Relevant Rate);
- (c) each Index specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Index);
- (d) any other index, benchmark or price source specified in the relevant Final Terms as being applicable to such Notes.

To the extent that any index, benchmark or price source constitutes an Alternative Pre-nominated Index or Replacement Index used pursuant to Condition 13A (*Consequences of a Benchmark Trigger Event*), such index, benchmark or price source, as applicable, shall be a "Relevant Benchmark" from the day on which it is first used;

"**Relevant Benchmark Determination Date**" means, in relation to any Series of Notes and a Relevant Benchmark, a date on which such Relevant Benchmark falls to be determined in accordance with the Conditions;

"**Relevant Benchmark Related Payment Date**" means, in relation to any Series of Notes, a Relevant Benchmark and a Relevant Benchmark Determination Date, any payment date under the Notes for which the amount payable is calculated by reference to the Relevant Benchmark as determined on such Relevant Benchmark Determination Date;

"**Relevant Currency**" means:

- (i) "**AUD**" which is the lawful currency of Australia;
- (ii) "**CHF**" which is the lawful currency of Switzerland;
- (iii) "**EUR**" which is the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty;

- (iv) "**GBP**" which is the lawful currency of the United Kingdom;
- (v) "**JPY**" which is the lawful currency of Japan;
- (vi) "**SGD**" which is the lawful currency of Singapore; and
- (vii) "**USD**" which is the lawful currency of the United States of America,

in each case as specified in the relevant Final Terms;

**"Relevant Currency Business Day"** means, in relation to a Relevant Rate that is the Alternative Payment Currency Exchange Rate or Alternative Payment Cross Currency Rate or Settlement Currency Exchange Rate, an Alternative Payment Currency Fixing Date;

**"Relevant Final Performance"** means the Final Index Performance or Final Security Performance, as applicable;

**"Relevant Financial Centre"** means the financial centre specified as such in the relevant Final Terms;

**"Relevant Financial Centre Day"** means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre or centres for the currency in which payment falls to be made (or, where such currency is a National Currency Unit and the Notes have been redenominated into euro pursuant to Condition 8 (*Redenomination*), the former principal financial centre or centres) and in any other place set out in the Final Terms. In the case of payments which fall to be made in euro (save for payments in relation to Notes which have been redenominated into euros pursuant to Condition 8 (*Redenomination*)), a Euro Business Day. The Relevant Financial Centre Days in relation to any Tranche determined in accordance with the above provisions as at the Issue Date shall be specified in the relevant Final Terms;

**"Relevant Nominating Body"** means, in respect of a Relevant Benchmark:

- (a) the central bank for the currency in which the Relevant Benchmark is denominated or any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark; or
- (b) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (i) the central bank for the currency in which the Relevant Benchmark is denominated, (ii) any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark, (iii) a group of those central banks or other supervisors or (iv) the Financial Stability Board or any part thereof;

**"Relevant Observation Performance"** means the Observation Index Performance or Observation Security Performance, as applicable;

**"Relevant Rate"** means the Alternative Payment Currency Exchange Rate, Alternative Payment Cross Currency Rate or Settlement Currency Exchange Rate (as applicable);

**"Relevant Reference Asset Fallback Provisions"** means:

- (a) in relation to a Series of Notes where the Affected Relevant Benchmark is an Index, Condition 16(c) (*Adjustments to Indices – Index Cancellation*), as if the relevant Benchmark Trigger Event were an Index Cancellation;
- (b) in relation to any Series of Notes where the Affected Relevant Benchmark is a Relevant Rate, if "Price Source Disruption" is specified as being applicable in the relevant Final Terms, Condition 7(e) (*Payments – Price Source Disruption and FX Disruption*), as if the relevant Benchmark Trigger Event were a Price Source Disruption; and
- (c) in relation to any Series of Notes where the Affected Relevant Benchmark is a Reference Rate, the fallback provisions in respect of such Affected Relevant Benchmark contained in Conditions 4B(c) (*Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR*,

*SORA or TONA*) or 4B(e) (*Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA*) (as applicable);

**"Relevant Screen Page"** means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

**"Relevant Time"** means the time specified as such in the relevant Final Terms;

**"Replacement DRs"** means, if the relevant Deposit Agreement is terminated, any depository receipts which the Calculation Agent determines, in accordance with Condition 20 (*Events relating to DR-Linked Notes*) are to replace the Depository Receipts constituted by such terminated Deposit Agreement;

**"Renminbi"**, **"RMB"** and **"CNY"** all refer to the lawful currency of mainland China;

**"Replacement Index"** has the meaning given to it in Condition 13A(a)(ii)(A) (*Consequences of a Benchmark Trigger Event*);

**"Return Threshold"** means the percentage specified as such in the relevant Final Terms;

**"Scheduled Averaging Date"** means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date;

**"Scheduled Closing Time"** means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

**"Scheduled Final Averaging Date"** means the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date;

**"Scheduled Final Observation Date"** means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been the final Observation Date;

**"Scheduled FX Fixing Date"** has the meaning specified in Condition 7(e) (*Payments – Price Source Disruption and FX Disruption*);

**"Scheduled Observation Date"** means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date;

**"Scheduled Trading Day"** means, in respect of an Index or a Security (as applicable) (a) any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or (b) with respect to a Multiple Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session;

**"Scheduled Valuation Date"** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

**"Securities"** means, in relation to a Series of Notes, the equity securities, debt securities (including without limitation Government Bonds), depository receipts or other securities or property, as adjusted pursuant to Condition 17 (*Adjustments and Events affecting Securities*) and Condition 18 (*Additional Disruption Events*), to which such Notes relate, as specified in the relevant Final Terms and subject, in the case of a Series of Notes linked to Depository Receipts to the provisions of Condition 20 (*Events relating to DR-Linked Notes*), or in the case of a Series of Notes linked to Units in an ETF, to the provisions of Condition 19 (*Adjustments where the Securities are Units in an ETF*) and Condition 21 (*Notes linked to Units in an ETF – General*) and **"Security"** shall be construed accordingly;

"**Securities Basket**" means in relation to a Series of Notes, the basket of Securities to which such Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 17 (*Adjustments and Events affecting Securities*) and Condition 18 (*Additional Disruption Events*) and "**Securities Baskets**" shall be construed accordingly;

"**Senior Non-Preferred Obligations**" means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-4° of the French *Code monétaire et financier*;

"**Senior Preferred Obligations**" means any obligations (including the Notes) or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-3° of the French *Code monétaire et financier*. For the avoidance of doubt, all unsubordinated debt securities issued by the Issuer prior to 11 December 2016 constitute Senior Preferred Obligations;

"**Settlement Currency**" means the currency specified as such in the relevant Final Terms;

"**Settlement Currency Exchange Rate**" means, for any Alternative Payment Currency Fixing Date, the currency exchange rate between the Cross Currency and the Settlement Currency as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time and as observed by the Calculation Agent;

"**Settlement Currency Jurisdiction**" means the jurisdiction specified as such in the relevant Final Terms;

"**Settlement Cycle**" means, in respect of an Index or a Security, the period of Clearing System Business Days following a trade in the relevant Security or the securities underlying such Index, as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such Exchange (or, if there are multiple Exchanges in respect of an Index, the longest such period);

"**SOFR**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Secured Overnight Financing Rate;

"**SONIA**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Sterling Overnight Index Average;

"**SOR**" means the synthetic rate for deposits in Singapore Dollars known as the Singapore Dollar Swap Offer Rate provided by ABS Benchmarks Administration Co Pte. Ltd., as the administrator of the benchmark (or a successor administrator);

"**SORA**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Singapore Overnight Rate Average;

"**Specified Denomination**" means, with respect to a Note, the Denomination of such Note;

"**Specified Maximum Number of Disrupted Days**" means the eighth Scheduled Trading Day or such other number of Scheduled Trading Days specified as such in the relevant Final Terms;

"**Specified Level**" means, with respect to an Index, if the Specified Level with respect to the relevant Valuation Date is specified to be:

- (i) "**Single Observation**", the Closing Level of such Index on the Valuation Date for which the performance of the Index is to be determined;
- (ii) "**Highest Level**", the highest Closing Level of the Index over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iii) "**Lowest Level**", the lowest Closing Level of such Index over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;

- (iv) "**Average Level**", the arithmetic average of the Closing Levels of such Index over the Averaging Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"**Specified Period**" means the period specified as such in the relevant Final Terms;

"**Specified Price**" means, with respect to a Security, if the Specified Price with respect to the relevant determination of performance is specified to be:

- (i) "**Single Observation**", the Closing Price of such Security on the Valuation Date for which the performance of the Security is to be determined;
- (ii) "**Highest Price**", the highest Closing Price of the Security over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iii) "**Lowest Price**", the lowest Closing Price of such Security over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iv) "**Average Price**", the arithmetic average of the Closing Prices of such Security over the Averaging Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up).

"**Strike Date**" means:

- (a) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (b) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Strike Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

"**Strike Percentage**" means the percentage specified as such in the Final Terms;

"**Substitute Index**" means, in respect of an Index, a successor index identified by the Calculation Agent using commercially reasonable efforts, with characteristics, objectives and rules similar to such index in effect immediately prior to the occurrence of the Index Cancellation;

"**T2**" means the real time gross settlement system operated by the Eurosystem, or any successor system;

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Underlying Company, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

"**TONA**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Tokyo Overnight Average Rate;

"**Trade Date**" means the date specified as such in the relevant Final Terms;

"**Trading Disruption**" means (a) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding

limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the Securities on the Exchange (in the case of Equity-Linked Notes) or on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes); or (ii) in futures or options contracts relating to the relevant Index or the Securities on any relevant Related Exchange; or (b) with respect to a Multiple Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to any Component Security on the Exchange in respect of such Component Security, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange;

"**Treaty**" means the Treaty on the Functioning of the European Union, as amended;

"**Underlying**" means either an "Underlying Index" or an "Underlying Security";

"**Underlying Company**" means the issuer of the Security as specified in the relevant Final Terms and, if the Notes are DR-Linked Notes, each of the Depository and the issuer of the relevant Underlying Security, in each case subject to adjustment in accordance with Condition 17 (*Adjustments and Events affecting Securities*), and subject, in the case of a Series of Notes linked to Units in an ETF, to the provisions of Condition 21 (*Notes linked to Units in an ETF – General*);

"**Underlying Index**", in relation to an ETF, means each index to which such ETF relates;

"**Underlying Security**" means, with respect to DR-Linked Notes and a Depository Receipt, the security and any other property to which such Depository Receipt relates;

"**Unit**", in relation to an ETF, has the meaning given to it in the relevant Final Terms;

"**Unscheduled Holiday**" means, in relation to a Relevant Rate, a day, determined by the Calculation Agent, that is not a Relevant Currency Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until on or later than the second Relevant Currency Business Day (or such other number of Relevant Currency Business Days specified in the relevant Final Terms) immediately preceding the Scheduled FX Fixing Date;

"**USD**" means the lawful currency of the United States of America;

"**Valid Date**" means, in respect of an Index or a Security (as applicable), a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Final Valuation Date, Barrier Valuation Date, Lock-In Redemption Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, or Lock-In Coupon Valuation Date (as applicable) does not or is not deemed to occur;

"**Valuation Date**" means the Strike Date, the Final Valuation Date, any Barrier Valuation Date, any Lock-In Redemption Valuation Date, any Automatic Early Redemption Valuation Date, any Coupon Trigger Valuation Date or any Lock-In Coupon Valuation Date;

"**Valuation Time**" means (a) in relation to each Security to be valued or each Index (other than a Multiple Exchange Index) the level of which falls to be determined on any date, the time on such date specified as such in the relevant Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on such date in relation to such Index or Security, as applicable. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or (b) in relation to a Multiple Exchange Index for the purposes of determining whether a Market Disruption Event in respect of such Index has occurred: (i) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (ii) in respect of any options contracts or future contracts on such Index, the close of trading on the Related Exchange for such Index; and (c) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor and/or set out in the Index Rules for such Index (as applicable);

"**Weighting**" means, in respect of each Index or Security (as applicable) comprised in the relevant Basket, the percentage weighting assigned to such Index or Security and specified as such in the relevant Final Terms.



**"Worst Performing Index"** means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Level of each Index in the Basket has been determined, the Index for which the Specified Level of such Index determined with respect to such day divided by the Initial Index Level for such Index is lowest, as determined by the Calculation Agent; and

**"Worst Performing Security"** means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Price of each Security in the Basket has been determined, the Security for which the Specified Price of such Security determined with respect to such day divided by the Initial Security Price for such Security is lowest, as determined by the Calculation Agent.

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

The Notes will be issued in dematerialised bearer form (*au porteur*) in the denomination specified in the relevant Final Terms. Title to the Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in the books of Euroclear France ("**Euroclear France**"), which shall credit the accounts of the Account Holders. For the purpose of these Conditions, "**Account Holders**" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV ("**Euroclear**") and the depositary bank for Clearstream Banking S.A. ("**Clearstream**"), and "**holder of Notes**" or "**holder of any Note**", "**Holder**" or "**Noteholder**" means the individual or entity whose name appears in the account of the relevant Account Holder.

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of the Notes may only be effected through, registration of the transfer in such books.

Unless this option is expressly excluded in the relevant Final Terms, in accordance with the provisions of Article L.228-2 of the French *Code de commerce*, the Issuer may at any time request from the central depositary the following identification information of the holders of Notes: the name or the company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, e-mail address as well as the quantity of Notes held by each of them.

## 3. **Status**

*Condition 3A (Status (HBEU)) applies only to Notes issued by HBEU.*

### 3A. **Status (HBEU)**

The Notes are direct, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and, at their date of issue, (save for certain obligations required to be preferred by law) with all other unsecured and unsubordinated obligations of the Issuer for the time being outstanding.

*Condition 3B (Status (HBCE)) applies only to Notes issued by HBCE.*

### 3B. **Status (HBCE)**

The Notes are direct, unconditional, senior preferred and unsecured obligations of the Issuer and rank and will rank at all times:

- (i) *pari passu* without any preference among themselves and with other Senior Preferred Obligations of the Issuer;
- (ii) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking junior to Senior Non-Preferred Obligations; and
- (iii) junior to all present and future claims benefiting from statutory preferences.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights of Noteholders to payment under the Senior Preferred Obligations rank:

- (A) junior to present and future claims benefiting from other preferred exceptions; and
- (B) senior to Senior Non-Preferred Obligations.

4. **Interest**

4A. **Fixed Rate Note Provisions**

(a) **Application**

Subject to Condition 4F (*Relevant Rate – Fixed*), this Condition 4A (*Interest – Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable.

(b) **Accrual of interest**

Fixed Rate Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 7 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Final Redemption Amount or any other redemption amount, as the case may be, is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 4A (*Interest – Fixed Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the day the Calculation Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment, in which case the Notes will continue to bear interest as aforesaid).

(c) **Fixed Coupon Amount**

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount.

(d) **Calculation of interest amount**

The amount of interest payable in respect of the Notes for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, the Aggregate Outstanding Nominal Amount of the Notes; or
- (ii) if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Calculation Amount,

and, in each case, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Settlement Currency (as defined in Condition 1 (*Definitions*)) (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount shall be the product of (1) the amount (determined in the manner provided above) of interest payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Aggregate Outstanding Nominal Amount.

(e) **Interest Step-up**

If "Interest Step-up" is specified as applicable in the relevant Final Terms in respect of any Notes to which Fixed Rate Note provisions apply, the Rate of Interest in respect of such Notes for each Calculation Period shall be the rate specified to be applicable in respect of each Interest Payment Date on which such Calculation Period ends, as set forth in the relevant Final Terms. Each successive rate specified to be applicable in respect of each Interest Payment Date to which Fixed Rate Note provisions and this paragraph apply shall be equal to or greater than the rate specified to apply in respect of the immediately preceding Interest Payment Date to which Fixed Rate Note provisions apply.

(f) **Interest Step-down**

If "Interest Step-down" is specified as applicable in the relevant Final Terms in respect of any Notes, the Rate of Interest in respect of such Notes for each Calculation Period shall be the rate specified to be applicable in respect of each Interest Payment Date on which such Calculation Period ends, as set forth in the relevant Final Terms. Each successive rate specified to be applicable in respect of each Interest Payment Date to which Fixed Rate Note provisions and this paragraph apply shall be equal to or less than the rate specified to apply in respect of the immediately preceding Interest Payment Date to which Fixed Rate Note provisions apply.

4B. **Floating Rate Note Provisions**

(a) **Application**

Subject to Condition 4G (*Relevant Rate – Floating*), this Condition 4B (*Interest – Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable.

(b) **Accrual of interest**

Floating Rate Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 7 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Final Redemption Amount or any other redemption amount, as the case may be, is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 4B (*Interest – Floating Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the day the Calculation Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment, in which case the Notes will continue to bear interest as aforesaid).

(c) **Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA**

If Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA is specified in the relevant Final Terms as being applicable, then the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis, subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*):

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant

Screen Page is unavailable, and unless otherwise specified in the relevant Final Terms, the Calculation Agent will:

- (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time;
  - (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the Settlement Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Settlement Currency) on the first day of the relevant Interest Period for loans in the Settlement Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

**provided, however, that** if the Calculation Agent or the Issuer acting in a commercially reasonable manner (in consultation with the Calculation Agent) determines that in its opinion (x) there is no realistic prospect of the Reference Banks providing the quotations specified in (iii)(A) above or (y) any such quotations are unlikely to be representative of an underlying market:

- (A) the Calculation Agent shall not be required to request the quotations specified in (iii)(A) above or to make the determination specified in (iv) above; and
- (B) the Calculation Agent may (in consultation with the Issuer) determine a rate by reference to such other sources and/or methodology as directed by the Issuer acting in good faith and a commercially reasonable manner.

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to (or where the above proviso applies, elects not to) determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period: (i) subject to (ii) below, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period; or (ii) if the Notes are Fixed/Floating Rate Notes for which no Rate of Interest has yet been determined under this Condition 4B (*Interest - Floating Rate Note Provisions*), the Rate of Interest applicable to the Notes during such Interest Period will be the rate applicable to the Notes in respect of the preceding Interest Period for which Condition 4A (*Fixed Rate Note Provisions*) applied.

**(d) ISDA Determination**

If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i)
  - (A) the "Floating Rate Option" is as specified in the relevant Final Terms;

- (B) the "Designated Maturity", if applicable, is a period specified in the relevant Final Terms;
  - (C) the relevant "Reset Date" unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions; and
  - (D) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Final Terms and:
    - (1) if Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Final Terms;
    - (2) if Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or
    - (3) if Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;
  - (E) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Final Terms and:
    - (1) if Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days specified in relevant Final Terms;
    - (2) if Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Observation Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or
    - (3) if Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms; and
  - (F) if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms;
- (ii) references in the ISDA definitions to:

- (A) "Confirmation" shall be references to the relevant Final Terms;
  - (B) "Calculation Period" shall be references to the relevant Interest Period;
  - (C) "Termination Date" shall be references to the final Interest Period End Date;  
and
  - (D) "Effective Date" shall be references to the Interest Commencement Date;
- (iii) an "Administrator/Benchmark Event" shall be deemed to have occurred for the purpose of the 2021 ISDA Definitions and this Condition 5(d) if there is an event or circumstance which has the effect that the Issuer acting in a commercially reasonable manner or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use the Applicable Benchmark (as defined in the 2021 ISDA Definitions) under such interest rate swap transaction to perform its or their obligations under the Notes; and
- (iv) unless otherwise defined capitalised terms used in this Condition 5(d) shall have the meaning ascribed to them in the ISDA Definitions.,

**provided, however, that:**

- (1) if in relation to any Interest Period the application of the above provisions does not result in the determination of an ISDA Rate and the Issuer acting in a commercially reasonable manner (in consultation with the Calculation Agent) has not determined a Benchmark Trigger Event to have occurred, then (a) the Calculation Agent shall determine the ISDA Rate for such Interest Period having regard to such facts and circumstances as it considers relevant and (b) the Calculation Agent shall not be required to obtain quotations from Reference Banks (as defined in the ISDA Definitions) for purposes of determining the ISDA Rate for such Interest Period notwithstanding that it might otherwise be required to do so as a fallback procedure for the relevant Floating Rate Option pursuant to the ISDA Definitions; and
  - (2) if in relation to any Interest Period the Issuer acting in a commercially reasonable manner (in consultation with the Calculation Agent) determines a Benchmark Trigger Event to have occurred, then (a) the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) shall apply and (b) the Calculation Agent shall not be required to obtain quotations from Reference Banks (as defined in the ISDA Definitions) for purposes of determining the ISDA Rate for such Interest Period notwithstanding that it might otherwise be required to do so as a fallback procedure for the relevant Floating Rate Option pursuant to the ISDA Definitions.
- (e) ***Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA***
- (i) If Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA is specified in the relevant Final Terms as being applicable, then the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the Relevant Rate, all as determined by the Calculation Agent on the Interest Determination Date for such Interest Period.
  - (ii) If the Notes become due and payable in accordance with Condition 9 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which the Notes became due and payable and the Rate of Interest applicable to the Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.
  - (iii) If "Payment Delay" is specified as the Observation Method in the relevant Final Terms, all references in these Conditions to interest on the Notes being payable on an Interest

Payment Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead.

(iv) Definitions

**"Applicable Period"** means,

- (A) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, in relation to any Interest Period, the Observation Period relating to such Interest Period; and
- (B) where "Lag", "Lock-Out" or "Payment Delay" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period.

**"d"** means the number of calendar days in the Applicable Period.

**"d<sub>0</sub>"** means the number of Reference Rate Business Days in the Applicable Period.

**"Effective Interest Payment Date"** means each date specified as such in the relevant Final Terms.

**"i"** means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Reference Rate Business Day in the Applicable Period in chronological order from (and including) the first Reference Rate Business Day in the Applicable Period (each a **"Reference Rate Business Day(i)"**).

**"n<sub>i</sub>"** means, in relation to any Reference Rate Business Day(i), the number of calendar days from (and including) such Reference Rate Business Day(i) up to (but excluding) the next following Reference Rate Business Day.

**"Non-Reset Date"** means each Reference Rate Business Day(i) in an Applicable Period, the Reference Rate Determination Date in relation to which falls on or after the Rate Cut-Off Date (if any).

**"Observation Period"** means, in relation to an Interest Period, the period from (and including) the date which is "p" Reference Rate Business Days prior to the first day of such Interest Period (and in respect of the first Interest Period, the Interest Commencement Date) and ending on (but excluding) the date which is "p" Reference Rate Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Reference Rate Business Days prior to such earlier date, if any, on which the Notes become due and payable).

**"p"** means the whole number specified as such in the Final Terms representing a number of Reference Rate Business Days;

**"Rate Cut-Off Date"** means:

- (A) where "Lock-Out" is specified as the Observation Method in the relevant Final Terms and "SONIA" is specified as the relevant Reference Rate, in relation to any Interest Period, the Reference Rate Business Day immediately prior to the Interest Determination Date;
- (B) where "Lock-Out" is specified as the Observation Method in the relevant Final Terms and a Reference Rate other than SONIA is specified as the relevant Reference Rate, in relation to any Interest Period, the second Reference Rate Business Day falling prior to the Interest Determination Date;

- (C) where "Payment Delay" is specified as the Observation Method in the relevant Final Terms, and:
  - (I) "SONIA" is specified as the relevant Reference Rate, the Reference Rate Business Day immediately prior to the Interest Determination Date in relation to the final Interest Period only;
  - (II) a Reference Rate other than SONIA is specified as the relevant Reference Rate, the second Reference Rate Business Day falling prior to the Interest Determination Date; and
- (D) in any other circumstances, no Rate Cut-Off Date shall apply.

**"Reference Rate"** means in relation to any Reference Rate Business Day:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such Reference Rate Business Day as provided by the administrator of SONIA (or any successor administrator of such rate) to authorised distributors, or as otherwise published by such authorised distributors on the Reference Rate Business Day immediately following such Reference Rate Business Day;
- (B) where "SOFR" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Secured Overnight Financing Rate ("**SOFR**") as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors, on the next succeeding Reference Rate Business Day for trades made on such Reference Rate Business Day;
- (C) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily euro short-term rate ("**€STR**") for such Reference Rate Business Day as published by the European Central Bank, as administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors, on the Reference Rate Business Day immediately following such Reference Rate Business Day;
- (D) where "SORA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Singapore Overnight Rate Average ("**SORA**") rate for such Reference Rate Business Day as provided by the Monetary Authority of Singapore as the administrator of such rate (or any successor administrator of such rate) (or as published by its authorised distributors) on the Reference Rate Business Day immediately following such Reference Rate Business Day; or
- (E) where "TONA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Tokyo Overnight Average Rate ("**TONA**") rate for such Reference Rate Business Day as provided by the Bank of Japan as the administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors) on the Reference Rate Business Day immediately following such Reference Rate Business Day.

**"Reference Rate(i)"** or "**REF<sub>i</sub>**" means in relation to any Reference Rate Business Day(i), the Reference Rate for the Reference Rate Determination Date in relation to such Reference Rate Business Day(i), **provided that** where either "Lock Out" or "Payment Delay" are specified as the Observation Method in the relevant Final Terms, Reference Rate(i) (or REF<sub>i</sub>) in respect of each Interest Non-Reset Date (if any) in an Applicable Period shall be Reference Rate(i) (or REF<sub>i</sub>) as determined in relation to the Rate Cut-Off Date.



**"Reference Rate Business Day"** means:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in London;
- (B) where "SOFR" is specified as the Reference Rate in the relevant Final Terms, means any day except for a Saturday, Sunday or a day on which The Securities Industry and Financial Markets Association ("**SIFMA**") recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;
- (C) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a Euro Business Day;
- (D) where "SORA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in Singapore; or
- (E) where "TONA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in Tokyo.

**"Reference Rate Determination Date"** means, in relation to any Reference Rate Business Day(i):

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the Reference Rate Business Day falling "p" Reference Rate Business Days prior to such Reference Rate Business Day(i); and
- (B) otherwise, such Reference Rate Business Day(i);

**"Relevant Rate"** means with respect to an Interest Period:

- (A) where "Compounded Daily Rate" is specified as the Determination Method in the relevant Final Terms, the rate of return of a daily compound interest investment (with the applicable Reference Rate specified in the Final Terms as reference rate for the calculation of interest) calculated as follows, with the resulting percentage rounded, if necessary, (i) in the case of SONIA, €STR and SORA to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards and (ii) in the case of SOFR and TONA to the nearest one hundred-thousandth of a percentage point (0.00001%), with 0.000005% being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{REF}_i \times n_i}{Y} \right) - 1 \right] \times \frac{Y}{d}$$

- (B) where "Weighted Average Rate" is specified as the Determination Method in the relevant Final Terms the arithmetic mean of Reference Rate(i) for each Reference Rate Business Day during such Applicable Period (each "**Reference Rate Business Day(i)**"), calculated by multiplying the relevant Reference Rate(i) for any Reference Rate Business Day(i) by the number of days such Reference Rate(i) is in effect (being the number of calendar days from (and including) such Reference Rate Business Day(i) up to (but excluding) the next following Reference Rate Business Day), determining the sum of such products and dividing such sum by the number of calendar days in the relevant Applicable Period.

"Y" is the number specified as such in the relevant Final Terms, or if no number is so specified, a number reflecting the denominator for day count fractions customarily used to calculate floating rate interest amounts on instruments denominated in the Specified Currency and with an original maturity equal to that of the Notes, as determined by the Calculation Agent.

- (v) Additional Provisions applicable where "SONIA" or "€STR" is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable):

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date, in each case with respect to the Reference Rate, have occurred, Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof.
- (B) If the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Reference Rate(i), then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(iv):
- (1) Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Relevant Recommended Rate;
- (2) if there is a Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date, but neither the administrator of the Relevant Recommended Rate nor authorised distributors provide or publish the Relevant Recommended Rate in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, then, subject to paragraph (3) below, in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Relevant Recommended Rate prior to the related Reference Rate Determination Date. If there is no last provided or published Relevant Recommended Rate, then in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Reference Rate (without taking into account any deemed changes to the term "Reference Rate" pursuant to Condition 4B(e)(v)(B)(I) above) prior to the related Reference Rate Determination Date; and
- (3) if:

- (x) there is no Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date referred to in the first paragraph of Condition 4B(e)(v)(B) above; or
- (y) there is a Relevant Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Relevant Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(e)(iv), Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Final Fallback Rate. In respect of any day for which the Final Fallback Rate is required, references to the Final Fallback Rate will be deemed to be references to the last provided or published Final Fallback Rate as at close of business in the RFR Financial Centre on that day.

- (C) Definitions for the purposes of this Condition 4B(e)(v) and Condition 4B(e)(vii):

**"EDFR"** means, in respect of any relevant day, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, in respect of that day;

**"EDFR Spread"** means:

- (1) if no Relevant Recommended Rate is recommended before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to the Reference Rate referred to in the first paragraph of Condition 4B(e)(v)(B), the arithmetic mean of the daily difference between €STR and EDFR over an observation period of 30 Reference Rate Business Days starting 30 Reference Rate Business Days prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the Reference Rate referred to in the first paragraph of Condition 4B(e)(v)(B) occurs and ending on the Reference Rate Business Day immediately preceding such day; or
- (2) if an Index Cessation Event or Administrator/Benchmark Event with respect to the Relevant Recommended Rate occurs, the arithmetic mean of the daily difference between the Relevant Recommended Rate and EDFR over an observation period of 30 Reference Rate Business Days starting 30 Reference Rate Business Days prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the Relevant Recommended Rate occurs and ending on the Euro Business Day immediately preceding such day;

**"Final Fallback Rate"** means in respect of any relevant day:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, the official bank rate as determined by the Monetary Policy Committee of the Bank of England and published by the Bank of England from time to time, in effect on that day; or

- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a rate equal to EDFR in respect of that day, plus the EDFR Spread;

**"RFR Financial Centre"** means:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, London; or
- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, Frankfurt; and

**"Relevant Recommended Rate"** means in respect of any relevant day:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SONIA by (i) the administrator of SONIA if the administrator of SONIA is a national central bank, or (ii) if the national central bank administrator of SONIA does not make a recommendation or the administrator of SONIA is not a national central bank, a committee designated for this purpose by one or both of the Financial Conduct Authority (or any successor thereto) and the Bank of England and as provided by the then administrator or provider of that rate, or if that rate is not provided by the then administrator or provider thereof, published by an authorised distributor, in respect of that day;
- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for €STR by:
- (I) the European Central Bank (or any successor administrator for €STR); or
- (II) a committee officially endorsed or convened by (a) the European Central Bank (or any successor administrator of €STR) and/or (b) the European Securities and Markets Authority,

in each case for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day;

- (3) where "SORA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SORA by the Monetary Authority of Singapore or by a committee officially endorsed or convened by the Monetary Authority of Singapore (which rate may be produced by the Monetary Authority of Singapore or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day; or
- (4) where "TONA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for TONA by a committee officially endorsed or convened by the Bank of Japan for the purpose of recommending a replacement for TONA (which rate may be produced by the Bank of Japan or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then

administrator thereof, published by an authorised distributor, in respect of that day

- (vi) Additional Provisions applicable where "SOFR" is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable):

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date, and:
- (I) where "**ARRC Fallbacks**" are specified as applicable in the relevant Final Terms a SOFR Transition Event and a related SOFR Replacement Date have not both occurred; or
- (II) where "**ARRC Fallbacks**" are not specified as applicable in the relevant Final Terms, and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator Benchmark Event Date, in each case with respect to SOFR, have occurred,

Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof.

- (B) Where "**ARRC Fallbacks**" are specified as applicable in the relevant Final Terms, if the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer) determines that a SOFR Transition Event and the related SOFR Replacement Date have occurred in relation to the Reference Rate (or any SOFR Replacement Rate previously determined in accordance with this Condition 4B(e)(C) on the Reference Rate Business Day on which a determination of Reference Rate is due to be made the SOFR Replacement Rate will replace the then-current Reference Rate for all purposes and in respect of all determinations on such Reference Rate Business Day and (without prejudice to the further operation of this Condition 4B(e)(C) all subsequent determinations; **provided that**, if the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer) is unable to or does not determine a SOFR Replacement Rate in accordance with the provisions below prior to 5:00 p.m. (New York time) on the relevant Interest Determination Date, the interest rate for the related Interest Period will be equal to (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period); **provided, however**, that if the Notes are Fixed/Floating Rate Notes for which no Rate of Interest has yet been determined under this Condition 4B (*Interest – Floating Rate Note Provisions*), the Rate of Interest applicable to the

Notes during such Interest Period will be the rate applicable to the Notes in respect of the preceding Interest Period for which Condition 4A (*Interest–Fixed Rate Note Provisions*) applied.

- (C) If "ARRC Fallbacks" are not specified as applicable in the relevant Final Terms, if the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to SOFR, then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(e)(iv),
- (I) Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be deemed to be the rate (inclusive of any adjustments or spreads) that was recommended as the replacement for SOFR by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for SOFR (which rate may be produced by the Federal Reserve Bank of New York or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof, published by an authorised distributor, in respect of that day (the "**Fed Recommended Rate**") as determined in relation to related Reference Rate Determination Date for such Reference Rate Business Day(i);
- (II) if there is a Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR, but neither the administrator nor authorised distributors provide or publish the Fed Recommended Rate, then, subject to paragraph (III) below, in respect of any day for which the Fed Recommended Rate is required, references to the Fed Recommended Rate will be deemed to be references to the last provided or published Fed Recommended Rate. However, if there is no last provided or published Fed Recommended Rate, then in respect of any day for which the Fed Recommended Rate is required, references to the Fed Recommended Rate will be deemed to be references to the last provided or published SOFR;
- (III) if:
- (x) there is no Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR; or
- (y) there is a Fed Recommended Rate and the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Fed Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(e)(iv), Reference Rate(i) in relation to

each Reference Rate Business Day (i) falling on or after the Applicable Fallback Effective Date with respect to SOFR or the Applicable Fallback Effective Date with respect to the Fed Recommended Rate (as applicable) will be the Overnight Bank Funding Rate ("**OBFR**") administered by the Federal Reserve Bank of New York (or a successor administrator), as determined in relation to the related Reference Rate Determination Date for such Reference Rate Business Day(i) but as if references to "Reference Rate Business Day(i)" were to "New York Fed Business Day", but so that in the case of the Applicable Period in which the Applicable Fallback Effective Date occurred, "d<sub>0</sub>" shall be construed so that it means the aggregate of (x) the number of Reference Rate Business Days in the Applicable Period up to (but excluding) the Applicable Fallback Effective Date and (y) the number of New York Fed Business Days in the Applicable Period relating to such Interest Period from (and including) the Applicable Fallback Effective Date (and "i" shall be construed accordingly);

(IV) if neither the administrator nor authorised distributors provide or publish the OBFR, then, subject to paragraph (V) below, in respect of any day for which the OBFR is required, references to the OBFR will be deemed to be references to the last provided or published OBFR;

(V) if:

(x) there is no Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR, or there is a Fed Recommended Rate and an Applicable Fallback Effective Date subsequently occurs with respect to it; and

(y) there is an OBFR and the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator Benchmark Event Date have occurred, in each case with respect to the OBFR, then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(e)(iv),

Reference Rate(i) in relation to each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date with respect to OBFR (or, if the Applicable Fallback Effective Date with respect to SOFR or the Applicable Fallback Effective Date with respect to the Fed Recommended Rate (as applicable) is later, the Reference Rate Business Day(i) occurring on or after the Applicable Fallback Rate with respect to SOFR or the Fed Recommended Rate, as applicable) will be the short-term interest rate target set by the Federal Open Market Committee, as prevailing on such Reference Rate Determination Date, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee, as prevailing on such Reference Rate Determination Date (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range, rounded, if necessary, to the nearest second decimal place with 0.005 being rounded upwards) (the "**FOMC Target Rate**") determined in accordance with the definition of Reference Rate(i), but as if references to "Reference Rate Business Day(i)" were to "New York City Business Day", but so that in the case of the

Applicable Period in which the Applicable Fallback Effective Date occurred, "d<sub>0</sub>" shall be construed so that it means the aggregate of (x) the number of Reference Rate Business Days in the Applicable Period up to (but excluding) the Applicable Fallback Effective Date and (y) the number of New York City Business Days in the Applicable Period relating to such Interest Period from (and including) the Applicable Fallback Effective Date (and "i" shall be construed accordingly); and

- (z) In respect of any day for which the FOMC Target Rate is required, references to the FOMC Target Rate will be deemed to be references to the last provided or published FOMC Target Rate as at close of business in New York City on that day.

(D) *Definitions for purposes of this Condition 4B(e)(vi):*

"**designee**" means an affiliate or any other agent of the Issuer.

"**Federal Reserve Board**" means the Board of Governors of the U.S. Federal Reserve System.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Reference Rate for the applicable tenor.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"**New York City Business Day**" means day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in New York City.

"**New York Fed Business Day**" means any day except for a Saturday, Sunday or a day on which the Fedwire Securities Services or the Fedwire Funds Service of the Federal Reserve Bank of New York is closed.

"**Reference Time**" with respect to any determination of the Reference Rate means (1) if the Reference Rate is SOFR, the time specified for such determination specified in the definition of the Reference Rate, and (2) if the Reference Rate is not SOFR, the time determined by the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer).

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"**SIFMA**" means the Securities Industry and Financial Markets Association or any successor thereto;



**"SOFR Replacement Adjustment"** means the first alternative set forth in the order below that can be determined by the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer) as of the SOFR Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Replacement;
- (2) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer) giving due consideration to any industry-accepted spread adjustments, or method for calculating or determining such spread adjustment, for the replacement of the then-current Reference Rate with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated floating rate notes at such time.

**"SOFR Replacement Date"** means the earliest to occur of the following events with respect to the then-current Reference Rate (including the daily published component used in the calculation thereof):

- (1) in the case of clause (1) or (2) of the definition of "SOFR Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Reference Rate permanently or indefinitely ceases to provide the Reference Rate (or such component); or
- (2) in the case of clause (3) of the definition of "SOFR Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the SOFR Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the SOFR Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

**"SOFR Replacement Rate"** means the first alternative set forth in the order below that can be determined by the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation with the Issuer) as of the SOFR Replacement Date.

- (1) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Reference Rate and (ii) the SOFR Replacement Adjustment;
- (2) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment; or
- (3) the sum of: (i) the alternate rate of interest that has been selected by the Issuer acting in a commercially reasonable manner (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee acting in a commercially reasonable manner (in consultation

with the Issuer) as the replacement for the then-current Reference Rate for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Reference Rate for U.S. dollar-denominated floating rate notes at such time and (ii) the SOFR Replacement Adjustment.

**"Corresponding Tenor"** with respect to a SOFR Replacement Rate means a tenor (including overnight) having approximately the same length (disregarding business day adjustments) as the applicable tenor for the then-current Reference Rate.

**"SOFR Transition Event"** means the occurrence of one or more of the following events with respect to the then-current Reference Rate (including the daily published component used in the calculation thereof):

- (1) a public statement or publication of information by or on behalf of the administrator of the Reference Rate (or such component) announcing that such administrator has ceased or will cease to provide the Reference Rate (or such component), permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate (or such component); or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate (or such component), the central bank for the currency of the Reference Rate (or such component), an insolvency official with jurisdiction over the administrator for the Reference Rate (or such component), a resolution authority with jurisdiction over the administrator for the Reference Rate (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate (or such component) has ceased or will cease to provide the Reference Rate (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate (or such component); or
- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate announcing that the Reference Rate is no longer representative.

**"Unadjusted SOFR Replacement"** means the SOFR Replacement Rate excluding the SOFR Replacement Rate Adjustment.

- (vii) Additional Provisions applicable where "SORA" or "TONA" is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable);

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date and neither (A) an Index Cessation Event and Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date, in each case with respect to the Reference Rate, have occurred, Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for

which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof.

(B) If the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Reference Rate(i), then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – (iv):

(1) Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Relevant Recommended Rate;

(2) if there is a Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date, but neither the administrator of the Relevant Recommended Rate nor authorised distributors provide or publish the Relevant Recommended Rate in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, then, subject to paragraph (3) below, in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Relevant Recommended Rate prior to the related Reference Rate Determination Date. If there is no last provided or published Relevant Recommended Rate, then in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Reference Rate (without taking into any deemed changes to the term "Reference Rate" pursuant to Condition 4B(e)(vii)(B)(1) above) prior to the related Reference Rate Determination Date; and

(3) if:

(i) there is no Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date referred to in the first paragraph of Condition 4B(e)(vii)(B) above; or

(ii) there is a Relevant Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Relevant Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – (iv), Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be a commercially reasonable alternative for the Applicable Benchmark determined by the Calculation Agent (failing which, the Issuer), taking into account all available information that in good faith it considers relevant including a rate implemented by the central counterparties and/or futures exchanges (if any), in each case with trading volumes in derivatives or futures referencing the

Applicable Benchmark that the Calculation Agent considers sufficient for that rate to be a representative alternative rate.

- (C) The definitions set out in Condition 4B(e)(v)(E) shall be equally applicable to this Condition 4B(e)(vii).

(f) *Maximum or Minimum Interest Rate*

If any Maximum Interest Rate or Minimum Interest Rate is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

In no event shall the Rate of Interest in respect of any Interest Period be less than zero.

(g) *Calculation of Interest Amount*

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the Notes for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, the Aggregate Outstanding Nominal Amount of the Notes notwithstanding that the formula specified in the relevant Final Terms may provide for calculation in relation to the Calculation Amount; or
- (ii) if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Calculation Amount,

and, in each case, multiplying the product by the Day Count Fraction for such Interest Period, rounding the resulting figure to the nearest sub-unit of the Settlement Currency (as defined in Condition 1 (*Definitions*)) (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount shall be the product of (1) the amount (determined in the manner provided above) of interest payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Aggregate Outstanding Nominal Amount.

If interest is required to be paid in respect of the Notes in relation to a period other than an Interest Period, then such interest shall be calculated in accordance with the above paragraph but as if reference therein to "Interest Period" were to such other period.

For the avoidance of doubt, where Notes are redeemed prior to their stated Maturity Date (whether as a result of the occurrence of an Automatic Early Redemption Event or for any other reason) interest shall be payable with respect to the period from and including the most recent Interest Payment Date to but excluding the final date of redemption.

(h) *Dividend Equivalent Payments*

In respect of any Series of Notes where the principal and/or interest in respect of such Notes is determined by reference to one or more variables such as an index, formula, security, currency exchange rate, interest rate or other factor (each variable being a "**Reference Asset**" or, if it is comprised in a basket of variables, a "**Reference Asset Component**"), if the Final Terms in respect of such Notes states the Notes are "Section 871(m) Notes", the Final Terms shall further specify whether the "Dividend Withholding" or "Issuer Withholding" approach to withholding in relation to Section 871(m) IRC shall be applicable to the Notes.

If "Dividend Withholding" is specified in the relevant Final Terms, the relevant Final Terms shall provide for the Issuer to make payments to Noteholders in respect of any dividend equivalent amounts received or deemed received in respect of any Reference Asset or Reference Asset Component and shall include provisions relating to the amount and timing of such payments.

If "Issuer Withholding" is specified in the relevant Final Terms, the Final Terms shall specify whether any dividend equivalent amounts are to be treated as being reinvested during the term of the Notes and what portion thereof is expected as of the Issue Date to be treated for U.S. federal income tax purposes as having been withheld from a payment due to the Noteholders

(i) *Publication*

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s), to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but in any event not later than the fourth Business Day thereafter. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

(j) *Notifications etc.*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4B (*Interest – Floating Rate Note Provisions*) by the Calculation Agent will be made by the Calculation Agent and will (in the absence of manifest error) be binding on the Issuer, the Paying Agents and the Noteholders and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

4C. *Coupon Trigger Notes*

This Condition 4C (*Interest – Coupon Trigger Notes*) is applicable where Coupon Trigger Event is specified in the relevant Final Terms as being applicable, subject to the additional provisions of Condition 4D (*Lock-In Coupon Event*) and Condition 4E (*Coupon Trigger Recovery Event*) below.

If a Coupon Trigger Event occurs in relation to any Coupon Trigger Valuation Date, then the Issuer shall pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Trigger Amount on the relevant Coupon Trigger Payment Date.

The Calculation Agent will cause any Coupon Trigger Amount required to be determined by it together with details of the Coupon Trigger Valuation Date to be notified to the Paying Agents as soon as practicable after such determination (including where such amount is payable following the occurrence of a Lock-In Coupon Event in accordance with Condition 4D (*Lock-In Coupon Event*) below).

If a Coupon Trigger Event does not occur in relation to a Coupon Trigger Valuation Date, then no Coupon Trigger Amount under this Condition 4C shall be payable in respect of the Notes on the relevant Coupon Trigger Payment Date.

4D. *Lock-In Coupon Event*

This Condition 4D (*Lock-In Coupon Event*) is applicable to the Notes only if Lock-In Coupon Event is specified in the relevant Final Terms as being applicable.

If a Lock-In Coupon Event occurs in relation to any Lock-In Coupon Valuation Date, then the Issuer shall, notwithstanding any other provisions of Condition 4C (*Coupon Trigger Notes*) pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Trigger Amount on each relevant Coupon Trigger Payment Date falling on or after the relevant Lock-In Coupon Valuation Date.

4E. ***Coupon Trigger Recovery Event***

This Condition 4E (*Coupon Trigger Recovery Event*) shall apply if Coupon Trigger Recovery Event is specified in the relevant Final Terms as being applicable.

If a Coupon Trigger Recovery Event occurs in relation to any Coupon Trigger Valuation Date, then (in addition to any Coupon Trigger Amount that might be payable pursuant to Condition 4C) the Issuer shall pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Outstanding Missed Coupon Amounts on the relevant Coupon Trigger Payment Date.

If a Coupon Trigger Recovery Event does not occur in relation to a Coupon Trigger Valuation Date, then no Outstanding Missed Coupon Amount shall be payable in respect of the Notes on the relevant Coupon Trigger Payment Date under this Condition 4E (notwithstanding any amount which might be payable pursuant to Condition 4C).

The Calculation Agent will cause any Outstanding Missed Coupon Amounts required to be determined by it together with details of the Coupon Trigger Valuation Date to be notified to the Paying Agents as soon as practicable after such determination.

4F. ***Relevant Rate - Fixed***

If Condition 4C (*Interest – Coupon Trigger Notes*) is specified as being applicable in the Final Terms and "Relevant Rate – Fixed" is further specified as being applicable in the relevant Final Terms, then this Condition 4F (*Relevant Rate – Fixed*) shall apply.

Where this Condition 4F (*Relevant Rate – Fixed*) is applicable, to the extent that a "Coupon Trigger Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Trigger Amount (including such Coupon Trigger Amounts as are required to be calculated to determine any Outstanding Missed Coupon Amounts) shall be determined in accordance with Condition 4A (*Fixed Rate Notes*).

4G. ***Relevant Rate - Floating***

If Condition 4C (*Interest – Coupon Trigger Notes*) is specified as being applicable in the Final Terms and "Relevant Rate – Floating" is further specified as being applicable in the relevant Final Terms, then this Condition 4G (*Relevant Rate – Floating*) shall apply.

Where this Condition 4G (*Relevant Rate – Floating*) is applicable, to the extent that a "Coupon Trigger Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Trigger Amount (including such Coupon Trigger Amounts as are required to be calculated to determine any Outstanding Missed Coupon Amounts) shall be determined in accordance with Condition 4B (*Interest - Floating Rate Note Provisions*).

5. **Redemption and Purchase**

(a) ***At Maturity***

Unless previously redeemed or purchased and cancelled, each Note will be redeemed by the Issuer at an amount per Calculation Amount (the "**Final Redemption Amount**") in the Settlement Currency specified in the relevant Final Terms determined in accordance with this Condition 5(a) (*Redemption and Purchase – At Maturity*) together with Conditions 5(b) (*Redemption Provisions*) on the date specified in the relevant Final Terms as the scheduled date on which such Note is to be redeemed (the "**Maturity Date**").

(b) ***Redemption Provisions***

The Calculation Agent will, as soon as practicable after the Final Valuation Date, calculate the Final Redemption Amount in relation to each Note. Subject to Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*) and Condition 5(c) (*Lock-In Redemption*) the Final Redemption Amount of a Note will be calculated in accordance with one of the following paragraphs of this Condition 5(b), depending on the type of Final Redemption Amount specified in the relevant Final Terms.

(i) *Booster with Barrier Redemption*

If Booster with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- (B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, 100%; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(ii) *Airbag with Barrier Redemption*

If Airbag with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold and no Barrier Event has occurred, the result of the following formula:

$$\text{Max} \{ \text{Conditional Protection Percentage}; 100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]] \}$$

- (B) if the Relevant Final Performance is equal to or greater than the Return Threshold and a Barrier Event has occurred, the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- (C) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage; or
  - (D) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(iii) *Barrier Redemption*

If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold and/or no Barrier Event has occurred, 100%; or

- (B) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(iv) *Digital with Barrier Redemption*

If Digital with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage
  - (B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(v) *Digital Growth with Barrier Redemption*

If Digital Growth with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:  
$$\text{Max}\{100\% + \text{Digital Return Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\}$$
  - (B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(vi) *Growth with Full Protection Redemption*

If Growth with Full Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) the result of the following formula:  
$$\text{Max}\{\text{Protection Level Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\}$$



(vii) *Growth with Partial Protection Redemption*

If Growth with Partial Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min} [\text{Cap; Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- (B) if the Relevant Final Performance is less than the Return Threshold, the result of the following formula:

$$\text{Max}[\text{Minimum Return Percentage; Relevant Final Performance}]$$

(viii) *Digital with Partial Protection Redemption*

If Digital with Partial Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage; or
  - (B) if the Relevant Final Performance is less than the Return Threshold, the result of the following formula:

$$\text{Max}[\text{Minimum Return Percentage; Relevant Final Performance}]$$

(ix) *Buffer Redemption*

If Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Strike Percentage, 100%; or
  - (B) if the Relevant Final Performance is less than the Strike Percentage, the result of the following formula:

$$[\text{Relevant Final Performance}/\text{Strike Percentage}]$$

(x) *Booster with Buffer Redemption*

If Booster with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min} [\text{Cap; Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or
- (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

$$[\text{Relevant Final Performance} / \text{Strike Percentage}]$$

(xi) *Digital with Buffer Redemption*

If Digital with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage;
  - (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

$$[\text{Relevant Final Performance} / \text{Strike Percentage}]$$

(xii) *Digital Growth with Buffer Redemption*

If Digital Growth with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:  
$$\text{Max} \{100\% + \text{Digital Return Percentage}; 100\% + \text{Min} [\text{Cap; Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]\};$$
  - (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

$$[\text{Relevant Final Performance} / \text{Strike Percentage}]$$

(xiii) *Step-Down Growth with Partial Protection Redemption*

If Step-Down Growth with Partial Protection is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$\text{Min}[100\% + \text{Cap}; \text{Minimum Redemption Percentage} + [\text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]]$

- (B) if the Relevant Final Performance is less than the Return Threshold, the Minimum Redemption Percentage.

(xiv) *Fixed Amount Redemption*

If Fixed Amount Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of the Calculation Amount and the Fixed Amount Redemption Rate.

(c) ***Lock-In Redemption***

If Lock-In Redemption Event is specified to be applicable in the relevant Final Terms, then, notwithstanding any provision of Condition 5(b), if a Lock-In Redemption Event has occurred with respect to the Notes, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) Lock-In Redemption Percentage.

(d) ***Redemption for Taxation Reasons***

If in respect of a Series of Notes issued by HBEU, Condition 6B (*Taxation – Gross-up (HBEU)*) is specified as applicable in the relevant Final Terms, or in respect of a Series of Notes issued by HBCE, Condition 6D (*Taxation – No gross-up (HBCE)*) is not specified as applicable in the relevant Final Terms, and:

- (i) on a subsequent date for the payment of interest on such Series of Notes the Issuer would be required to pay any additional amounts, in respect of a Series of Notes issued by HBEU, in accordance with the provisions of Condition 6B (*Taxation – Gross-up (HBEU)*), or, in respect of a Series of Notes issued by HBCE, in accordance with the provisions of Condition 6C (*Taxation – Gross-up (HBCE)*); or
- (ii) if the Issuer were to seek to redeem such Notes (for which purpose no regard shall be had to whether or not the Issuer would otherwise be entitled to redeem such Notes), the Issuer would be required to pay any additional amounts, in respect of a Series of Notes issued by HBEU, in accordance with the provisions of Condition 6B (*Taxation – Gross-up (HBEU)*) or, in respect of a Series of Notes issued by HBCE, in accordance with the provisions of Condition 6C (*Taxation – Gross-up (HBCE)*);

the Issuer may, having given not less than 30 nor more than 45 days' notice (ending, in the case of Floating Rate Notes, on an Interest Payment Date) to the Noteholders in respect of such Series of Notes, redeem all, but not some only, of such Notes, at their Early Redemption Amount specified in the relevant Final Terms together with interest accrued and unpaid, if any, to the date fixed for redemption **provided that** no such notice of redemption shall be given earlier than 90

days (or in the case of Floating Rate Notes a number of days which is equal to the lesser of the aggregate of the number of days in the then current Interest Period plus 60 days and 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.

The Issuer may exercise such option in respect of any Note notwithstanding the prior exercise by the Issuer of its option to require the redemption of such Note under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), below, if the due date for redemption under this Condition 5(d) would occur prior to that under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), but not otherwise and, in such circumstances, the exercise of the option under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*) shall be rendered ineffective.

Prior to giving any notice of redemption pursuant to this Condition 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*) the Issuer may obtain a certificate of an independent legal adviser or accountant to the effect either that such a circumstance does exist or that, upon a change in or amendment to the laws of the United Kingdom (in the case of Notes issued by HBEU) or France (in the case of Notes issued by HBCE) (including any regulations pursuant thereto), or in the interpretation or administration thereof, which at the date of such certificate is proposed and in the opinion of such legal adviser or accountant is reasonably expected to become effective on or prior to the date on which the relevant payment of principal or interest in respect of the Notes would otherwise be made, becoming so effective, such circumstances would exist and any such certificate shall be sufficient to establish the circumstances required by this Condition 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*).

In respect of Notes issued by HBCE only, if HBCE, on the next redemption of principal or payment of interest or other revenues in respect of the Notes, is prevented by French law from making payment to the Noteholders of the full amounts then payable, notwithstanding the undertaking to pay as described in Condition 6C (*Taxation – Gross-up (HBCE)*), then HBCE shall forthwith give notice of such fact to the Principal Paying Agent and HBCE shall, subject to giving not less than seven (7) calendar days' prior notice to the Noteholders in accordance with Condition 11 (*Notices*), redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount plus, unless specified otherwise in the relevant Final Terms, any interest accrued to the date set for redemption on (A) the latest Interest Payment Date on which HBCE could make payment of the full amount then due and payable in respect of the Notes; provided that, if such notice expires after such Interest Payment Date, the date for redemption of Notes shall be the later of (i) the latest practicable date on which HBCE could make payment of the full amount then due in respect of the Notes and (ii) fourteen (14) calendar days after giving notice to the Principal Paying Agent or (B) if so specified in the relevant Final Terms, on any date, provided that the scheduled date for redemption of which notice hereunder shall be given shall be the latest practicable date on which HBCE could make payment of the full amount payable in respect of the Notes, or, if that date is passed, as soon as practicable thereafter.

**(e) *Early Redemption for Autocallable Notes***

This Condition 5(e) (*Redemption and Purchase – Early Redemption for Autocallable Notes*) applies only where Early Redemption for Autocallable Notes is specified as being applicable in the relevant Final Terms.

If an Automatic Early Redemption Event occurs in relation to any Automatic Early Redemption Date, then unless previously redeemed or purchased and cancelled, the Notes will be automatically redeemed in whole, but not in part, on such Automatic Early Redemption Date and subject to Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*), the redemption amount payable by the Issuer on such date upon redemption of each Note shall be an amount per Calculation Amount in the Settlement Currency equal to the relevant Automatic Early Redemption Amount.

**(f) *Redemption at the Option of the Issuer (Call Option)***

Where Redemption at the Option of the Issuer (Call Option) is specified as being applicable in the relevant Final Terms, the Issuer may at any time or as may otherwise specified in the relevant Final Terms, having given not less than or five nor more than 30 days' notice (or such other notice period as may be specified in the relevant Final Terms) to the Noteholders in accordance with Condition 11 (*Notices*) (which notice shall be irrevocable), elect to redeem on an Optional Redemption Date (Call Option) all of the Notes then outstanding on such Optional Redemption Date (Call Option) and at an amount in the Settlement Currency per Calculation Amount equal to the Redemption Amount (Call Option) specified in the relevant Final Terms as corresponding to such Optional Redemption Date (Call Option), together with interest accrued but unpaid thereon to the date fixed for redemption, as determined by the Calculation Agent in accordance with the Conditions.

**(g) *Early Redemption for Illegality***

The Issuer shall have the right to terminate its obligations under the Notes, if the Calculation Agent shall have determined that the performance of such obligations under the Notes (or, the Issuer's or the Issuer's designated affiliates' obligations under any hedging arrangements established in connection therewith) shall after the Trade Date:

- (i) have become unlawful, or
- (ii) unless "Early Redemption for Impracticability" is specified as not applicable in the relevant Final Terms, have become impracticable,

in whole or in part, including, without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial authority or power **provided, however, that** if the Calculation Agent determines that the relevant obligations have become unlawful, the Issuer may obtain an opinion of an independent legal adviser to that effect prior to terminating its obligations under the Notes, and any such opinion shall be sufficient to establish the circumstances required by this Condition 5(f) (*Redemption and Purchase – Early Redemption for Illegality*). In such circumstances the Issuer will pay to each Noteholder the Early Redemption Amount specified in the relevant Final Terms. Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 11 (*Notices*).

**(h) *Purchases***

Each of the Issuer and any person directly or indirectly connected with the Issuer may at any time purchase Notes at any price in the open market or otherwise, and such Notes may be transferred by the Issuer to the Principal Paying Agent for cancellation or, unless otherwise specified in the Final Terms, held in custody by or on behalf of the Issuer and/or sold, resold or otherwise disposed of by the Issuer in accordance and within the limits set by French law from time to time.

**(i) *Cancellation***

All Notes which are redeemed pursuant to Condition 5(a) (*Redemption and Purchase – At Maturity*), 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(e) (*Redemption and Purchase – Early Redemption for Autocallable Notes*), 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*) or 5(g) (*Redemption and Purchase – Early Redemption for Illegality*), and all Notes purchased by the Issuer for cancellation pursuant to Condition 5(h) (*Redemption and Purchase – Purchases*), shall be cancelled forthwith. All Notes redeemed or purchased and cancelled as aforesaid may not be re-issued or resold.

**(j) *No Other Redemption Provisions***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 5(a) (*Redemption and Purchase – At Maturity*), 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(e) (*Redemption and Purchase – Early Redemption for Autocallable*

Notes), 5(f) (*Redemption and Purchase - Redemption at the Option of the Issuer (Call Option)*), 5(g) (*Redemption and Purchase – Early Redemption for Illegality*), Condition 16 (*Adjustments to Indices*), Condition 17 (*Adjustments and Events affecting Securities*), Condition 18 (*Additional Disruption Events*) and Condition 20 (*Events relating to DR-Linked Notes*).

**(k) Calculation and Rounding**

Any redemption amount payable on redemption of a Note (the "**Redemption Amount**") shall be calculated pursuant to this Condition 5 (*Redemption and Purchase*) and in rounding any values determined or calculated in connection with such Redemption Amount, the Calculation Agent shall apply the following rounding conventions:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, the Redemption Amount shall be calculated in relation to the Aggregate Outstanding Nominal Amount of the Notes, rounded to the nearest currency sub-unit (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention) notwithstanding that the formula specified in the relevant Final Terms may provide for the Redemption Amount to be calculated in relation to the Calculation Amount; or
- (ii) if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Redemption Amount shall be calculated in relation to the Calculation Amount rounded to the nearest currency sub-unit (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention).

For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount shall be the product of (1) the amount (determined in the manner provided above) of interest payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Aggregate Outstanding Nominal Amount.

**6. Taxation**

*Conditions 6A (Taxation – No-gross-up (HBEU)) and 6B (Taxation – Gross-up (HBEU)) apply only to Notes issued by HBEU.*

**6A. Taxation – No gross-up (HBEU)**

This Condition 6A (*Taxation – No gross-up (HBEU)*) will be applicable to all Series of Notes unless it is specified in the relevant Final Terms that Condition 6B (*Taxation – Gross-up (HBEU)*) is applicable.

All payments by the Issuer of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of the United Kingdom unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges. In the event that the Issuer is so required by law to withhold or deduct, the Issuer shall not be required to pay any additional amounts in connection with such withholding or deduction.

**6B. Taxation – Gross-up (HBEU)**

This Condition 6B (*Taxation – Gross-up (HBEU)*) will only be applicable to a Series of Notes where it is specified in the relevant Final Terms that this Condition 6B (*Taxation – Gross-up (HBEU)*) is applicable.

All payments by the Issuer of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of the United Kingdom unless

the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges.

In the event that the Issuer is so required by law to withhold or deduct, it will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Notes in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Note:

- (a) to, or to a third party on behalf of, a Holder of a Note who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of it having some connection with the United Kingdom or any other relevant jurisdiction, other than the mere holding of such Note;
- (b) unless it is proved, to the satisfaction of the Principal Paying Agent, that the Holder is unable to avoid such withholding or deduction by satisfying any statutory requirement or by making a declaration of non residence or other similar claim for exemption to the relevant tax authorities or by notifying (and/or presenting evidence of such notification to) any tax authorities of such payment of principal or interest;
- (c) more than 30 days after the Relevant Date (defined below);
- (d) unless it is proved to the satisfaction of the Principal Paying Agent that the Holder, immediately upon becoming the Holder, (i) was eligible for the benefits of a tax treaty with the United Kingdom or any other relevant jurisdiction that provides for a complete exemption from withholding taxes on payments under the Notes, or (ii) was otherwise entitled to a complete exemption from withholding taxes on payments under the Notes; or
- (e) to, or to a third party on behalf of, a Holder who is not the sole beneficial owner of the Note, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that a beneficiary or settlor with respect to the fiduciary, a beneficial owner or member of the partnership would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment.

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due but, if the full amount of the money payable has not been received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such money having been so received, notice to that effect shall have been duly given to the relevant Holders in accordance with Condition 11 (*Notices*).

If the Issuer becomes resident for tax purposes in any taxing jurisdiction other than the United Kingdom, references in this Condition 6 (*Taxation*) to the United Kingdom shall be construed as references to the United Kingdom and/or such other jurisdiction.

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

- (i) any additional amounts which may be payable under this Condition 6 (*Taxation*);
- (ii) the principal amount payable on the relevant Notes on the Maturity Date;
- (iii) the principal amount payable on redemption of the relevant Notes prior to such Maturity Date; and
- (iv) any premium and any other amounts which may be payable under or in respect of the relevant Notes.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts permitted or required by the rules of IRC Section 871(m) or IRC Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**U.S. Permitted Withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any U.S.

Permitted Withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of U.S. Permitted Withholding.

*Conditions 6C (Taxation – Gross-up (HBCE)) and 6D (Taxation – No gross-up (HBCE)) apply only to Notes issued by HBCE.*

**6C. Taxation – Gross-up (HBCE)**

This Condition 6C will be applicable to all Series of Notes unless it is specified in the relevant Final Terms that Condition 6D (*Taxation - No gross-up (HBCE)*) is applicable.

All payments by the Issuer of principal, interest and other revenues in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of France unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges.

In the event that the Issuer is so required by law to withhold or deduct, it will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders, after such withholding or deduction shall equal the respective amounts of principal, interest and other revenues which would have been receivable in respect of the Notes, in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Note to, or to a third party on behalf of, a Holder of a Note who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of it having some connection with France or any other relevant jurisdiction, other than the mere holding of such Note.

As used herein, the "**Relevant Date**" means, in respect of any Series of Notes, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or if payment thereof is unjustifiably delayed) the date on which payment in full of the amount outstanding is made.

Any reference in these Conditions to principal, interest or other revenues or any of them in respect of the relevant Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable under this Condition 6 (*Taxation*);
- (ii) the principal amount payable on the relevant Notes on the Maturity Date;
- (iii) the principal amount payable on redemption of the relevant Notes prior to such Maturity Date; and
- (iv) any premium and any other amounts which may be payable under or in respect of the relevant Notes.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts permitted or required by the rules of IRC Section 871(m), or IRC Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**U.S. Permitted Withholding**"). Neither the Issuer nor any Paying Agent will have any obligation to pay additional amounts or otherwise indemnify a holder for any U.S. Permitted Withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of U.S. Permitted Withholding.

**6D. Taxation - No gross-up (HBCE)**

This Condition 6D will only be applicable to a Series of Notes where it is specified in the relevant Final Terms that Condition 6D (*Taxation - No gross-up (HBCE)*) is applicable.

All payments by the Issuer of principal, interest and other revenues in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental



charges of whatever nature, present or future, as are imposed or levied by or on behalf of France unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges. **In the event that the Issuer is so required by law to withhold or deduct, the Issuer shall not be required to pay any additional amounts in connection with such withholding or deduction.**

7. **Payments**

(a) ***Method of Payment***

Payments of principal and interest in respect of the Notes shall be made in the relevant Settlement Currency by transfer to the account denominated in the relevant Settlement Currency of the relevant Account Holders for the benefit of the Noteholders. Any payment validly made to any such Account Holders will be an effective discharge of the Issuer in respect of such payment.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions of Condition 6 (*Taxation*).

(b) ***Payments on Relevant Financial Centre Days***

If the due date for payment of any amount due in respect of any Note is not a Relevant Financial Centre Day, then the Holder thereof will not be entitled to payment thereof until the next day which is such a day and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 4A (*Interest – Fixed Rate Note Provisions*) or Condition 4B (*Interest – Floating Rate Note Provisions*).

(c) ***General Provisions***

Without prejudice to the generality of the foregoing, the Issuer reserves the right to require any person receiving payment of principal or, as the case may be, payment of interest with respect to any Note to provide a Paying Agent with such certification or information as may be required to enable the Issuer or any parent or holding company of the Issuer or any subsidiary of any such parent or holding company to comply with the requirements of the U.S. Federal Income Tax laws or such other laws as the Issuer or any such parent or holding company or subsidiary thereof may be required to comply with.

(d) ***Payment of Alternative Payment Currency Equivalent***

If:

- (i) "Payment of Alternative Payment Currency Equivalent" is specified as applicable in the relevant Final Terms, or is applicable in accordance with the proviso to Condition 7(e)(Y)(*Payments - Price Source Disruption and FX Disruption*); or
- (ii) a Clearing System Currency Eligibility Event has occurred and is continuing,

Then, if by reason of a FX Disruption Event or a Clearing System Currency Eligibility Event, the Issuer is not able to satisfy payments in respect of the Notes when due in the Settlement Currency, the Issuer may, settle any such payment in U.S. dollars or any other currency specified as the Alternative Payment Currency in the relevant Final Terms on the due date at the Alternative Payment Currency Equivalent of any such amount due.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7(d) (*Payments – Payment of Alternative Payment Currency Equivalent*) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agents and all Noteholders. By acceptance thereof, purchasers of the Notes will be deemed to have acknowledged and agreed and to have waived any and all actual or potential conflicts of interest that may arise as a result of the calculation of the Alternative Payment Currency Equivalent by the Calculation Agent.

(e) **Price Source Disruption and FX Disruption**

(X) If "Price Source Disruption" is specified as being applicable in the relevant Final Terms, then, if on any day on which the Calculation Agent is required to determine a Relevant Rate (a "**Scheduled FX Fixing Date**"):

(A) a Price Source Disruption occurs, (other than as a result of an Unscheduled Holiday), the Calculation Agent shall:

(1) determine the Relevant Rate by reference to the rate of exchange published by available recognised financial information vendors (as selected by the Calculation Agent) on the Scheduled FX Fixing Date (the "**Fallback Reference Price**"); or

(2) unless the Final Terms specify Dealer Poll as not applicable, in the event that the Calculation Agent is unable to determine a Fallback Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fallback Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market, the Calculation Agent will request four Reference Dealers to provide a quotation of their rate for the Relevant Rate as of the Scheduled FX Fixing Date. If at least two quotations are provided, the Relevant Rate will be the arithmetic mean of such quotations; and

(3) if (i) the Final Terms specify Dealer Poll as not applicable and the Calculation Agent is unable to determine a Fallback Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fallback Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; (ii) the Calculation Agent determines that the Relevant Rate determined in accordance with paragraph (2) above does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; or (iii) fewer than 2 quotations are provided by Reference Dealers following the Calculation Agent's request pursuant to paragraph (2) above, the Calculation Agent will determine the Relevant Rate on the first succeeding Business Day on which the Price Source Disruption ceases to exist; **provided, however, that** if the Price Source Disruption continues for thirty consecutive calendar days (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (the "**FX Cut-off Date**"), the Calculation Agent shall determine its good faith estimate of the Relevant Rate on that FX Cut-off Date; or

(B) an Unscheduled Holiday occurs (whether or not a Price Source Disruption also occurs), the Scheduled FX Fixing Date for such Relevant Rate and all other Relevant Rates which have the same Scheduled FX Fixing Date shall be postponed to the first succeeding Relevant Currency Business Day; **provided, however that** in the event that the Scheduled FX Fixing Date is postponed as a result of the occurrence of an Unscheduled Holiday (a "**Postponed FX Fixing Date**"), and if the Postponed FX Fixing Date has not occurred on or before the thirtieth consecutive calendar day (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (any such period being a "**Deferral Period**"), then the next day after the Deferral Period that is or would have been a Relevant Currency Business Day but for an Unscheduled Holiday, shall be deemed to be the Postponed FX Fixing Date and the Calculation Agent, acting in a commercially reasonable manner,

shall determine its good faith estimate of the Relevant Rate on that Postponed FX Fixing Date.

- (Y) If at any time, a FX Disruption Event occurs, the Issuer, acting in a commercially reasonable manner, may elect to either:
- (A) unless Redemption following FX Disruption Event is specified as being not applicable in the relevant Final Terms, having given not less than five days' notice to the Noteholders in accordance with Condition 11 (*Notices*), redeem all, but not some only, of the Notes at their Early Redemption Amount (and, if the FX Disruption Event occurs on a Scheduled FX Fixing Date on which there is a Price Source Disruption or Unscheduled Holiday, and the Early Redemption Amount is specified as being Fair Market Value in the relevant Final Terms, for the purposes of determining such Fair Market Value the Calculation Agent shall first determine any Relevant Rate (A) in accordance with sub-paragraph (X)(A) or (X)(B) above, as applicable, of this Condition 7(e) (*Payments – Price Source Disruption and FX Disruption*) if "Price Source Disruption" is specified as applicable in the relevant Final Terms or, otherwise (B) in good faith and in a commercially reasonable manner) on the date notified to the Noteholders; or
  - (B) instruct the Calculation Agent to make such adjustment(s) to the Conditions as it determines to be necessary or desirable to reflect or account for any market practice that develops in respect of the FX Disruption Event,

**provided, however that** in relation to sub-paragraphs (Y)(A) and (Y)(A) above, if as a result of the FX Disruption Event the Issuer is not able to satisfy payments in respect of the Notes when due in the Settlement Currency, the Issuer may settle any such payment pursuant to the provisions of Condition 7(d) (*Payments – Payment of Alternative Payment Currency Equivalent*).

If a Scheduled FX Fixing Date is postponed in accordance with this Condition 7(e) (*Payments – Price Source Disruption and FX Disruption*), any Related Payment Date will also be postponed, if needed, such that the Related Payment Date shall fall at least three (3) local banking days (or such other number of local banking days as may be specified in the relevant Final Terms) following the postponed Scheduled FX Fixing Date or, if later, the FX Cut-off Date or Postponed FX Fixing Date, as applicable.

## 8. Redenomination

### (a) General

Where redenomination is specified in the relevant Final Terms as being applicable and in respect of Notes denominated in a National Currency Unit, the Issuer may, without the consent of the Noteholders, upon giving at least 30 days' prior notice to the Noteholders in accordance with Condition 11 (*Notices*), designate a Redenomination Date.

With effect from the Redenomination Date:

- (i) each Note shall (unless already so provided by mandatory provisions of applicable law) be deemed to be redenominated into such amount of euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Settlement Currency, converted into euro at the rate for the conversion of the relevant Settlement Currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with EC regulations); **provided, however, that** if the Issuer acting in a commercially reasonable manner determines that market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall

be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;

- (ii) all payments in respect of the Notes (other than, unless the Redenomination Date is on or after such date as the relevant Settlement Currency ceases to be a sub-division of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro, as though references in the Notes to the Settlement Currency were to euro. Such payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union; and
- (iii) such other changes will be made to the Conditions as the Issuer acting in a commercially reasonable manner may decide to conform such Notes to conventions then applicable to Notes denominated in euro. Any such other changes will not take effect until after it has been notified to the Noteholders in accordance with Condition 11 (*Notices*).

Neither the Issuer nor any Paying Agent will be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of euro or any currency conversion or rounding effected in connection therewith.

**(b) Interest**

Following redenomination of the Notes pursuant to Condition 8(a) (*Redenomination – General*):

- (i) in respect of Fixed Rate Notes where interest is payable annually, any interest required to be calculated for a period of less than one year in respect of the Notes shall be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed fall in a leap year, the sum of (a) the number of those days falling in a leap year divided by 366 and (b) the number of those days falling in a non-leap year divided by 365); **provided, however, that** if the Issuer acting in a commercially reasonable manner determines that the market practice in respect of internationally offered euro denominated securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;
- (ii) in respect of Fixed Rate Notes where interest is payable quarterly or semi-annually, the amount of interest payable in respect of each Note on any Interest Payment Date shall be calculated by applying the Rate of Interest to the principal amount of such Note, dividing the product by four or two (as the case may be) and rounding the figure down to the nearest euro 0.01. If interest is required to be calculated for any other period, it shall be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed fall in a leap year, the sum of (a) the number of those days falling in a leap year divided by 366 and (b) the number of those days falling in a non-leap year divided by 365); **provided, however, that** if the Issuer acting in a commercially reasonable manner determines that the market practice in respect of internationally offered euro denominated securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;
- (iii) in respect of Floating Rate Notes, the Interest Amount payable in respect of the Notes for each Interest Period will be calculated by applying the Rate of Interest for such Interest Period to the principal amount of such Note during the Interest Period, multiplying the

product by the actual number of days in such Interest Period divided by 360 and rounding the resulting figure down to the nearest euro 0.01; and

- (iv) in respect of Floating Rate Notes, the Rate of Interest for any subsequent Interest Period shall be determined by the Calculation Agent on the basis of provisions which it determines reflects the market practice in respect of internationally offered euro denominated securities.

## 9. **Events of Default**

If any one or more of the following events (each, an "**Event of Default**") shall occur and be continuing in relation to a Series of Notes:

- (a) the Issuer fails to remedy a default in the repayment of any principal due on the Notes of such Series or any of them or in the payment of any interest due in respect of the Notes of such Series or any of them, in each case within 14 days of notice of such default having been given to the Principal Paying Agent or other Paying Agent or the Registrar (as the case may be) by the Representative, acting upon the request of any Noteholder, **provided that** it shall not be such a default to withhold or refuse any such payment (1) if the Issuer determines, acting in good faith and in a commercially reasonable manner, that there is a material risk of the payment being contrary to any fiscal or other law or regulation or the order of any court of competent jurisdiction, or any statement, guidance, policy recommendation or interpretation of any governmental or regulatory body (whether or not having the force of law), in each case applicable to such payment (and any such determination made by the Issuer in accordance with advice given at any time by independent legal advisers shall be conclusive and binding on the Noteholders) or (2) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time by independent legal advisers as to such validity or applicability; or
- (b)
  - (i) (*in the case of Notes issued by HBEU*) an order is made or an effective resolution is passed for the winding-up of the Issuer in England (otherwise than in connection with a scheme of reconstruction or amalgamation the terms of which shall previously have been approved in writing by an Extraordinary Resolution of the Holders of the relevant Series of Notes); or
  - (ii) (*in the case of Notes issued by HBCE*) the Issuer applies for or is subject to a judgment rendered (i) for its judicial liquidation (*liquidation judiciaire*) or (ii) for a transfer of the whole of the Issuer's business (*cession totale de l'entreprise*) or the Issuer makes any assignment for the benefit of, or enters into any agreement with, its creditors,

then the Representative, acting upon request of any Holder, may, upon written notice addressed to the Issuer and the Principal Paying Agent, effective upon the date of receipt thereof by the Issuer (such date the "**Early Redemption Date**"), declare all the Notes held by such Holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount, as specified in the relevant Final Terms, together with interest accrued and unpaid until the date of its redemption, without presentment, demand, protest or other notice of any kind.

## 10. **Prescription**

Claims against the Issuer for payment in respect of any amount due under the Notes 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 Relevant Date (as defined in Condition 6 (*Taxation*)) in respect thereof.

## 11. **Notices**

### (a) *Notices to Noteholders*

All notices to the Holders of Notes will be valid: (i) if published in one leading daily newspaper with circulation in London (which is expected to be the *Financial Times* or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe); or (ii) by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream

and any other clearing system through which the Notes are for the time being cleared; **provided that**, in the case of Notes admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system the rules of such listing authority, stock exchange and/or quotation system by which the Notes have then been admitted to listing, trading and/or quotation have been complied with. Any such notice shall be deemed to have been given on the date of such publication or delivery or, if published more than once, on the date of the first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

**(b) Notices from Noteholders**

Notices given by any Noteholder shall be in writing and given by lodging the same with the Principal Paying Agent or other Paying Agent at its specified office.

12. **Principal Paying Agent, Paying Agent and Calculation Agent**

- (a) The names of the initial Principal Paying Agent, the other initial Paying Agent and the initial Calculation Agents and their respective initial specified offices are set out below. The Issuer is entitled to vary or terminate the appointment of any Paying Agent or Calculation Agent and/or approve any change in the specified office through which any Paying Agent or Calculation Agent acts, **provided that**, so long as any Notes are outstanding, there will at all times be a Principal Paying Agent.
- (b) Any variation, termination, appointment or change shall only take effect (other than in the case of an insolvency, when it shall be of immediate effect) after notice has been given to the Noteholders in accordance with Condition 11 (*Notices*).
- (c) All calculations and determinations made by the Calculation Agent pursuant to the Conditions for the purposes of the Notes (including any determinations by the Calculation Agent as to the exercise or non-exercise by it of its powers, duties and discretions for such purposes) shall be made in good faith and in a commercially reasonable manner.
- (d) The Paying Agents and the Calculation Agent shall not act as agents for the Noteholders but shall be the agents of the Issuer. All calculation functions required of the Calculation Agent under these Conditions may be delegated to any such person as the Calculation Agent, in its absolute discretion, may decide.

13. **Meetings of Noteholders**

**(a) Representation of Noteholders**

The Noteholders will, in respect of all Tranches of the relevant Series, be grouped automatically for the defence of their common interests in a masse (the "**Masse**") which will be governed by the provisions of articles L.228-46 *et seq.* of the French *Code de commerce* as amended, except for those Notes with a denomination of less than €100,000 (or its equivalent in any other currency), by this Condition 13.

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, without prejudice to the rights that Noteholders may exercise individually in accordance with, and subject to, the provisions of the Terms and Conditions of the Notes.

**(b) Legal Personality**

The Masse will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through collective decisions of the Noteholders (the "**Collective Decisions**").

**(c) Representative**

The names and addresses of the Representative (the "**Initial Representative**") and its alternate (if any) (the "**Alternative Representative**"), will be set out in the relevant Final Terms. The

Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all subsequent Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms. No additional remuneration is payable in relation to any subsequent Tranche of any given Series.

In the event of death, liquidation, retirement, resignation or revocation of appointment of the Representative, such Representative will be replaced by the Alternative Representative, if any. In addition, another Representative may be appointed in such event, pursuant to a Collective Decision of the Noteholders.

Any appointment or change of the Representative in accordance with this paragraph (c) will be notified to the Noteholders in accordance with the provisions of Condition 11 (*Notices*).

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the Alternative Representative (if any) at the head office of the Issuer.

**(d) Powers of Representative**

The Representative shall (in the absence of any Collective Decision to the contrary) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders, with the capacity to delegate its powers. All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

**(e) Collective Decisions**

Collective Decisions are adopted either (i) in a general meeting (the "**General Meeting**"), or (ii) by the consent of one or more Noteholders holding together at least 66.67 per cent. of the principal amount of the Notes outstanding, following a written consultation (the "**Written Resolution**").

In accordance with Article R.228-71 of the French Code de commerce, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00 Paris time, on the second (2<sup>nd</sup>) business day in Paris preceding the date set for the Collective Decision.

Collective Decisions must be published in accordance with Condition 11 (*Notices*). The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series.

**(f) General Meeting**

A General Meeting may be called at any time, either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30) of the principal amount of Notes outstanding, may address to the Issuer and the Representative a demand for a General Meeting to be called. If such General Meeting has not been called within two (2) months after such demand, the Noteholders may commission one of them to petition the competent court to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published in accordance with Condition 11 (*Notices*) not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) calendar days prior to the date of the General Meeting on second convocation if the quorum requirement for the General Meeting on first convocation is not met.

General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least one-fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. The decisions of the General Meeting shall be taken by a two thirds majority of votes cast by the Noteholders attending such General Meeting or represented thereat.

Each Noteholder or representative thereof will have the right to consult or make a copy of the text of the resolutions which will be proposed and of the reports, if any, which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer and at any other place specified in the notice of the General Meeting, during the fifteen (15) calendar day period preceding the holding of the General Meeting on first convocation, or during the five (5) calendar day period preceding the holding of the General Meeting on second convocation.

The General Meeting is chaired by the Representative. In the event of the absence of a representative at the start of a General Meeting and if no Noteholder is present or represented at the General Meeting, the Issuer may, notwithstanding the provisions of Article L.228-64 of the French *Code de commerce*, designate a provisional chairman until a new Representative has been appointed.

Each Noteholder has the right to participate in a General Meeting in person, by proxy or by correspondence. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

**(g) *Written Resolutions and Electronic Consent***

Pursuant to Article L.228-46-1 of the French *Code de commerce*, the Issuer shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Noteholders of such Series by way of a Written Resolution. Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders of such Series. Pursuant to Article L.228-46-1 of the French *Code de commerce*, approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Noteholders ("**Electronic Consent**").

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 11 (*Notices*) no less than 15 calendar days prior to the date fixed for the passing of such Written Resolution (the "**Written Resolution Date**"). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will, by virtue of having expressed their approval or rejection before the Written Resolution Date, have irrevocably undertaken not to dispose of their Notes until after the Written Resolution Date.

Written Resolutions shall be signed by one or more Noteholders holding together at least 66.67 per cent. of the principal amount of the Notes of the relevant Series which are outstanding, without having to comply with formalities and time limits referred to in Condition 11 (*Notices*). Approval of a Written Resolution may also be given by Electronic Consent. Any Written Resolution shall, for all purposes, have the same effect as a resolution passed at a General Meeting of the Noteholders.

**(h) *Exclusion of certain provisions of the French Code de commerce***

The provisions of Article L.228-65 I 1°, 3° and 4° of the French *Code de commerce*, and the related provisions of the French *Code de commerce*, shall not apply to Notes with a denomination equal to or greater than €100,000 (or its equivalent in any other currency).

**(i) *Expenses***

The Issuer shall pay all reasonable expenses relating to the operations of the *Masse*, including all expenses relating to the calling and holding of Collective Decisions and, more generally, all administrative expenses resolved upon by Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.



(j) ***Sole Noteholder***

If and for so long as the Notes of any Series are held by a sole Noteholder, such sole Noteholder shall exercise all the powers, rights and obligations entrusted with the Representative and the Collective Decisions by the provisions of this Condition 13 (*Meetings of Holders*), as appropriate. The Issuer shall hold a register of the decisions the sole Noteholder will have taken in such capacity and shall make them available, upon request, to any subsequent holder of any of the Notes of such Series.

(k) ***Single Masse***

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 14 (*Further Issues*), shall, for the defence of their respective common interests, be grouped in a single Masse.

For the avoidance of doubt, in this Condition 13 (*Meetings of Holders*), the term "outstanding" shall not include those Notes that are held by the Issuer and not cancelled.

13A **Consequences of a Benchmark Trigger Event**

- (a) If the Issuer acting in a commercially reasonable manner (in consultation with the Calculation Agent) determines that a Benchmark Trigger Event has occurred in relation to a Relevant Benchmark relating to a Series of Notes, then:
- (i) if an Alternative Pre-nominated Index has been specified in relation to such Relevant Benchmark in the relevant Final Terms:
    - (A) unless the Issuer acting in a commercially reasonable manner determines that replacing the Relevant Benchmark with the Alternative Pre-nominated Index would not produce a commercially reasonable result, references to such Relevant Benchmark shall be deemed to be replaced with references to the Alternative Pre-nominated Index with effect from such date as the Issuer shall determine (acting in good faith and in a commercially reasonable manner); and
    - (B) the Issuer acting in a commercially reasonable manner shall make such other adjustments to the Conditions as it determines are necessary to account for the effect on the Notes of referencing the Alternative Pre-nominated Index in place of such Relevant Benchmark including, without limitation, to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Notes; and
  - (ii) if an Alternative Pre-nominated Index has not been specified in relation to such Relevant Benchmark in the relevant Final Terms or the Issuer acting in a commercially reasonable manner determines that replacing the Relevant Benchmark with the Alternative Pre-nominated Index would not produce a commercially reasonable result, the Issuer acting in a commercially reasonable manner shall do any of the following:
    - (A) determine that references to such Relevant Benchmark shall be deemed to be replaced by references to such index, benchmark or price source as the Issuer determines would have the effect of placing the Issuer in an economically equivalent position to that which it would have been in had the Benchmark Trigger Event not occurred (the "**Replacement Index**") (and in making such determination the Issuer acting in a commercially reasonable manner shall be entitled to take into account such facts and circumstances as it considers relevant including, without limitation, (i) any index, benchmark or other price source which measures the same market or economic reality as the Relevant Benchmark and which is formally designated, nominated or recommended by the administrator or sponsor of the Relevant Benchmark or (ii) any index, benchmark or other price source which is formally designated, nominated or recommended by any Relevant Nominating Body, in each case to replace the Relevant Benchmark), in which case:

- (1) references to such Relevant Benchmark shall be deemed to be replaced with references to such Replacement Index with effect from such date as the Issuer shall determine (acting in good faith and in a commercially reasonable manner); and
  - (2) the Issuer acting in a commercially reasonable manner shall make such other adjustments to the Conditions as it determines are necessary to account for the effect on the Notes of referencing the Replacement Index in place of such Relevant Benchmark including, without limitation, to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Notes; or
- (B) follow the steps for determining the relevant rate or level set out in the Relevant Reference Asset Fallback Provisions (if any); or
- (C) determine that the Notes shall be redeemed, in which case the Issuer shall redeem the Notes at the Early Redemption Amount specified in the relevant Final Terms on the date selected by the Issuer acting in a commercially reasonable manner and give notice of such redemption to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 11 (*Notices*);

**provided, however, that** if (1) it is or would be unlawful at any time under applicable law or regulation or (2) it would contravene any applicable licensing requirements, in each case, for any of the above provisions or determinations to apply to the Notes, then such provision shall not apply and the Issuer shall not make such determination (as the case may be) and the Issuer shall instead take any of the above actions that complies with the applicable law, regulation or licensing requirements.

- (b) If the Issuer is not able to determine the Relevant Benchmark in accordance with the provisions of this Condition 13A (*Consequences of a Benchmark Trigger Event*) on any Relevant Benchmark Determination Date, then the Relevant Benchmark Determination Date shall be postponed to such date as it is able to make such determination and any Relevant Benchmark Related Payment Date will also be postponed, if needed, such that the Related Payment Date shall fall at least three (3) local banking days (or such other number of days as may be specified in the relevant Final Terms) following the postponed Relevant Benchmark Determination Date.
- (c) No further payment on account of interest or otherwise shall be due in respect of any payment postponed pursuant to this Condition 13A (*Consequences of a Benchmark Trigger Event*) (so that, for the avoidance of doubt, any interest payable in respect of the Notes on a Relevant Benchmark Related Payment Date which is so postponed shall be calculated as if such Relevant Benchmark Related Payment Date had not been postponed pursuant to this Condition 13A) (*Consequences of a Benchmark Trigger Event*) unless, in the case of a Fixed Rate Note or a Floating Rate Note there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in Condition 4A (*Fixed Rate Note Provisions*) or 4B (*Floating Rate Note Provisions*), as appropriate.
- (d) The Issuer shall promptly following the determination of any replacement for a Relevant Benchmark pursuant to paragraph (a)(i)(A) or (a)(ii)(A) above give notice thereof and of any changes pursuant to paragraph (a)(i)(B) or (a)(ii)(A)(2) (as applicable) to the Principal Paying Agent, the Calculation Agent and the Noteholders (in accordance with Condition 11 (*Notices*)).
- (e) Without prejudice to Condition 16(b) (*Adjustments to Indices – Index Modification*), if the definition, methodology or formula for a Relevant Benchmark in respect of a Series of Notes, or other means of calculating the Relevant Benchmark in respect of a Series of Notes, is changed, then references to such Relevant Benchmark shall be to such Relevant Benchmark as so changed.
- (f) In making any determination under this Condition 13A (*Consequences of a Benchmark Trigger Event*), the Issuer acting in a commercially reasonable manner shall take account of such facts and circumstances as it considers relevant, including, without limitation, any determinations made in respect of any of the Issuer's hedging arrangements in relation to the Notes (including in respect of any termination or re-establishment of hedging arrangements) and the Issuer's

funding costs; **provided, however, that**, in the case of a Series of Italian Notes, it shall not take account of any such determinations made in respect of such hedging arrangements and/or the Issuer's funding costs. Except to the extent such exclusion is prohibited by law, in the absence of fraud or gross negligence on the part of the Issuer, no liability will attach to the Issuer in connection with any determination made by the Issuer pursuant to this Clause 13A.

14. **Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Holders of Notes of any Series to create and issue further notes ranking equally in all respects with the Notes of such Series so that the same shall be consolidated and form a single series with such Notes for the time being outstanding.

15. **Consequences of Disrupted Days**

- (a) For the purposes of this Condition 15 (*Consequences of Disrupted Days*), "**Limit Valuation Date**" shall mean, if any Scheduled Valuation Date or Scheduled Observation Date in respect of a Note is a Disrupted Day, the Specified Maximum Number of Disrupted Days following such Scheduled Valuation Date or Scheduled Observation Date, notwithstanding the fact that such day is a Disrupted Day.
- (b) If any Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day, then:
- (A) in the case of a Note which relates to a single Index or Security, the Valuation Date or Observation Date (as applicable) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, **provided that** the Valuation Date or Observation Date (as applicable) shall not fall after the Limit Valuation Date. In that case:
- (1) in respect of an Index-Linked Note, the Limit Valuation Date will be deemed to be the Valuation Date or Observation Date (as applicable), notwithstanding the fact that such day is a Disrupted Day, and the Calculation Agent shall determine the level of the Index as of the Valuation Time on the Limit Valuation Date determined in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Limit Valuation Date of each security or other property comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or other property on the Limit Valuation Date, its estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and
- (2) in respect of an Equity-Linked Note, the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable), notwithstanding the fact that such day is a Disrupted Day and the Calculation Agent shall determine its estimate of the value of the relevant Security as of the Valuation Time on that Limit Valuation Date;
- (B) in the case of a Note which relates to an Index Basket, the Valuation Date or Observation Date (as applicable) for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date or Scheduled Observation Date (as applicable) and the Valuation Date or Observation Date (as applicable) for each Index affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day which is not a Disrupted Day relating to that Index, unless each of the succeeding Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day relating to that Index. In that case, the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable) for the relevant Index notwithstanding the fact that such day is a Disrupted Day relating to that Index and the Calculation Agent shall determine the level of that Index, as of the Valuation Time on the Limit Valuation Date in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day

using the Exchange traded or quoted price as of the Valuation Time on the Limit Valuation Date of each security or other property comprised in the relevant Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or other property on the Limit Valuation Date, its estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and

- (C) in the case of a Note which relates to a Securities Basket, the Valuation Date or Observation Date (as applicable) for each Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date or Scheduled Observation Date (as applicable), and the Valuation Date or Observation Date (as applicable) for each Security affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Security, unless each of the Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day relating to that Security. In that case, (1) the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable) for the relevant Security, notwithstanding the fact that such day is a Disrupted Day, and (2) the Calculation Agent shall determine its estimate of the value for that Security as of the Valuation Time on the Limit Valuation Date.
- (c) If Averaging Dates are specified in the relevant Final Terms, then notwithstanding any other provisions of these Conditions, the following provisions will apply to the valuation of the relevant Index or Security:
- (A) If any Averaging Date is a Disrupted Day, then, if the consequence specified in the relevant Final Terms in relation to "**Averaging Date Market Disruption**" with respect to the relevant Averaging Date is:
- (1) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Final Security Price, Final Index Level, Final Redemption Amount, Coupon Trigger Amount or Automatic Early Redemption Amount, as applicable, **provided that**, if through the operation of this provision no Averaging Date would occur with respect to the relevant Index, then Condition 15(b) (*Consequences of Disrupted Days*) will apply for purposes of determining the relevant level or relevant value (as applicable), price or amount on the final Averaging Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day. If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or a Potential Adjustment Event, shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 15(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 15 (*Consequences of Disrupted Days*);
- (2) "**Postponement**", then Condition 15(b) (*Consequences of Disrupted Days*) will apply for purposes of determining the relevant level or relevant value (as applicable), price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the relevant Notes. If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or a Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 15(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 15 (*Consequences of Disrupted Days*); or

- (3) "**Modified Postponement**", then:
- (aa) in the case of a Note which relates to a single Index or Security, such Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Limit Valuation Date immediately following the Scheduled Final Averaging Date in relation to the relevant Scheduled Valuation Date, then the Limit Valuation Date shall be deemed to be the Averaging Date notwithstanding the fact that such day is a Disrupted Day (irrespective of whether that Limit Valuation Date is already an Averaging Date) and
    - (i) in respect of an Index-Linked Note, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 15(b)(A)(1) (*Consequences of Disrupted Days*); and
    - (ii) in respect of an Equity-Linked Note, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 15(b)(A)(2); and
  - (bb) in the case of a Note which relates to an Index Basket and/or a Securities Basket, the Averaging Date for each Index or Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date and the Averaging Date for an Index or Security affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index or Security. If the first succeeding Valid Date in relation to such Index or Security has not occurred as of the Valuation Time on the Limit Valuation Date immediately following the Scheduled Final Averaging Date, then the Limit Valuation Date shall be deemed to be the Averaging Date (irrespective of whether that Limit Valuation Date is already an Averaging Date) and
    - (i) in respect of an Index, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 15(b)(B) (*Consequences of Disrupted Days*); and
    - (ii) in respect of a Security, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 15(b)(C) (*Consequences of Disrupted Days*).

If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant redemption amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 15(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 15 (*Consequences of Disrupted Days*).

For the purposes of this Condition 15(c)(A)(3) only, "**Limit Valuation Date**" shall mean, if any Averaging Date in respect of a Note is a Disrupted Day, the Specified Maximum Number of Disrupted Days following the Scheduled Final Averaging Date, notwithstanding the fact that such day is a Disrupted Day.

- (d) If a Scheduled Valuation Date or Scheduled Final Observation Date is postponed (x) in accordance with this Condition 15 (*Consequences of Disrupted Days*) and/or (y) as a result of it not being a Scheduled Trading Day, any Disrupted Day Related Payment Date will also be postponed, if needed, such that the Disrupted Day Related Payment Date shall fall at least three (3) local banking days (or such other number of local banking days as may be specified in the

Final Terms) following the later of (i) the postponed Valuation Date or postponed Observation Date or, if later, the Limit Valuation Date, as applicable and (ii) the postponed Scheduled FX Fixing Date or, if later, the FX Cut-off Date or Postponed FX Fixing Date, as applicable (if any). In respect of a Note which relates to an Index Basket and/or a Securities Basket, the postponed Valuation Date or postponed Observation Date or Limit Valuation Date referred to in this paragraph 15(d) will be deemed to be, in respect of a Scheduled Valuation Date or Scheduled Final Observation Date, the latest postponed Valuation Date or postponed Observation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation Date or Scheduled Final Observation Date.

Unless Interest Adjustment is specified in the relevant Final Terms as being applicable, no further payment on account of interest or otherwise shall be due in respect of any payment postponed pursuant to this Condition 16(d) (so that, for the avoidance of doubt, any interest payable in respect of the Notes on a Disrupted Day Related Payment Date which is so postponed shall be calculated as if such Disrupted Day Related Payment Date had not been postponed pursuant to this Condition 16(d)) unless, in the case of a Fixed Rate Note or a Floating Rate Note, there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in Condition 4A (*Interest - Fixed Rate Note Provisions*) or Condition 4B (*Interest - Floating Rate Note Provisions*), as appropriate.

16. **Adjustments to Indices**

This Condition 16 (*Adjustments to Indices*) is applicable only in relation to Index-Linked Notes.

(a) **Successor Index**

If a relevant Index is (A) not calculated and announced by the Index Sponsor but is calculated and published by a successor to the Index Sponsor acceptable to the Calculation Agent, or (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that Index (the "**Successor Index**") will be deemed to be the Index.

(b) **Index Modification**

If on or prior to any Valuation Date, Observation Date or Averaging Date, a relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation or other routine events) (an "**Index Modification**"), then the Calculation Agent shall determine whether such Index Modification has a material effect on the Notes, and if so, shall make such adjustment(s) (if any) as it determines appropriate to account for the economic effect of the Index Modification and determine the effective date of any such modification or adjustment.

(c) **Index Cancellation**

If on or prior to any Valuation Date, Observation Date or Averaging Date (A) the Index Sponsor fails to calculate and announce a relevant Index, (B) the Index Sponsor announces that it suspends the calculation and publication of the level of a relevant Index, or (C) the Index Sponsor permanently cancels the Index and no Successor Index exists (each, an "**Index Cancellation**"), then:

- (A) the Issuer shall as soon as is reasonably practicable after determining the same give notice (an "**Index Cancellation Notice**") of such Index Cancellation to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 11 (*Notices*);
- (B) if "Index Substitution" is specified as being applicable in the relevant Final Terms, the Issuer shall, acting in good faith and a commercially reasonable manner, determine whether or not and the date as of which the Index is to be substituted with a Substitute Index and, if it so determines, it shall give an Index Substitution Notice to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 11

(*Notices*) and, with effect from the date so determined, the Substitute Index shall be deemed to be the Index; and

- (C) if no Substitute Index has been identified within 10 Business Days of the giving of such Index Cancellation Notice or if Index Substitution has not been specified as being applicable in the relevant Final Terms, the Issuer shall, acting in good faith and a commercially reasonable manner, determine whether or not the relevant Notes shall continue and:
- (1) if it determines that the Notes shall continue, then the Calculation Agent shall determine the Specified Level or Closing Level required to be determined with respect to such Valuation Date, Observation Date or Averaging Date using, in lieu of a published level of that Index, the Specified Level or Closing Level required to be determined with respect to such Valuation Date, Observation Date or Averaging Date as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the Index Cancellation, but using only those components that comprised that Index immediately prior to that Index Cancellation; and
  - (2) if it determines that the Notes shall not continue, the Issuer shall redeem the relevant Notes as of the date selected by the Issuer and give notice thereof to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 11 (*Notices*), specifying the Early Redemption Amount and early redemption date, and the entitlements of the relevant Noteholders to receive the Final Redemption Amount (or any other payment to be made by the Issuer, as the case may be) shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of such amount as is determined by the Calculation Agent to be the Fair Market Value of the Notes immediately prior to such early redemption.

**(d) Correction of Index Levels**

If the level of an Index published by the Index Sponsor at any time and used or to be used by the Calculation Agent for any calculation or determination under the Notes is subsequently corrected and the correction is published by the Index Sponsor after the original publication, the Calculation Agent will make such adjustment as it determines to be appropriate, if any, to the settlement or payment terms of the Notes to account for such correction.

**17. Adjustments and Events affecting Securities**

This Condition 17 is applicable only in relation to Equity-Linked Notes.

**(a) Potential Adjustment Events**

If Potential Adjustment Events is specified as "Applicable" in the relevant Final Terms, the Calculation Agent shall determine whether or not at any time a Potential Adjustment Event has occurred and where it determines such an event has occurred, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Securities and, if so, will make such adjustment(s) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and/or any other adjustment(s) and, in any case, any other variable relevant to the payment terms of the relevant Notes as the Calculation Agent determines to be appropriate to account for that diluting or concentrative effect and determine the effective date(s) of such adjustment(s).

**(b) Extraordinary Events**

Without prejudice to Condition 17(e) (*Security Substitution*) below, if Extraordinary Events is specified as 'Applicable' in the relevant Final Terms, following the occurrence of any Extraordinary Event (other than a Delisting in respect of any Depositary Receipts), the Issuer acting in a commercially reasonable manner will determine whether or not the relevant Notes

shall continue and, if so, determine any adjustments to be made. If the Issuer determines that the relevant Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date selected by the Calculation Agent, acting in a commercially reasonable manner. If the Issuer determines, acting in a commercially reasonable manner, that the relevant Notes shall be redeemed, then the Notes shall be redeemed as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer) as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

(c) ***Conversion***

If Conversion is specified as 'Applicable' in the relevant Final Terms, following the occurrence of any Conversion, the Issuer acting in a commercially reasonable manner will determine whether or not the Notes will continue and, if so, determine any adjustment(s) to be made. If the Issuer determines that the Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment and determine the effective date(s) of such adjustment(s). If the Issuer determines that the Notes shall be redeemed, then the Notes shall be redeemed as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer), as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

(d) ***Correction of Prices***

If Correction of Prices is specified as 'Applicable' in the relevant Final Terms, in the event that any price published or announced on a given day and utilised or to be utilised for the purpose of any calculation or determination under the Notes is subsequently corrected and the correction is published or announced by the Exchange within one Settlement Cycle after the original publication, the Calculation Agent will make such adjustment(s) as it determines to be appropriate, if any, to the amount payable in respect of the Notes and their terms to account for such correction and the Calculation Agent shall determine the effective date(s) of such adjustment(s) **provided that** if any amount has been paid in an amount which exceeds the amount that would have been payable if the correction had been taken into account, no further amount in an amount at least equal to the excess is payable in respect of the Notes and the Calculation Agent determines that it is not practicable to make such an adjustment to account fully for such correction, the Issuer shall be entitled to reimbursement of the relevant excess payment (or, as the case may be, the proportion thereof not accounted for by an adjustment made by the Calculation Agent) by the relevant Noteholder, together with interest on that amount for the period from and including the day on which payment was originally made to (but excluding) the day of payment of reimbursement by the Noteholder (all as calculated by the Calculation Agent). Any such reimbursement shall be effected in such manner as the Issuer acting in a commercially reasonable manner shall determine

(e) ***Security Substitution***

- (i) If the relevant Final Terms specify Substitution of Securities to be applicable, if any Security (the "**Affected Security**") to which the relevant Note relates is affected by an Extraordinary Event (other than a Delisting in respect of any Depositary Receipts) or an Additional Disruption Event occurs, then, without prejudice to any other rights that the Issuer may have under the Notes, the Issuer shall have the option to replace the Affected Security with a substitute security (the "**Substitute Security**") selected by the



Calculation Agent with effect from a date selected by the Calculation Agent (the "**Substitution Reference Date**").

- (ii) The Substitute Security shall satisfy such criteria as the Calculation Agent determines (which may, but need not, include, without limitation, the Substitute Security belonging to a similar economic sector as the Affected Security and the Underlying Company of the Substitute Security having a similar creditworthiness to the Underlying Company of the Affected Security).
- (iii) The Initial Price of the Substitute Security shall be determined in accordance with the following formula:

$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Security Price(k)}/\text{Affected Security Price(j)})$$

Where:

"**Affected Security Price(j)**" means either (i) the last closing price per share of the Affected Security on or prior to the Substitution Reference Date or (ii) an exchange traded price per share of the Affected Security on or recently prior to the Substitution Reference Date, in each case as determined by the Calculation Agent;

"**Affected Security Price(k)**" means the Initial Price per share of the relevant Affected Security as specified in the relevant Final Terms; and

"**Substitute Price**" means the official closing price per share of the relevant Substitute Security as of the Valuation Time on the date on which the Affected Security Price(j) is determined or, if such date is not a Scheduled Trading Day in respect of the Substitute Security, the next following Scheduled Trading Day in respect of the Substitute Security.

- (iv) If the currency of the Substitute Security is different from the currency of the Affected Security, the Calculation Agent may make such adjustments to the terms and conditions of the Notes as it determines to be appropriate to account for such difference.
- (v) The Calculation Agent shall notify the Noteholders in accordance with Condition 11 (*Notices*) of the Substitute Security and of any changes to the terms and conditions of the Notes made pursuant to paragraph (iv) above as soon as practicable after determining the same.
- (vi) In the event that (i) the Issuer determines not to substitute the Security in accordance with the provisions of this Condition 17(e), or (b) the Calculation Agent determines that it cannot substitute the Affected Security in accordance with the provisions of this Condition 17(e), the Issuer may make appropriate adjustments or redeem the Notes of the relevant Series in accordance with Condition 17(b) (*Extraordinary Events*) or Condition 18 (*Additional Disruption Events*), as applicable.

#### 18. **Additional Disruption Events**

Without prejudice to Condition 17(e) (*Security Substitution*) following the occurrence of any Additional Disruption Event, the Issuer acting in a commercially reasonable manner will determine whether or not the relevant Notes shall continue and, if so, the Calculation Agent shall determine acting in a commercially reasonable manner any adjustments to be made. If the Issuer determines that the relevant Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date selected by the Calculation Agent. If the Issuer determines that the relevant Notes shall be terminated, then the Notes shall be terminated as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer), as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

19. **Adjustments where the Securities are Units in an ETF**

Where the Securities are specified in the relevant Final Terms as being Units in an ETF, in the case of the occurrence at any time on or prior to the Valuation Date of any Extraordinary Event affecting the ETF or the value of the Units, the Calculation Agent may make any adjustment as provided in Condition 17 (*Adjustments and Events affecting Securities*) or Condition 18 (*Additional Disruption Events*) or:

- (i) if the Calculation Agent determines that no adjustment that it could make under Condition 17 (*Adjustments and Events affecting Securities*) or Condition 18 (*Additional Disruption Events*) would produce a commercially reasonable result:
  - (A) the Calculation Agent will use commercially reasonable efforts to identify a new underlying asset with characteristics, investment objectives and policies similar to those in effect for the Affected Units immediately prior to the occurrence of the relevant Extraordinary Event and any substitution of the new underlying asset for the Affected Units shall be effected at such time and in such manner as determined by the Calculation Agent; and
  - (B) if necessary, the Calculation Agent will adjust any relevant terms, including, but not limited to, adjustments to account for changes in volatility, investment strategy or liquidity relevant to the Units or the Notes; or
- (ii) if the Calculation Agent determines that the relevant Notes shall be redeemed, then the Notes shall be redeemed as of the date selected by the Calculation Agent in its discretion and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount and any accrued interest shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

In this Condition 19, "**Affected Unit(s)**" means each Unit subject to an applicable Extraordinary Event.

20. **Events relating to DR-Linked Notes**

In relation to DR-Linked Notes only, if a Delisting of the Securities occurs or the Depository announces that the Deposit Agreement is (or will be) (or is at any time, whether or not announced by the Depository) terminated, then the Issuer acting in a commercially reasonable manner will determine whether or not the Notes shall continue. If the Issuer determines that:

- (i) the Notes shall continue, it shall elect whether the Security shall thereafter be (x) the Replacement DRs or (y) the Underlying Security and the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the terms of the Notes (including, without limitation, any change to the notional number of Securities and/or the formula for the relevant Redemption Amount), and which change or adjustment(s) shall be effective on such date selected by the Calculation Agent; or
- (ii) the Notes shall not continue, then the Notes shall be redeemed as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer) as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Fair Market Value of the Notes.

21. **Notes Linked to Units in an ETF – General**

If the relevant Final Terms specify that the Securities in relation to a Series of Notes are Units in an ETF, then these Conditions shall apply to the Notes as if references herein to "Underlying Company" were references to the "ETF" and as if references therein to "Security" were references to "Unit".

22. **Effects of European Economic and Monetary Union**

Following the occurrence of an EMU Event, the Calculation Agent shall make such adjustment (and determine the effective date of such adjustment) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms and, in any case, any other variable relevant to the settlement or payment terms of the relevant Notes.

Following the occurrence of an EMU Event, without prejudice to the generality of the foregoing, the Issuer acting in a commercially reasonable manner shall be entitled to make such conversions between amounts denominated in the National Currency Units and the euro, and the euro and the National Currency Units, in each case, in accordance with the conversion rates and rounding rules in Regulation (EC) No. 1103/97 as it determines to be appropriate.

Neither the Issuer nor the Calculation Agent will be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection therewith.

23. **Agreement with Respect to the Exercise of the UK Bail-in Power (HBEU)**

*Condition 23 (Agreement with Respect to the Exercise of the UK Bail-in Power (HBEU)) applies only to Notes issued by HBEU.*

- (a) Notwithstanding and to the exclusion of any other term of any Series of Notes or any other agreements, arrangements or understandings between the Issuer and any Noteholder, by its acquisition of any Notes, each Noteholder (which, for these purposes, includes each holder of a beneficial interest in the Notes), acknowledges and accepts that the Amounts Due (as defined below) arising under any Notes may be subject to the exercise of UK Bail-in Power (as defined below) by the Relevant UK Resolution Authority (as defined below), and acknowledges, accepts, consents and agrees to be bound by:
- (i) the effect of the exercise of any UK Bail-in Power by the Relevant UK Resolution Authority, that may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the Amounts Due; (ii) the conversion of all, or a portion, of the Amounts Due on any Series of Notes into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of such Series of Notes; (iii) the cancellation of any Series of Notes; (iv) the amendment or alteration of the date for redemption of any Series of Notes or amendment of the amount of interest payable on any Series of Notes, or the Interest Payment Dates relating thereto, including by suspending payment for a temporary period; and
  - (ii) the variation of the terms of any Series of Notes, if necessary, to give effect to the exercise of any UK Bail-in Power by the Relevant UK Resolution Authority.

No repayment or payment of Amounts Due on any Series of Notes shall become due and payable or be paid after the exercise of any UK Bail-in Power by the Relevant UK Resolution Authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

"**Amounts Due**" means, in relation to the Notes of any Series, the principal amount of, and any accrued but unpaid interest (including any additional amounts payable pursuant to Condition 6 (*Taxation*)) on, such Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any UK Bail-in Power by the Relevant UK Resolution Authority.

"**Bail-In Legislation**" means any law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings), including, without limitation, Part I of the Banking Act.

"**Relevant UK Resolution Authority**" means any authority with the ability to exercise a UK Bail-in Power.

"**UK Bail-in Power**" means the powers under the Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or affiliate of a bank or investment firm, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or

instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability.

- (b) Neither a reduction or cancellation, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of UK Bail-in Power by the Relevant UK Resolution Authority with respect to the Issuer, nor the exercise of the UK Bail-in Power by the Relevant UK Resolution Authority with respect to any Notes will constitute a default under the Notes for any purpose.
- (c) Upon the exercise of the UK Bail-in Power by the Relevant UK Resolution Authority with respect to any Notes, the Issuer shall immediately notify the Paying Agents in writing of such exercise and give notice of the same to Noteholders in accordance with Condition 11 (*Notices*). For avoidance of doubt, any delay or failure by the Issuer in delivering any notice referred to in this Condition 23(c) shall not affect the validity and enforceability of the UK Bail-in Power.

24. **Governing Law**

(a) ***Governing law***

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

(b) ***French courts***

The Commercial Courts of Paris have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with the Notes (including any Dispute regarding the existing, validity or redemption of the Notes or the consequence of their nullity).

## SECTION II.6 – ALTERNATIVE TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES

*The following are the terms and conditions of English Law Notes (the "Conditions") for which the Final Terms specify the "Alternative Terms and Conditions of the English Law Notes" to be the Conditions in respect of the Notes. These Conditions do not apply to Notes issued by HBCE. The Conditions will be endorsed on each Note in definitive form. The terms and conditions applicable to any English Law Note in global form will differ from those terms and conditions which would apply to the English Law Note were it in definitive form to the extent described under "Form of Notes and Summary of Provisions Relating to the Notes While in Global Form".*

The Notes are issued by HSBC Bank plc (the "**Issuer**") pursuant to a programme for the issuance of notes and warrants (the "**Programme**") established by the Issuer, are constituted by, and have the benefit of, a deed of covenant dated on or about 25 May 2023 (the "**Deed of Covenant**"). The Notes also have the benefit of a master note issuance agreement dated 24 February 1999 as most recently amended and restated on or about 25 May 2023 (as further modified and/or amended from time to time, the "**Master Note Issuance Agreement**") and made between, among others, the Issuer, HSBC Bank plc and HSBC Continental Europe (formerly known as HSBC France) as dealers (each a "**Dealer**" and together the "**Dealers**", which expression shall include any additional or successor Dealer) and The Hongkong and Shanghai Banking Corporation Limited (which entity shall not be a dealer for the purposes of the Notes), and an issuing and paying agency agreement dated 24 February 1999 as most recently amended and restated on or about 25 May 2023 (as further modified and/or amended from time to time, the "**Issuing and Paying Agency Agreement**") and made between, among others, the Issuer, HSBC Bank plc and HSBC Continental Europe as calculation agents (HSBC Bank plc or, as the case may be, HSBC Continental Europe being the "**Calculation Agent**" with respect to the Notes if so specified in the relevant Final Terms, which expression includes any successor or other Calculation Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms), HSBC Bank plc as transfer agent (HSBC Bank plc being the "**Transfer Agent**", which expression shall include any additional or successor or other Transfer Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms), HSBC Bank plc as the principal paying agent (HSBC Bank plc being the "**Principal Paying Agent**", which expression shall include any additional or successor or other Principal Paying Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms and, together with any additional paying agent appointed pursuant to the Issuing and Paying Agency Agreement or the Computershare Agency Agreement (as defined below), as specified in the relevant Final Terms, the "**Paying Agents**"), HSBC Bank plc as issue agent (HSBC Bank plc being the "**Issue Agent**", which expression shall include any additional or successor or other Issue Agent appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms), HSBC Bank plc as registrar (HSBC Bank plc being the "**Registrar**", which expression shall include any additional or successor or other Registrar appointed pursuant to the Issuing and Paying Agency Agreement, as specified in the relevant Final Terms) and the other parties specified therein.

In addition, the Issuer has entered into an agreement with Computershare Investor Services PLC dated 23 April 2010 (such agreement, as amended and/or supplemented and/or restated from time to time, the "**Computershare Agency Agreement**") appointing the latter as registrar and paying agent (the "**CREST Registrar**", which expression shall include any successor registrar and paying agent) with respect to Uncertificated Registered Notes (as defined below).

All Notes will be issued in series (each, a "**Series**") and each Series may comprise one or more tranches (each, a "**Tranche**") of Notes issued on different issue dates. Each Tranche will be the subject of final terms ("**Final Terms**"), a copy of which will be attached to or endorsed on or incorporated by reference in each Note of such Tranche. Other than the issue date, the issue price and the date for the first payment of interest, the Notes of each Series will have identical terms and conditions. The Notes of each Tranche will have identical terms and conditions.

Copies of the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement, the Deed of Covenant and the Computershare Agency Agreement are available for inspection by Holders (as defined below) of Notes, and copies of the relevant Final Terms, this Base Prospectus and any supplemental prospectus may be obtained by Holders of Notes in each case during normal business hours at the specified office of the Issuer and of the Paying Agent in London or, in the case of Uncertificated Registered Notes, the CREST Registrar. The Holders (as defined in Condition 2(b) (*Form, Denomination and Title – Bearer Notes*)) for the time being of Notes (the "**Noteholders**", which expression shall, in the case of Bearer Notes, include reference to the Holders of the Coupons appertaining thereto) and of any coupons (the "**Coupons**") or talons (the "**Talons**") (the "**Couponholders**") are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Issuing and Paying Agency Agreement, the Computershare Agency Agreement, the Deed of Covenant, the Master Note Issuance Agreement and the relevant Final Terms which are applicable to them.

Words and expressions defined in the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement or the Computershare Agency Agreement or used in the relevant Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between any of the Master Note Issuance Agreement, the Issuing and Paying Agency Agreement, the Computershare Agency Agreement and the relevant Final Terms, the relevant Final Terms will prevail.

1. **Definitions**

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of the Notes of the relevant Series, as published by ISDA on its website ([www.isda.org](http://www.isda.org));

"**€STR**" means, in respect of any specified period, the interest rate benchmark known as the daily euro short-term rate;

"**Additional Disruption Event**" means such of Change in Law and/or Insolvency Filing as are specified as such in the relevant Final Terms;

"**Administrator/Benchmark Event**" means, in relation to any Series of Notes and an Applicable Benchmark, an event or circumstance which has the effect that the Issuer or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use such Applicable Benchmark to perform its or their obligations under the Notes;

"**Administrator/Benchmark Event Date**" means, in respect of any Administrator/Benchmark Event, the date from which the Applicable Benchmark may no longer be used under any applicable law or regulation by the Issuer or the Calculation Agent;

"**Affected Relevant Benchmark**" means, in relation to any Series of Notes, the Relevant Benchmark affected by a Benchmark Trigger Event;

"**Agents**" means each of, the Paying Agents, the Transfer Agent, the Issue Agent, the Registrar and the CREST Registrar;

"**Aggregate Outstanding Nominal Amount**" means, in respect of Notes which are represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, the aggregate outstanding nominal amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes;

"**Alternative Exchange**" means, in relation to any Securities, an exchange or quotation system on which the Securities are re-listed, re-traded or re-quoted and which is located in the same country as the Exchange (or, where the Exchange is within the European Union or the United Kingdom, in any member state of the European Union or the United Kingdom), unless (in any such case) the Calculation Agent determines that the listing, trading or quotation on such exchange or quotation system will materially alter the risk profile of the Notes (in which case such exchange or quotation system shall not constitute an "**Alternative Exchange**");

"**Alternative Payment Cross Currency Rate**" means, for any Alternative Payment Currency Fixing Date, the currency exchange rate between the Cross Currency and the Alternative Payment Currency as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time and as observed by the Calculation Agent;

"**Alternative Payment Currency**" means the currency, which may be Offshore RMB, specified as such in the relevant Final Terms or, if no such currency is specified, USD;

"**Alternative Payment Currency Equivalent**" means the relevant amount in the Settlement Currency determined by the Calculation Agent converted into the relevant Alternative Payment Currency using the Alternative Payment Currency Exchange Rate for the relevant Alternative Payment Currency Fixing Date;

**"Alternative Payment Currency Exchange Rate"** means

- (i) the rate of exchange between the Settlement Currency and Alternative Payment Currency (expressed as the number of units of Alternative Payment Currency per one unit of Settlement Currency or as the number of units of Settlement Currency per one unit of Alternative Payment Currency (as applicable)) as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time on the Alternative Payment Currency Fixing Date and as observed by the Calculation Agent;
- (ii) if Cross Currency Exchange Rate is specified as applicable in the relevant Final Terms, the rate of exchange determined in accordance with, or derived from the Alternative Payment Cross Currency Rate and the Settlement Currency Exchange Rate, as determined by the Calculation Agent; or
- (iii) such other rate as may be specified in the relevant Final Terms.

The Calculation Agent shall round such rate to the closest four (4) decimal places, 0.00005 being rounded up. If on an Alternative Payment Currency Fixing Date the Relevant Rate is not available for any reason as determined by the Calculation Agent, the Calculation Agent will determine the Alternative Payment Currency Exchange Rate in accordance with sub-paragraph (X)(A) or (X)(B), as applicable, of Condition 7(f) (*Payments - Price Source Disruption and FX Disruption*) or, if Price Source Disruption is specified as not applicable in the relevant Final Terms, in its discretion;

**"Alternative Payment Currency Fixing Date"** means:

- (i) the date specified as such in the Final Terms;
- (ii) if "Condition 1" is specified as applicable in the relevant Final Terms, the relevant Interest Payment Date, Maturity Date or other date on which the relevant payment falls due (as appropriate); or
- (iii) otherwise, the fifth day (or such other number of days specified in the relevant Final Terms) prior to the relevant Interest Payment Date, Maturity Date or other date on which the relevant payment falls due (as appropriate).

If such date falls on a day that is a Saturday or Sunday or on which commercial banks are not open for general business and dealings in foreign exchange in the jurisdiction or place specified in the relevant Final Terms, or if no such jurisdiction or place is specified in the relevant Final Terms, the Settlement Currency Jurisdiction, the Alternative Payment Currency Jurisdiction and, if Cross Currency Exchange Rate is specified as applicable in the relevant Final Terms, the Cross Currency Jurisdiction (a "**closed day**"), then:

- (x) if "Condition 1" is specified as applicable in the relevant Final Terms, the Alternative Payment Currency Fixing Date shall be the immediately following calendar day that is not a closed day; and
- (y) otherwise, the Alternative Payment Currency Fixing Date shall be the immediately preceding calendar day that is not a closed day;

**"Alternative Payment Currency Fixing Page"** means the Reuters or other screen page specified as such in the relevant Final Terms or any successor page thereof or, if such page is not specified in the relevant Final Terms or there is no successor page, the Calculation Agent will determine the relevant Alternative Payment Currency Exchange Rate by reference to the spot rate prevailing in the international exchange market;

**"Alternative Payment Currency Fixing Time"** means (i) the time and place specified as such in the relevant Final Terms or, such other time and place as the Calculation Agent determines in the case of a successor page to the Alternative Payment Currency Fixing Page specified in the relevant Final Terms as being the fixing time and place generally applied in the market for such successor page (ii) or if no such time and place is specified in the Final Terms, such time and place as the Calculation Agent determines;

**"Alternative Payment Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms or, if the Alternative Payment Currency is USD, the United States of America;

**"Alternative Pre-nominated Index"** means, in respect of a Relevant Benchmark, the first of the indices, benchmarks or other price sources specified in the relevant Final Terms as an "Alternative Pre-nominated Index" and which is not subject to a Benchmark Trigger Event;

**"Applicable Benchmark"** means any of the following:

- (a) a Relevant Benchmark;
- (b) a Reference Rate;
- (c) any index, benchmark or other price source that is referred to in a Relevant Benchmark;
- (d) any rate that applies as a fallback pursuant to Conditions 4B(e)(v), 4B(e)(vi) or 4B(e)(vii);
- (e) an Alternative Pre-nominated Index used pursuant to Condition 13(A) (*Consequences of a Benchmark Trigger Event*); and
- (f) a Replacement Index used pursuant to Condition 13(A) (*Consequences of a Benchmark Trigger Event*);

**"Applicable Fallback Effective Date"** means, in respect of an Applicable Benchmark and an Index Cessation Event or an Administrator/Benchmark Event, the Index Cessation Effective Date or the Administrator/Benchmark Event Date, as applicable;

**"Automatic Early Redemption Amount"** means, in respect of an Automatic Early Redemption Valuation Date and as calculated by the Calculation Agent in accordance with, and subject to, Condition 5(1) (*Redemption and Purchase – Calculation and Rounding*), an amount equal to the Calculation Amount multiplied by the relevant Automatic Early Redemption Rate corresponding to such Automatic Early Redemption Valuation Date;

**"Automatic Early Redemption Date"** means, in respect of an Automatic Early Redemption Valuation Date, the corresponding date specified as such in relation to such Automatic Early Redemption Valuation Date in the relevant Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

**"Automatic Early Redemption Event"** will be deemed to have occurred in relation to an Automatic Early Redemption Valuation Date if the Relevant Observation Performance determined in respect of such Automatic Early Redemption Valuation Date is equal to or greater than the relevant Automatic Early Redemption Percentage specified in respect of such Automatic Early Redemption Valuation Date, as determined by the Calculation Agent;

**"Automatic Early Redemption Percentage"** means, in respect of an Automatic Early Redemption Valuation Date, the percentage specified as such for such Automatic Early Redemption Valuation Date in the relevant Final Terms;

**"Automatic Early Redemption Rate"** means, in respect of an Automatic Early Redemption Valuation Date, the percentage rate specified as such for such Automatic Early Redemption Valuation Date in the relevant Final Terms;

**"Automatic Early Redemption Valuation Date(s)"** means:

- (i) in respect of a Note which relates to a single Index or Security, each of the date(s) specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each of the date(s) specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket,



the Automatic Early Redemption Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

**"Average Basket – Lowest Observation Date"** means, with respect to a Valuation Date, the Observation Date specified in respect to such Valuation Date for which the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index or Security (as applicable) comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) is lowest;

**"Average Basket – Highest Observation Date"** means, with respect to a Valuation Date, the Observation Date specified in respect to such Valuation Date for which the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index or Security (as applicable) comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) is highest;

**"Averaging Date(s)"** means, in respect of an Index, or a Security:

- (i) each of the dates specified as an Averaging Date with respect to the relevant Valuation Date in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) subject to the provisions of Condition 16 (*Consequences of Disrupted Days*); or
- (ii) if Averaging Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, each Scheduled Trading Day (which is not a Disrupted Day) in the Averaging Period;

**"Averaging Period"** means with respect to:

- (i) the Strike Date, the period from and including the **"Strike Averaging Start Date"** to and including the **"Strike Averaging End Date"**, each as specified in the relevant Final Terms (the **"Strike Averaging Period"**);
- (ii) the Final Valuation Date, the period from and including the **"Final Valuation Averaging Start Date"** to and including the **"Final Valuation Averaging End Date"**, each as specified in the relevant Final Terms (the **"Final Performance Averaging Period"**);
- (iii) any Automatic Early Redemption Valuation Date, the period from and including the **"Autocall Averaging Start Date"** to and including the **"Autocall Averaging End Date"**, each as specified in the relevant Final Terms (the **"Autocall Averaging Period"**);
- (iv) any Coupon Trigger Valuation Date, the period from and including the **"Coupon Trigger Averaging Start Date"** to and including the **"Coupon Trigger Averaging End Date"**, each as specified in the relevant Final Terms (the **"Coupon Trigger Averaging Period"**);
- (v) any Lock-In Coupon Valuation Date, the period from and including the **"Lock-In Coupon Averaging Start Date"** to and including the **"Lock-In Coupon Averaging End Date"**, each as specified in the relevant Final Terms (the **"Lock-In Coupon Averaging Period"**);
- (vi) any Barrier Valuation Date, the period from and including the **"Barrier Averaging Start Date"** to and including the **"Barrier Averaging End Date"**, each as specified in the relevant Final Terms (the **"Barrier Averaging Period"**); and
- (vii) any Lock-In Redemption Valuation Date, the period from and including the **"Lock-In Redemption Averaging Start Date"** to and including the **"Lock-In Redemption Averaging End Date"**, each as specified in the relevant Final Terms (the **"Lock-In Redemption Averaging Period"**);

a "**Barrier Event**" will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) where "**Inclusive**" is specified to apply with respect to the Barrier Event in the relevant Final Terms:
  - (a) if "**European**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of the Barrier Valuation Date is less than or equal to the Barrier Level;
  - (b) if "**Bermudan**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any of the Barrier Valuation Dates is less than or equal to the Barrier Level; and
  - (c) if "**Daily**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any Barrier Valuation Date during the Barrier Valuation Period is less than or equal to the Barrier Level;
- (ii) where "**Non-Inclusive**" is specified to apply with respect to the Barrier Event in the relevant Final Terms:
  - (a) if "**European**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of the Barrier Valuation Date is less than the Barrier Level;
  - (b) if "**Bermudan**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any of the Barrier Valuation Dates is less than the Barrier Level; and
  - (c) if "**Daily**" is specified as the applicable Barrier Observation Method, the Relevant Observation Performance in respect of any Barrier Valuation Date during the Barrier Valuation Period is less than the Barrier Level;

"**Barrier Level**" means the percentage specified as such in the relevant Final Terms;

"**Barrier Observation Method**" means European, Bermudan or Daily as specified in the relevant Final Terms;

"**Barrier Valuation Date(s)**" means:

- (i) if "**European**" is specified as the applicable Barrier Observation Method:
  - (a) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Barrier Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

- (ii) if "**Bermudan**" is specified as the applicable Barrier Observation Method:
  - (a) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising

the Securities Basket, the relevant Barrier Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

- (iii) if "**Daily**" is specified as the applicable Barrier Observation Method:
- (a) in respect of a Note which relates to a single Index or Security, each Scheduled Trading Day (which is not a Disrupted Day) in the Barrier Valuation Period (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day, and the provisions of Condition 16 (*Consequences of Disrupted Days*) shall apply with respect to such Barrier Valuation Date); or
  - (b) in respect of a Note which relates to an Index Basket or a Securities Basket, each day in the Barrier Valuation Period which (i) is a Scheduled Trading Day in respect of all Indices or Securities (as applicable) in the Basket and (ii) is not a Disrupted Day in respect of any Index or Security (as applicable) in the Basket (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Indices or Securities (as applicable) shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day in respect of any Index or Security, and the provisions of Condition 16 (*Consequences of Disrupted Days*) shall apply with respect to such Barrier Valuation Date);

"**Barrier Valuation Period**" means the period from and including the "**Barrier Valuation Period Start Date**" to and including the "**Barrier Valuation Period End Date**", each as specified in the relevant Final Terms;

"**Basket**" means, in respect of a Note, a basket composed of each Index or each Security (as the case may be) specified in the relevant Final Terms in the relative proportions indicated in the Final Terms;

"**BBR**" means, in respect of any Relevant Currency and any specified period, the rate for bills of exchange denominated in such Relevant Currency and having a tenor equal to such specified period;

"**Benchmark Trigger Event**" means:

- (i) in respect of a Series of Notes that references a Relevant Benchmark that is a Reference Rate or a Floating Rate Option, or any other interest rate, yield, cost of funds or similar rate:
  - (A) an Index Cessation Event; or
  - (B) an Administrator/Benchmark Event; and
- (ii) in respect of any other Series of Notes, an Administrator/Benchmark Event;

"**Best Performing Index**" means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Level of each Index in the Basket has been determined, the Index for which the Specified Level of such Index determined with respect to such day divided by the Initial Index Level for such Index is highest, as determined by the Calculation Agent;

"**Best Performing Security**" means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Price of each Security in the Basket has been determined, the Security for which the Specified Price of such Security determined with respect to such day divided by the Initial Security Price for such Security is highest, as determined by the Calculation Agent;

"**Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Business Day**" means:

- (i) in relation to a Note in respect of which amounts are payable in euro, a Euro Business Day and a day on which commercial banks and foreign exchange markets settle payments generally in

each (if any) Business Centre and on which the relevant Clearing System is open for business;  
or

- (ii) in relation to any other Note, a day on which commercial banks and foreign exchange markets settle payments generally in each Business Centre and on which the relevant Clearing System is open for business;

**"Business Day Convention"**, in relation to any particular date, has the meaning given in the relevant Final Terms (which shall be one of the following expressions) and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
  - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

**"Calculation Amount"** means the amount in the Settlement Currency specified as such in the relevant Final Terms;

**"Cap"** means the percentage specified as such in the relevant Final Terms, provided that if no such percentage is specified, the Cap shall be unlimited;

**"Change in Law"** means, in relation to any Notes, on or after the Issue Date, (A) due to the adoption of or any change in any applicable law or regulation (including without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines (in its sole and absolute discretion) that (x) it will, or it will with the passing of time, or it has become illegal for the Issuer to issue, have outstanding and/or perform its obligations with respect to the Notes or (y) the Issuer will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position or due to any regulation, rule or other regulatory action of any regulator of the Issuer in respect of the Notes);

"**Clearing System**" means, in relation to a Series of Notes, Euroclear, Clearstream, Luxembourg, and/or CREST in which Notes of the relevant Series are for the time being held, or, in relation to an individual Note, in which that Note is for the time being held, in each case as specified in the relevant Final Terms;

"**Clearing System Business Day**" means, in relation to any Securities, any day on which the principal domestic clearing system customarily used for settling trades in such Securities is (or, but for the occurrence of an event beyond the control of the Issuer as a result of which such clearing system cannot clear the transfer of such securities, would have been) open for the acceptance and execution of settlement instructions;

"**Clearing System Currency Eligibility Event**" means the relevant Clearing System(s) ceases to accept payments in the Settlement Currency;

"**Clearstream, Luxembourg**" means Clearstream Banking S.A.;

"**Closing Level**" means (a) with respect to an Index other than a Multiple Exchange Index, the level of such Index as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange or (b) with respect to a Multiple Exchange Index, the official closing level of such Index as calculated and published by the Index Sponsor, in each case on the relevant Valuation Date, Averaging Date or Observation Date (as applicable) for which the performance of the Index is to be determined;

"**Closing Price**" means, in relation to a Security, the price of such Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the relevant Valuation Date, Averaging Date or Observation Date (as applicable) for which the performance of the Security is to be determined;

"**Component Security**" means, with respect to an Index, each component security of that Index;

"**Conditional Protection Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Conversion**" means, in respect of any Securities, any irreversible conversion by the Underlying Company of such Securities into other securities;

"**Coupon Trigger Amount**" means, in respect of the relevant Coupon Trigger Valuation Date and as calculated by the Calculation Agent:

- (i) if "**Digital Coupon**" is specified as being applicable in the relevant Final Terms, an amount equal to the Calculation Amount multiplied by the Coupon Trigger Rate corresponding to such Coupon Trigger Valuation Date;
- (ii) if "**Relevant Rate – Fixed**" is specified as being applicable in the relevant Final Terms, an amount calculated in accordance with Condition 4F (*Relevant Rate – Fixed*); and
- (iii) if "**Relevant Rate – Floating**" is specified as being applicable in the relevant Final Terms, an amount calculated in accordance with Condition 4G (*Relevant Rate – Floating*);

a "**Coupon Trigger Event**" will be deemed to have occurred in relation to a Coupon Trigger Valuation Date if the Relevant Observation Performance determined in respect of such Coupon Trigger Valuation Date is equal to or greater than the relevant Coupon Trigger Level specified in respect of such Coupon Trigger Valuation Date, as determined by the Calculation Agent;

"**Coupon Trigger Level**" means, in respect of a Coupon Trigger Valuation Date, the percentage specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

"**Coupon Trigger Payment Date**" means, in respect of a Coupon Trigger Valuation Date, the corresponding date specified as such in relation to such Coupon Trigger Valuation Date in the relevant Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

"**Coupon Trigger Rate**" means, in respect of a Coupon Trigger Valuation Date, the percentage rate specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

a "**Coupon Trigger Recovery Event**" will be deemed to have occurred in relation to a Coupon Trigger Valuation Date if the Relevant Observation Performance determined in respect of such Coupon Trigger Valuation Date is equal to or greater than the relevant Coupon Trigger Recovery Level specified in respect of such Coupon Trigger Valuation Date, as determined by the Calculation Agent;

"**Coupon Trigger Recovery Level**" means, in respect of a Coupon Trigger Valuation Date, the percentage specified as such for such Coupon Trigger Valuation Date in the relevant Final Terms;

"**Coupon Trigger Valuation Date**" means

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Coupon Trigger Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

"**CREST**" means Euroclear UK & International Limited (formerly known as Euroclear UK & Ireland Limited);

"**Cross Currency**" means the currency specified as such in the relevant Final Terms, or if such currency is not specified in the relevant Final Terms, the Cross Currency shall mean USD;

"**Cross Currency Jurisdiction**" means the jurisdiction specified as such in the relevant Final Terms;

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in the relevant Final Terms and:

- (i) if "**Actual/Actual**", "**Actual/Actual (ISDA)**", "**Act/Act**" or "**Act/Act (ISDA)**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "**Actual/Actual (ICMA)**" or "**Act/Act (ICMA)**" is so specified means:
  - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (b) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any one year; and
    - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (iii) if "**Actual/365 (Fixed)**", "**Act/365 (Fixed)**", "**A/365 (Fixed)**" or "**A/365F**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;

- (iv) if "**Actual/365 (Sterling)**" is so specified means, the actual number of days in the Calculation Period divided by 365, or in the case of an Interest Payment Date falling in a leap year, 366;
- (v) if "**Actual/360**", "**Act/360**" or "**A/360**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;
- (vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vii) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>2</sub> will be 30; and

- (viii) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" 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 D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" 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 D<sub>2</sub> will be 30;

"**Deferral Period**" has the meaning ascribed thereto in Condition 7(f) (*Payments - Price Source Disruption and FX Disruption*);

"**Delisting**" means (a) that the Exchange announces that, pursuant to the rules of such Exchange, the Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an Alternative Exchange or (b) that the Calculation Agent determines that listing or trading of Securities on the Exchange (or an Alternative Exchange) has not commenced and will not commence in the foreseeable future prior to redemption of the Notes.

"**Deposit Agreement**" means, in relation to each Depository Receipt, the agreement(s) or other instrument(s) constituting such Depository Receipt, as from time to time amended or supplemented;

"**Depository**" means, in relation to a Depository Receipt, the issuer of such Depository Receipt as appointed under the Deposit Agreement, including its successors from time to time;

"**Depository Receipt(s)**" means any Security specified as such in the relevant Final Terms **provided that** if the relevant Deposit Agreement is terminated at any time, any reference to any Depository Receipt(s) shall thereafter be construed as a reference to the relevant Underlying Securities or relevant Replacement DRs, as applicable and as determined by the Calculation Agent pursuant to Condition 21 (*Events relating to DR-Linked Notes*);

"**Derivative Component**" means the option component(s) or embedded derivative(s) in respect of the nominal amount of the Notes or the interest amount due under the Notes;

"**Derivative Component Market Value**" means, in relation to any Note which is to be redeemed early, the market value of the Derivative Component (which can be positive or negative) as determined by the Calculation Agent by reference to the mark-to-market value of such Derivative Component taking into account the time remaining until the scheduled maturity date of the Notes and calculated in accordance with generally accepted valuation methods for such instruments in the financial markets, **provided that** any costs incurred by the Issuer in relation to the early redemption of the Notes or the termination of any hedging arrangements (other than the negative mark-to-market value of such Derivative Component, if applicable), shall not be taken into account when determining the Derivative Component Market Value;

"**Digital Return Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Disrupted Day**" means:

- (i) in respect of an Index: (a) any Scheduled Trading Day in respect of such Index on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Index has occurred; (b) with respect to a Multiple Exchange Index any Scheduled Trading Day in respect of such Index on



which (i) the Index Sponsor fails to publish the level of such Index, (ii) the Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event in respect of such Index has occurred; or

- (ii) in respect of a Security, any Scheduled Trading Day in respect of such Security on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Security has occurred;

**"Disrupted Day Related Payment Date"** means any payment date on the Notes on which the amount payable is calculated by reference to the price or level (as applicable) of an Index, an Index Basket, a Security or a Securities Basket determined on the related Valuation Date or Limit Valuation Date;

**"DR-Linked Notes"** means a Series of Equity-Linked Notes which relate to one or more Securities which are Depository Receipts;

**"Early Closure"** means (a) the closure on any Exchange Business Day of the relevant Exchange (in the case of Equity-Linked Notes) or any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or (b) if the Notes are Multiple Exchange Index-Linked Notes, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Early Redemption Amount"** means, in relation to each Note or Calculation Amount, as applicable,

- (i) where the event giving rise to the early redemption does not constitute Force Majeure
  - (a) an amount equal to the percentage per Calculation Amount;
  - (b) its Fair Market Value;
  - (c) its Market Value 1;
  - (d) its Market Value 2;
  - (e) its Principal Protected Amount;
  - (f) its Highest Value (Vanilla); or
  - (g) its Highest Value (Structured),

in each case (i) as specified in the relevant Final Terms for the event giving rise to the early redemption and calculated in accordance with, and subject to, Condition 5(l) (*Redemption and Purchase - Calculation and Rounding*), and (ii) without prejudice to Condition 5(m) (I), if "Monetisation Option" is specified as being applicable in the relevant Final Terms, or

- (ii) where the event giving rise to the early redemption constitutes Force Majeure, an amount determined by the Calculation Agent, as of the Early Redemption Valuation Date, equal to the fair market value of such Note determined by reference to:
  - (a) if the Note is actively traded on a regulated market, multilateral trading facility or over-the-counter market and where recent observable bid and ask prices are available, by reference to such prices;

- (b) if the Note is not traded on a regulated market, multilateral trading facility or over-the-counter market, or where, in the reasonable determination of the Calculation Agent, no recent observable bid and ask prices that represent the market value of such Notes are available, by reference to a generally accepted valuation method for such instrument in the financial markets,

and **provided that** any costs incurred by the Issuer in relation to the early redemption of the Notes or the termination of any hedging arrangements (excluding, for the avoidance of doubt, any negative mark-to-market value of the Derivative Component, if applicable), shall not be taken into account when determining such amount.

**"Early Redemption Valuation Date"** means the date on which the Issuer determines that it will exercise its option to redeem the Notes early, such date being notified to Noteholders in the relevant notice of early redemption;

**"EMU Event"** means the occurrence of any of the following, as determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner:

- (i) the redenomination of any security into euro;
- (ii) the change by any organised market, exchange or clearing, payment or settlement system in the unit of account of its operating procedures to the euro;
- (iii) any change in the currency of denomination of any Index or any Security; or
- (iv) any change in the currency in which some or all of the securities or other property comprising any Index is denominated;

**"Equity-Linked Notes"** means a Series of Notes in respect of which an amount, which shall be calculated by reference to the value of a Security or Securities and/or a formula, is payable (as indicated in the relevant Final Terms);

**"ETF"** means the exchange traded fund or similarly traded or listed fund as specified in the relevant Final Terms;

**"ETF Adviser"** means, with respect to an ETF, any person appointed in the role of discretionary investment manager or non-discretionary investment manager (including a non-discretionary investment manager to a discretionary investment manager or to another non-discretionary investment manager), as provided in the related ETF Documents;

**"ETF Documents"** means, in relation to any ETF, the constitutive and governing documents, subscription agreements and other agreements of such ETF specifying the terms and conditions relating to such ETF, in each case as amended and supplemented from time to time;

**"EURIBOR"** means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Eurozone interbank offered rate;

**"Euro"**, **"euro"** **"EUR"**, **"€"** each mean the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty;

**"Euro Business Day"** or **"TARGET Business Day"** means a day on which T2 is open for settlement of payments in euro;

**"Euroclear"** means Euroclear Bank S.A./N.V.;

**"Euro Exchange Date"** means the date on which the Euro Exchange Notice is given by the Issuer to the Noteholders pursuant to Condition 8 (*Redenomination*), which is the date on which all unmatured Coupons denominated in the relevant Settlement Currency (whether or not attached to the Notes) will become void with effect from;

"**Euro Exchange Notice**" means the notice given by the Issuer to the Noteholders stating that replacement Notes and Coupons denominated in euro are available for exchange (**provided that** such Notes and Coupons are available);

"**Exchange**" means (a) with respect to a Security or an Index, each exchange or quotation system specified as such in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Security or the components of the Index, as the case may be, has temporarily relocated (**provided that** the Calculation Agent has determined that there is comparable liquidity relative to such Security or components, as the case may be, as on the original Exchange); or (b) in the case of a Multiple Exchange Index and each relevant Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent (which exchange or quotation system as of the Issue Date may be specified as such in the relevant Final Terms); **provided, however, that** if the Exchange (the "**Original Exchange**") announces that, pursuant to the rules of such Exchange, any Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and the Securities are re-listed, re-traded or re-quoted on an Alternative Exchange, then, so long as the Securities are not listed, traded or publicly quoted on the Original Exchange, such Alternative Exchange shall be the "**Exchange**" in relation to such Securities;

"**Exchange Business Day**" means (a) any Scheduled Trading Day on which each Exchange and any relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or (b) with respect to a Multiple Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the Index and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to its Scheduled Closing Time;

"**exchange date**" shall be the Relevant Banking Day following the day on which the relevant Bearer Note shall have been surrendered for exchange in the manner specified in Condition 11 (*Replacement, Exchange and Transfer*);

"**Exchange Disruption**" means (a) any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for the Securities on the Exchange (in the case of Equity-Linked Notes) or on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes), or (ii) to effect transactions in, or obtain market values for, future or options contracts relating to the Securities (in the case of Equity-Linked Notes) or the relevant Index (in the case of Index-Linked Notes) on any relevant Related Exchange; or (b) with respect to a Multiple Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in respect of such Component Security or (ii) futures or options contracts relating to the Index on the relevant Related Exchange;

"**Extraordinary Dividend**" means the amount per Security specified in the relevant Final Terms or, if no such amount is so specified, any dividend or the portion of any dividend which the Calculation Agent determines is generally considered an Extraordinary Dividend by the market in respect of the relevant Security;

"**Extraordinary ETF Event**" means, in the determination of the Calculation Agent, the occurrence or existence of any of the following:

- (i) the ETF (A) is dissolved or has a resolution passed for its dissolution, winding up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its

winding up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; or (F) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (A) to (E) above;

- (ii) the ETF has violated any leverage restriction that is applicable to, or affecting, such ETF or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the ETF Documents or any contractual restriction binding on or affecting the ETF or any of its assets;
- (iii) the resignation, termination or replacement of the ETF Adviser;
- (iv) any change or modification of the ETF Documents that could reasonably be expected to affect the value of the Units or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent) from those prevailing on the Issue Date;
- (v) any breach or violation of any strategy or investment guidelines stated in the ETF Documents that is reasonably likely to affect the value of the Units or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent);
- (vi) any restrictions or increase in charges or fees are imposed by the ETF on any investor's ability to redeem the Units, in whole or in part, or on any existing or new investor's ability to make new or additional investments in such Units, or any mandatory redemption, in whole or in part, of such Units is imposed by the ETF (in each case other than any restriction in existence on the Issue Date);
- (vii) (A) cancellation, suspension or revocation of the registration or approval of the Units or the ETF by any governmental, legal or regulatory entity with authority over the Units or the ETF, (B) any change in the legal, tax, accounting or regulatory treatments of the ETF or the ETF Adviser that is reasonably likely to have an adverse impact on the value of the Units or on any investor therein (as determined by the Calculation Agent), or (C) the ETF or the ETF Adviser becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of the ETF;
- (viii) (A) the occurrence of any event affecting the Units that, in the determination of the Calculation Agent, would make it impossible or impracticable to determine the value of the Units, and such event is likely, in the determination of the Calculation Agent, to continue for the foreseeable future; or (B) any failure of the ETF to deliver, or cause to be delivered (1) information that the ETF has agreed to deliver, or cause to be delivered to the Issuer and/or Calculation Agent or (2) information that has been previously delivered to the Issuer and/or Calculation Agent in accordance with the ETF's, or its authorised representative's, normal practice and that the Issuer and/or Calculation Agent deems necessary for it to monitor the ETF's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Units;
- (ix) (A) the cancellation or cessation of any Underlying Index or (B) a material change in the formula for or the method of calculating or any other material modification to any Underlying Index (other than a modification prescribed in that formula or method to maintain such Underlying Index in the event of changes in constituent stock and capitalisation and other routine events) or (C) the relevant sponsor of any Underlying Index fails to calculate and announce such Underlying Index; and

- (x) on or after the Strike Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines that the Issuer will incur a materially increased cost in performing its obligations under the Notes;

**"Extraordinary Event"** means (a) in all cases other than where the Final Terms specifies that the Securities are Units in an ETF, a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting (b) in the case where the Final Terms specifies that the Securities are Units in an ETF, a Merger Event, Nationalisation, Insolvency, Delisting or Extraordinary ETF Event;

**"Fair Market Value"** means, in relation to any Note, its fair market value immediately prior to the relevant redemption date, as determined by the Calculation Agent in consultation with the Issuer, less any reasonable costs and expenses of the Issuer and/or any affiliate of the Issuer of unwinding any underlying and/or related hedging and/or funding arrangements, and any such calculation of the fair market value shall have the effect of preserving for the Noteholders the economic equivalent of the obligations of the Issuer to make payments in respect of the Notes which would, but for any early redemption (in the case of any early redemption of such Notes), have fallen due after the relevant early redemption date. For the purposes of calculating the Fair Market Value following an Event of Default pursuant to Condition 9 (*Events of Default*) only, in determining the fair market value of the Notes, no account shall be taken of the creditworthiness of the Issuer, who shall be deemed to be able to perform fully its obligations in respect of the Notes;

**"Fee Component"** means any costs, as notified by the Issuer to the Calculation Agent (including but not limited to any structuring costs) which were included in the issue price of the relevant Note in an amount equal to the amount of such costs multiplied by the number of days from the Early Redemption Valuation Date to the Maturity Date and divided by the number of days from the Issue Date until the Maturity Date of such Notes;

**"Final Index Basket Level"** means, in relation to an Index Basket:

- (i) if **"Worst of Basket"** is specified with respect to such Index Basket, the Final Index Level of the Worst Performing Index; and
- (ii) if **"Best of Basket"** is specified with respect to such Index Basket, the Final Index Level of the Best Performing Index;

**"Final Index Level"** means, in respect of an Index, the Specified Level with respect to such Index determined with respect to the Final Valuation Date;

**"Final Index Performance"** means:

- (i) in relation to an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Index:

$$\frac{[\text{Final Index Level}]}{[\text{Initial Index Level}]}$$

- (ii) in relation to an Index Basket other than an Index Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Index Basket:

$$\frac{[\text{Final Index Basket Level}]}{[\text{Initial Index Basket Level}]}$$

- (iii) in relation to an Index Basket in respect of which "Average Basket" is specified:

- (A) where "Single Observation", "Highest Level", "Lowest Level" or "Average Level" are specified as being applicable, the Final Index Performance with respect to the Final

Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Final Index Performance of each Index comprising the Basket in respect of the Final Valuation Date as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

- (B) where "Average Basket – Lowest Date" is specified to apply, the Final Index Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date; and
- (C) where "Average Basket – Highest Date" is specified to apply, the Final Index Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date;

**"Final Securities Basket Price"** means, in relation to a Securities Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Securities Basket, the Final Security Price of the Worst Performing Security; and
- (ii) if "**Best of Basket**" is specified with respect to such Securities Basket, the Final Security Price of the Best Performing Security;

**"Final Security Performance"** means

- (i) in relation to a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Security:

$$\left[ \frac{\text{Final Security Price}}{\text{Initial Security Price}} \right]$$

- (ii) in relation to a Securities Basket other than a Securities Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the Final Valuation Date and such Securities Basket:

$$\left[ \frac{\text{Final Securities Basket Price}}{\text{Initial Securities Basket Price}} \right]$$

- (iii) in relation to a Securities Basket in respect of which "Average Basket" is specified:
  - (A) where "Single Observation", "Highest Price", "Lowest Price" or "Average Price" are specified as being applicable, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Final Security Performance of each Security comprising the Basket in respect of the Final Valuation Date as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
  - (B) where "Average Basket – Lowest Date" is specified to apply, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date; and
  - (C) where "Average Basket – Highest Date" is specified to apply, the Final Security Performance with respect to the Final Valuation Date shall be the weighted average (in

line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date;

**"Final Security Price"** means, in respect of a Security, the Specified Price with respect to such Security determined with respect to the Final Valuation Date;

**"Final Redemption Amount"** has the meaning given to it in Condition 5(a) (*Redemption and Purchase – At Maturity*);

**"Final Valuation Date"** means:

- (i) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Final Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

**"Fixed/Floating Rate Notes"** means a Note for which Fixed Rate Note provisions (for an initial period from the initial Interest Commencement Date) and Floating Rate Note provisions (for a subsequent period) are specified in the relevant Final Terms as applicable;

**"Fixed Rate Note"** means a Note which bears interest at a fixed rate and in respect of which Condition 4A (*Interest – Fixed Rate Note Provisions*) is applicable;

**"Floating Rate Note"** means a Note which bears interest at a floating rate and in respect of which Condition 4B (*Interest – Floating Rate Note Provisions*) is applicable;

**"Floating Rate Option"** means, in relation to a Note to which ISDA Determination applies, a rate or price source specified as such in the relevant Final Terms;

**"FX Cut-off Date"** has the meaning ascribed thereto in Condition 7(f) (*Price Source Disruption and FX Disruption*);

**"Force Majeure"** means any force majeure, act of state, or other event or circumstance occurring after the Issue Date as a consequence of which the fulfilment of the obligations of the Issuer under the Notes has become impossible through the occurrence of an external event that is not attributable to the Issuer;

**"FX Disruption Event"** means the occurrence, as determined by the Calculation Agent of (i) (a) an Inconvertibility, (b) Non-transferability, (c) Illiquidity or (d) any other event affecting the Settlement Currency (the **"FX Disruption Relevant Currency"**) which would make it unlawful or not possible using commercially reasonable efforts for reasons outside the control of the Issuer and/or the Calculation Agent, in whole or in part (including without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial power) for the Issuer (or the Issuer's affiliate) to pay or receive amounts in the FX Disruption Relevant Currency; or (ii) if Offshore RMB is specified as the applicable FX Disruption Relevant Currency, each of the events specified in (i) above, plus an Offshore RMB Disruption;

**"Governmental Authority"** means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the Settlement Currency Jurisdiction or, where the Settlement Currency is specified to be RMB, in mainland China and each Offshore RMB Centre;

**"Government Bonds"** means, in relation to a Series of Notes, bonds or any other debt securities issued by a government, government agency or subdivision or a transnational or supranational organisation as specified in the relevant Final Terms and **"Government Bond"** shall be construed accordingly;

**"Highest Value (Structured)"** means, in relation to any Note which is to be redeemed early, the higher of Market Value 2 and the Principal Protected Amount, **provided that**

- (i) any costs incurred by the Issuer in relation to the early redemption of the Notes or the termination of any hedging arrangements, shall not be taken into account when determining Highest Value (Structured); and
- (ii) where Highest Value (Structured) is specified as the relevant Early Redemption Amount in the relevant Final Terms, the Fee Component shall be added to Highest Value (Structured);

**"Highest Value (Vanilla)"** means, in relation to any Note which is to be redeemed early, the higher of Market Value 1 and the Principal Protected Amount, **provided that**

- (i) any costs incurred by the Issuer in relation to the early redemption of the Notes or the termination of any hedging arrangements, shall not be taken into account when determining Highest Value (Vanilla); and
- (ii) where Highest Value (Vanilla) is specified as the relevant Early Redemption Amount in the relevant Final Terms, the Fee Component shall be added to Highest Value (Vanilla);

**"Illiquidity"** means where the foreign exchange market in the Settlement Currency Jurisdiction becomes illiquid after the Trade Date and, as a result of which, the Issuer cannot obtain sufficient Settlement Currency in order to satisfy its obligation to pay any amount in respect of the Notes as determined by the Issuer acting in good faith and in a commercially reasonable manner following consultation (if practicable) with two Reference Dealers;

**"Inconvertibility"** means the occurrence of any event after the Trade Date that makes it impossible for the Issuer to convert any amount due in respect of the Notes in the foreign exchange market in the Settlement Currency Jurisdiction, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

**"Index"** means in relation to a Series of Notes, the index to which such Series of Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 17 (*Adjustments to Indices*) and Condition 19 (*Additional Disruption Events*) and **"Indices"** shall be construed accordingly;

**"Index Basket"** means, in relation to a Series of Notes, the basket of indices to which such Series of Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 17 (*Adjustments to Indices*) and Condition 19 (*Additional Disruption Events*), and **"Index Baskets"** shall be construed accordingly;

**"Index Cessation Event"** means, in respect of a Series of Notes that references an Applicable Benchmark which is a Reference Rate or a Floating Rate Option, or any other interest rate, yield, cost of funds or similar rate, the occurrence or existence, as determined by the Issuer, of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the administrator of the Applicable Benchmark announcing that it has ceased or will cease to provide the Applicable Benchmark permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Applicable Benchmark, the central bank for the currency of the Applicable Benchmark, an insolvency official with jurisdiction over the administrator for the Applicable Benchmark, a resolution authority with jurisdiction over the administrator for the Applicable Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the



Applicable Benchmark, which states that the administrator of the Applicable Benchmark has ceased or will cease to provide the Applicable Benchmark permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark;

- (iii) if the Applicable Benchmark is the Sterling London interbank offered rate, the Swiss Franc London interbank offered rate, the U.S. Dollar London interbank offered rate, the Euro London interbank offered rate or the Japanese Yen London interbank offered rate (each, a "Specified Rate"), or is a swap rate which references a swap transaction with a floating leg of a Specified Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Applicable Benchmark announcing that (i) the regulatory supervisor has determined that such Applicable Benchmark is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark is intended to measure and that representativeness will not be restored and (ii) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;
- (iv) if the Relevant Benchmark is SOR, if SOR for a tenor equal to the relevant Interest Period (the "relevant tenor") is not published by ABS Benchmarks Administration Co Pte. Ltd. (or any successor administrator) (the "SOR Administrator") or an authorised distributor and is not otherwise provided by the SOR Administrator, and as of the day that is two Singapore and London Banking Days (as defined below) preceding the next following Interest Payment Date, the U.S. Dollar London interbank offered rate for the relevant tenor has been permanently discontinued or is Non-Representative (as defined below) and there is either no U.S. Dollar London interbank offered rate which has not been permanently discontinued and which is not Non-Representative for a period which is longer than the relevant tenor or no U.S. Dollar London interbank offered rate which has not been permanently discontinued and which is not Non-Representative for a period which is shorter than the relevant tenor (and for these purposes (x) the U.S. Dollar London interbank offered rate in a particular tenor shall be "Non-Representative" if the regulatory supervisor for the administrator of such rate (i) has determined and announced that such rate in such tenor is no longer representative of the underlying market and economic reality that such rate is intended to measure and representativeness will not be restored and (ii) is aware that certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts have been or are engaged, and (y) a "Singapore and London Banking Day" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore and London); or
- (v) in respect of an Applicable Benchmark which has an Underlying Fallback Rate, a public statement or publication of information by the regulatory supervisor for the administrator of the Underlying Fallback Rate, the central bank for the currency of the Underlying Fallback Rate, an insolvency official with jurisdiction over the administrator for the Underlying Fallback Rate, a resolution authority with jurisdiction over the administrator for the Underlying Fallback Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Underlying Fallback Rate, which states that the administrator of the Underlying Fallback Rate has ceased or will cease to provide the Underlying Fallback Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Underlying Fallback Rate (and, for these purposes, an "Underlying Fallback Rate" in relation to an Applicable Benchmark shall be such rate (if any) as the Issuer determines is the rate underlying such Applicable Benchmark);

**"Index Cessation Effective Date"** means:

- (a) the first date on which the Applicable Benchmark would ordinarily have been published or provided and is no longer published or provided; or
- (b) in the case of limb (c) of the definition of "Index Cessation Event", the first date on which the Applicable Benchmark would ordinarily have been published or provided and is either:

- (i) no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark is intended to measure and that representativeness will not be restored, by reference to the most recent statement or publication contemplated in such limb (c), and even if such Applicable Benchmark continues to be published or provided on such date; or
- (ii) no longer published or provided;

**"Index-Linked Notes"** means a Series of Notes in respect of which an amount calculated by reference to an Index or Indices and/or a formula is payable (as indicated in the relevant Final Terms);

**"Index Rules"** means, in respect of an Index, the rules of the Index Sponsor in relation to such Index specified as such in the relevant Final Terms;

**"Index Sponsor"** means, in respect of an Index, the corporation or other entity specified as such in the relevant Final Terms and any successor corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during or at the end of each Scheduled Trading Day (as the case may be);

**"Index Substitution Notice"** means a notice specifying a Substitute Index to be substituted for the Index and the date as of which such substitution is to take effect;

**"Initial Index Basket Level"** means, with respect to an Index Basket:

- (i) if "Worst of Basket" is specified with respect to such Index Basket, the Initial Index Level of the Worst Performing Index; and
- (ii) if "Best of Basket" is specified with respect to such Index Basket, the Initial Index Level of the Best Performing Index;

**"Initial Index Level"** means, with respect to an Index, either:

- (i) the level specified as such in the relevant Final Terms; or
- (ii) the Specified Level with respect to such Index determined with respect to the Strike Date;

**"Initial Securities Basket Price"** means, with respect to a Security:

- (i) if "Worst of Basket" is specified with respect to such Securities Basket, the Initial Security Price of the Worst Performing Security; and
- (ii) if "Best of Basket" is specified with respect to such Securities Basket, the Initial Security Price of the Best Performing Security;

**"Initial Security Price"** means, with respect to a Security, either:

- (i) the price specified as such in the relevant Final Terms; or
- (ii) the Specified Price with respect to such Security determined with respect to the Strike Date;

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding up of or any analogous proceeding affecting an Underlying Company, (A) all the Securities of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Securities of that Underlying Company become legally prohibited from transferring them;

**"Insolvency Filing"** means that the issuer of the Securities institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official or it

consents to such petition, **provided that** proceedings instituted or petitions presented by creditors and not consented to by the issuer of the Securities shall not be deemed an Insolvency Filing;

"**Interest Commencement Date**" means the date specified as such in the relevant Final Terms;

"**Interest Determination Date**" means the day determined by the Calculation Agent to be customary for determining the Reference Rate applicable for the relevant Interest Period; **provided that** where so specified in the relevant Final Terms, such day shall be a day (i) if such currency is euro, which is a Euro Business Day, and (ii) if such currency is any other currency, on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre or centres of the country of such currency (or where such currency is a National Currency Unit and the Notes have been redenominated into euro pursuant to Condition 8 (*Redenomination*), the former principal financial centre or centres) or as otherwise may be specified in the Final Terms;

"**Interest Payment Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"**IRC**" means U.S. Internal Revenue Code of 1986, as amended;

"**ISDA**" means the International Swaps and Derivatives Association, Inc. (or any successor);

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date**" means the date specified as such in the relevant Final Terms;

"**Italian Notes**" means Notes for which it is specified in the Final Terms that an application is expected to be made for the Notes to be admitted to the official list of the Italian Stock Exchange;

"**Italian Stock Exchange**" means Borsa Italiana S.p.A.;

"**Limit Valuation Date**" has the meaning given to it in Condition 16 (*Consequences of Disrupted Days*);

"**local banking day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Principal Paying Agent, the Paying Agent, the Registrar or the Transfer Agent, to which the relevant Note or Coupon is presented for payment is located;

a "**Lock-In Coupon Event**" will be deemed to have occurred in relation to a Lock-In Coupon Valuation Date if the Relevant Observation Performance determined in relation to such Lock-In Coupon Valuation Date is equal to or greater than the Lock-In Coupon Level specified in relation to such Lock-In Coupon Valuation Date, as determined by the Calculation Agent;

"**Lock-In Coupon Level**" means, in respect of a Lock-In Coupon Valuation Date, the percentage specified as such for such Lock-In Coupon Valuation Date in the relevant Final Terms;

"**Lock-In Coupon Valuation Date**" means:

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Lock-In Coupon Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

a "**Lock-In Redemption Event**" will be deemed to have occurred in relation to a Lock-In Redemption Valuation Date if the Relevant Observation Performance determined in relation to such Lock-In Redemption Valuation Date is equal to or greater than the Lock-In Redemption Trigger Level specified in relation to such Lock-In Redemption Valuation Date, as determined by the Calculation Agent;

"**Lock-In Redemption Percentage**" means the percentage specified as such in the relevant Final Terms;

"**Lock-In Redemption Trigger Level**" means, in respect of any Lock-In Redemption Valuation Date, the percentage specified as such in the relevant Final Terms;

"**Lock-In Redemption Valuation Date**" means:

- (i) in respect of a Note which relates to a single Index or Security, each of the dates specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Note which relates to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Lock-In Redemption Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

"**Margin**" means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

"**Market Disruption Event**" means:

- (A) in respect of an Index (a) the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure **provided that** if a Market Disruption Event occurs in respect of a Component Security at any time, then the relevant percentage contribution of that Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event; or (b) with respect to a Multiple Exchange Index, either:
  - (i) (1) the occurrence or existence, in respect of any Component Security, of (aa) a Trading Disruption, (bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or
  - (ii) the occurrence or existence, in respect of futures or options contracts relating to such Index of: (aa) a Trading Disruption, (bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that

ends at the relevant Valuation Time in respect of the Related Exchange; or (cc) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Multiple Exchange Index at any time, if a Market Disruption Event occurs in respect of a Component Security at that time, then the relevant percentage contribution of that Component Security to such level of the Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor of such Index as part of the market "opening data"; and

- (B) in respect of a Security, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time or (iii) an Early Closure;

**"Market Value 1"** means, in relation to any Note which is to be redeemed early, an amount determined by the Calculation Agent, as of the Early Redemption Valuation Date, equal to the fair market value of such Note determined by reference to:

- (a) if the Note is actively traded on a regulated market, multilateral trading facility or over-the-counter market and where recent observable bid and ask prices are available, by reference to such prices;
- (b) if the Note is not traded on a regulated market, multilateral trading facility or over-the-counter market, or where, in the reasonable determination of the Calculation Agent, no recent observable bid and ask prices that represent the market value of such Notes are available, by reference to a generally accepted valuation method for such instrument in the financial markets,

**provided that**

- (i) for the purposes of calculating Market Value 1 following an Event of Default pursuant to Condition 9 (*Events of Default*) only, in determining the fair market value of the Notes, no account shall be taken of the creditworthiness of the Issuer, who shall be deemed to be able to perform fully its obligations in respect of the Note;
- (ii) any costs incurred by the Issuer in relation to the early redemption of the Notes or the termination of any hedging arrangements, shall not be taken into account when determining Market Value 1; and
- (iii) where Market Value 1 is specified as the relevant Early Redemption Amount in the relevant Final Terms, the Fee Component shall be added to Market Value 1;

**"Market Value 2"** means, in relation to any Note which is to be redeemed early, an amount determined by the Calculation Agent, as of the Early Redemption Valuation Date, equal to the fair market value of such Note which shall be the aggregate of (i) the present value of the savings component of the Notes on the Early Redemption Valuation Date (as calculated by the Calculation Agent by reference to a generally accepted valuation method for such instruments in the financial markets) and (ii) the Derivative Component Market Value, **provided that**,

- (a) for the purposes of calculating Market Value 2 following an Event of Default pursuant to Condition 9 (*Events of Default*) only, in determining the fair market value of the Notes, no account shall be taken of the creditworthiness of the Issuer, who shall be deemed to be able to perform fully its obligations in respect of the Notes;
- (b) any costs incurred by the Issuer in relation to the early redemption of the Notes or the termination of any hedging arrangements (excluding, for the avoidance of doubt, any negative value of the Derivative Component Market Value), shall not be taken into account when determining Market Value 2; and
- (c) where Market Value 2 is specified as the relevant Early Redemption Amount in the relevant Final Terms, the Fee Component shall be added to Market Value 2;

**"Maturity Date"** has the meaning ascribed thereto in Condition 5(a) (*Redemption and Purchase – At Maturity*);

**"Maximum Interest Rate"** means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

**"Merger Event"** means in respect of any relevant Securities, any (i) reclassification or change of such Securities that results in a transfer of or an irrevocable commitment to transfer all of such Securities outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Underlying Company with or into another entity or person (other than a consolidation, amalgamation or merger in which such Underlying Company is the continuing entity and which does not result in a reclassification or change of all of such Securities outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Securities of the Underlying Company that results in a transfer of or an irrevocable commitment to transfer all such Securities (other than such Securities owned or controlled by such other entity or person); or (iv) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all of such Securities outstanding but results in the outstanding Securities (other than Securities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Securities immediately following such event, in each case if the closing date of a Merger Event (or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent) is on or before the Final Valuation Date;

If the Notes are DR-Linked Notes, **"Merger Event"** shall include the occurrence of any of the events described in (i) to (iv) (inclusive) above in relation to the relevant Underlying Securities;

**"Minimum Interest Rate"** means the percentage rate per annum (or such other applicable period of time) specified as such in the relevant Final Terms;

**"Minimum Redemption Percentage"** means the percentage specified as such in the relevant Final Terms;

**"Minimum Return Percentage"** means the percentage specified as such in the relevant Final Terms;

**"Monetisation Amount"** means, in respect of a Note, the higher of (i) the Principal Protected Amount (if any) and (ii) the amount calculated by the Calculation Agent as follows:

$$(S + D + F) \times (1 + r)^n$$

Where:

**"S"** is the present value of the savings component of the Notes on the Early Redemption Valuation Date (calculated by the Calculation Agent by reference to a generally accepted valuation method for such instruments in the financial markets);

**"D"** is the Derivative Component Market Value on the Early Redemption Valuation Date;

**"F"** is the Fee Component;

**"r"** is a hypothetical annual interest rate that would be applied on an equivalent hypothetical debt instrument issued by the Issuer with the same maturity as the remaining maturing on the Notes from the Early Redemption Valuation Date until the scheduled maturity date of the Notes; and

**"n"** is the time remaining until the scheduled maturity date of the Notes, expressed as a number of years;

**"Multiple Exchange Index"** means an Index specified as such in the relevant Final Terms;

**"Multiple Exchange Index-Linked Notes"** means Notes which relate to a Multiple Exchange Index;

**"National Currency Unit"** means the national currency unit of any Participating Member State that becomes a denomination of the euro by reason of Council Regulation (EC) No. 1103/97, Council Regulation (EC) No. 974/98 or any other applicable laws;

**"Nationalisation"** means that all the Securities (or, if the Notes are DR-Linked Notes, the relevant Underlying Securities) or all or substantially all the assets of an Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity;

**"New Issuer"** has the meaning given to it in Condition 14(c) (*Meetings of Noteholders, Modification and Substitution – Substitution*);

**"Non-transferability"** means the occurrence of any event after the Trade Date that makes it impossible for the Issuer to transfer Settlement Currency between accounts inside the Settlement Currency Jurisdiction or from an account inside the Settlement Currency Jurisdiction to an account outside the Settlement Currency Jurisdiction or from an account outside the Settlement Currency Jurisdiction to an account inside the Settlement Currency Jurisdiction, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

**"Non-Trigger Valuation Date"** means a Coupon Trigger Valuation Date in relation to which no Coupon Trigger Event occurred;

**"Observation Date(s)"** means, in respect of an Index or a Security:

- (i) each of the dates specified as an Observation Date with respect to the relevant Valuation Date in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) subject to the provisions of Condition 16 (*Consequences of Disrupted Days*); or
- (ii) if Performance Observation Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, each Scheduled Trading Day (which is not a Disrupted Day) in the Performance Observation Period;

**"Observation Date Performance"** means in relation to any Observation Date:

- (i) in respect of a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of such Observation Date and such Security:

$$\left[ \frac{\text{Closing Price}}{\text{Initial Security Price}} \right]$$

- (ii) in respect of an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of such Observation Date and such Index:

$$\left[ \frac{\text{Closing Level}}{\text{Initial Index Level}} \right]$$

**"Observation Index Basket Level"** means, in respect of an Index Basket:

- (i) if **"Worst of Basket"** is specified with respect to such Index Basket, the Observation Index Level of the Worst Performing Index; and
- (ii) if **"Best of Basket"** is specified with respect to such Index Basket, the Observation Index Level of the Best Performing Index;

**"Observation Index Level"** means, in respect of an Index, the Specified Level with respect to such Index determined with respect to the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable);

**"Observation Index Performance"** means:

- (i) in relation to an Index, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Index:

$$\left[ \frac{\text{Observation Index Level}}{\text{Initial Index Level}} \right]$$

- (ii) in relation to an Index Basket other than an Index Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Index Basket:

$$\left[ \frac{\text{Observation Index Basket Level}}{\text{Initial Index Basket Level}} \right]$$

- (iii) in relation to an Index Basket in respect of which "Average Basket" is specified:
- (A) where "Single Observation", "Highest Level", "Lowest Level" or "Average Level" are specified as being applicable, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Index Performance of each Index comprising the Basket in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (B) where "Average Basket – Lowest Date" is specified to apply, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date with respect to such Valuation Date; and
- (C) where "Average Basket – Highest Date" is specified to apply, the Observation Index Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Index comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date with respect to such Valuation Date;

**"Observation Securities Basket Price"** mean, in respect of a Securities Basket:

- (i) if "**Worst of Basket**" is specified with respect to such Securities Basket, the Observation Security Price of the Worst Performing Security; and
- (ii) if "**Best of Basket**" is specified with respect to such Securities Basket, the Observation Security Price of the Best Performing Security;



"**Observation Security Performance**" means:

- (i) in relation to a Security, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Security:

$$\left[ \frac{\text{Observation Security Price}}{\text{Initial Security Price}} \right]$$

- (ii) in relation to a Securities Basket other than a Securities Basket in respect of which "Average Basket" is specified, the result of the following formula expressed as a percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) and calculated by the Calculation Agent in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) and such Securities Basket:

$$\left[ \frac{\text{Observation Securities Basket Price}}{\text{Initial Securities Basket Price}} \right]$$

- (iii) in relation to a Securities Basket in respect of which "Average Basket" is specified:

- (A) where "Single Observation", "Highest Price", "Lowest Price" or "Average Price" are specified as being applicable, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Security Performance of each Security comprising the Basket in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (B) where "Average Basket – Lowest Date" is specified to apply, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Lowest Observation Date with respect to such Valuation Date; and
- (C) where "Average Basket – Highest Date" is specified to apply, the Observation Security Performance in respect of the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable) shall be the weighted average (in line with the Weighting applicable to such Basket) of the Observation Date Performances of each Security comprising the Basket as calculated by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up) on the Average Basket – Highest Observation Date with respect to such Valuation Date;

"**Observation Security Price**" means, in respect of a Security, the Specified Price with respect to such Security determined with respect to the relevant Barrier Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, Lock-In Coupon Valuation Date or Lock-In Redemption Valuation Date (as applicable);

**"Offshore RMB"** means RMB that is freely deliverable between accounts in the Offshore RMB Centre in accordance with the law and applicable regulation and guidelines issued by relevant authorities in the Offshore RMB Centre prevailing as of the Trade Date of the Notes;

**"Offshore RMB Centre"** means either Hong Kong, Singapore, Taiwan or any other jurisdiction specified as such in the relevant Final Terms;

**"Offshore RMB Disruption"** means the occurrence of, as determined by the Calculation Agent, an Offshore RMB Inconvertibility, Offshore RMB Non-transferability or Offshore RMB Illiquidity;

**"Offshore RMB Illiquidity"** means the occurrence of any event after the Trade Date that makes it impossible (where it has previously been possible) for the Issuer to obtain a firm quote of an offer price in respect of any amount in Offshore RMB in order to satisfy its obligation to pay an amount under the Notes (the **"Relevant Disrupted Amount"**), in each case on the due date for payment or Valuation Date (as the case may be), either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such Relevant Disrupted Amount, in the general Offshore RMB exchange market in each Offshore RMB Centre in order to perform its obligations under the Notes;

**"Offshore RMB Inconvertibility"** means the occurrence of any event after the Trade Date that makes it impossible (where it had previously been possible) for the Issuer to convert an amount of Offshore RMB no less than the Relevant Disrupted Amount into or from USD (or, if the Settlement Currency specified in the Final Terms is other than USD, then such Settlement Currency) in the general Offshore RMB exchange market in each Offshore RMB Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

**"Offshore RMB Non-Transferability"** means the occurrence in each Offshore RMB Centre of any event after the Trade Date that makes it impossible (where it had previously been possible) for the Issuer to transfer Offshore RMB (i) between accounts inside an Offshore RMB Centre, (ii) from an account inside an Offshore RMB Centre to an account outside such Offshore RMB Centre and outside mainland China, or (iii) from an account outside an Offshore RMB Centre and outside mainland China to an account inside such Offshore RMB Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation). For the purpose of Offshore RMB Non-Transferability and Hong Kong as an Offshore RMB Centre only, a segregated Chinese Renminbi fiduciary cash account with the People's Bank of China and operated by Bank of China (Hong Kong) Limited shall be deemed to be an account inside Hong Kong;

**"Optional Redemption Date (Call Option)"** means each date specified as such in the relevant Final Terms on which the Notes are being redeemed pursuant to Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer*), subject in each case to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms;

**"Outstanding Missed Coupon Amounts"** means, in relation to any Coupon Trigger Valuation Date, an amount equal to the aggregate of the Coupon Trigger Amounts in respect of the Non-Trigger Valuation Dates falling after the last Coupon Trigger Valuation Date on which a Coupon Trigger Event occurred (if any);

**"Participating Member State"** means any member state of the European Union that has adopted or adopts the single currency in accordance with the Treaty;

**"Participation"** means the percentage specified as such in the relevant Final Terms, provided that if no such percentage is specified, the Participation shall be 100%;

**"Performance Observation Period"** means, with respect to:

- (i) the Strike Date, the period from and including the **"Strike Observation Start Date"** to and including the **"Strike Observation End Date"**, each as specified in the relevant Final Terms (the **"Strike Observation Period"**);

- (ii) the Final Valuation Date, the period from and including the "**Final Valuation Observation Start Date**" to and including the "**Final Valuation Observation End Date**", each as specified in the relevant Final Terms (the "**Final Performance Observation Period**");
- (iii) any Automatic Early Redemption Valuation Date, the period from and including the "**Autocall Observation Start Date**" to and including the "**Autocall Observation End Date**", each as specified in the relevant Final Terms (the "**Autocall Observation Period**");
- (iv) any Coupon Trigger Valuation Date, the period from and including the "**Coupon Trigger Observation Start Date**" to and including the "**Coupon Trigger Observation End Date**", each as specified in the relevant Final Terms (the "**Coupon Trigger Observation Period**");
- (v) any Lock-In Coupon Valuation Date, the period from and including the "**Lock-In Coupon Observation Start Date**" to and including the "**Lock-In Coupon Observation End Date**", each as specified in the relevant Final Terms (the "**Lock-In Coupon Observation Period**");
- (vi) any Barrier Valuation Date, the period from and including the "**Barrier Observation Start Date**" to and including the "**Barrier Observation End Date**", each as specified in the relevant Final Terms (the "**Barrier Observation Period**"); and
- (vii) any Lock-In Redemption Valuation Date, the period from and including the "**Lock-In Redemption Observation Start Date**" to and including the "**Lock-In Redemption Observation End Date**", each as specified in the relevant Final Terms (the "**Lock-In Redemption Observation Period**");

"**Potential Adjustment Event**" means (i) a subdivision, consolidation or reclassification of relevant Securities (unless resulting in a Merger Event), or a free distribution or dividend of any such Securities to existing holders whether by way of bonus, capitalisation or similar issue; or (ii) a distribution, issue or dividend to existing holders of the relevant Securities of (A) such Securities or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlying Company equally or proportionately with such payments to holders of such Securities or (C) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent; or (iii) an Extraordinary Dividend; or (iv) a call by the Underlying Company in respect of relevant Securities that are not fully paid; or (v) a repurchase by the Underlying Company or any of its subsidiaries of relevant Securities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or (vi) in respect of the Underlying Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Underlying Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, **provided that** any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Securities; or (viii) any other event specified as such in the relevant Final Terms;

With respect to Depository Receipts, "**Potential Adjustment Event**" shall also include (x) the occurrence of any of the events described in (i) to (viii) (inclusive) above in respect of the relevant Underlying Securities, **provided that** the occurrence of any of the events described in (i) to (vi) (inclusive) in respect of the relevant Underlying Securities shall not constitute a Potential Adjustment Event unless, the Calculation Agent determines that such event has a diluting or concentrative effect on the theoretical value of the Securities and (y) the making of any amendment or supplement to the terms of the Deposit Agreement;

"**Price Source Disruption**" means, in relation to the Relevant Rate, such Relevant Rate is not available for any reason as determined by the Calculation Agent;

"**Principal Protected Amount**" means an amount, if any, specified as such in the relevant Final Terms in respect of Notes;

"**Protection Level Percentage**" means the percentage specified as such in the relevant Final Terms;

**"Rate of Interest"** means:

- (i) where the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable the rate of interest specified as such in the relevant Final Terms; and
- (ii) where the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable, the rate of interest determined in accordance with Conditions 4B(c) (*Interest – Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*), 4B(d) (*Interest – Floating Rate Note Provisions – ISDA Determination*) or 4B(e) (*Interest – Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA*), as applicable;

**"Redenomination Date"** means a date (being, in the case of interest-bearing Notes, a date on which interest in respect of such Notes is payable) which:

- (i) is specified by the Issuer in the notice given to the Noteholders pursuant to Condition 8(a) (*Redenomination – General*); and
- (ii) falls on or after such date as the country of the Settlement Currency becomes a Participating Member State;

**"Redemption Amount (Call Option)"** means, in relation to each Note and an Optional Redemption Date (Call Option), the percentage of its Calculation Amount as specified in the relevant Final Terms in respect of such Optional Redemption Date (Call Option) and calculated in accordance with, and subject to, Condition 5(l) (*Redemption and Purchase - Calculation and Rounding*);

**"Redemption Amount"** has the meaning given to it in Condition 5(l) (*Redemption and Purchase – Calculation and Rounding*);

**"Reference Bank(s)"** means four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

**"Reference Dealers"** means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

**"Reference Rate"** means, as specified in the relevant Final Terms, either BBR, EURIBOR, SONIA, SOFR, €STR, SORA or TONA;

**"Regular Period"** means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

**"Related Exchange"** means, subject to the proviso below, in respect of an Index or Security, each exchange or quotation system specified as such for such Index or Security in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index or Security has temporarily relocated (**provided that** the Calculation Agent has determined that there is comparable liquidity relative to the

futures or options contracts relating to such Index or Security as on the original Related Exchange) **provided, however, that** where "All Exchanges" is specified as the Related Exchange in the relevant Final Terms, "**Related Exchange**" shall mean in respect of an Index or Security each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or Security, as the case may be;

"**Related Payment Date**" means any payment date on the Notes on which the amount payable is calculated by reference to the Relevant Rate determined on the related Scheduled FX Fixing Date;

"**Relevant Banking Day**" means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar is located and, in the case only of an exchange of a Bearer Note for a Registered Note where such request for exchange is made to the Principal Paying Agent or the Transfer Agent, in the place where the specified office of the Principal Paying Agent or, as the case may be, the Transfer Agent is located;

"**Relevant Benchmark**" means, in relation to any Series of Notes:

- (a) each Reference Rate, Floating Rate Option or other interest rate, yield, cost of fund or similar rate specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Reference Rate or Floating Rate Option);
- (b) each Relevant Rate specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Relevant Rate);
- (c) each Index specified in the relevant Final Terms as being applicable to such Notes (or, if applicable, the index, benchmark or other price source that is referred to in such Index);
- (d) any other index, benchmark or price source specified in the relevant Final Terms as being applicable to such Notes.

To the extent that any index, benchmark or price source constitutes an Alternative Pre-nominated Index or Replacement Index used pursuant to Condition 13A (*Consequences of a Benchmark Trigger Event*), such index, benchmark or price source, as applicable, shall be a "Relevant Benchmark" from the day on which it is first used;

"**Relevant Benchmark Determination Date**" means, in relation to any Series of Notes and a Relevant Benchmark, a date on which such Relevant Benchmark falls to be determined in accordance with the Conditions;

"**Relevant Benchmark Related Payment Date**" means, in relation to any Series of Notes, a Relevant Benchmark and a Relevant Benchmark Determination Date, any payment date under the Notes for which the amount payable is calculated by reference to the Relevant Benchmark as determined on such Relevant Benchmark Determination Date;

"**Relevant Currency**" means:

- (i) "**AUD**" which is the lawful currency of Australia;
- (ii) "**CHF**" which is the lawful currency of Switzerland;
- (iii) "**EUR**" which is the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty;
- (iv) "**GBP**" which is the lawful currency of the United Kingdom;
- (v) "**JPY**" which is the lawful currency of Japan;
- (vi) "**SGD**" which is the lawful currency of Singapore; and
- (vii) "**USD**" which is the lawful currency of the United States of America,

in each case as specified in the relevant Final Terms;

**"Relevant Currency Business Day"** means, in relation to a Relevant Rate that is the Alternative Payment Currency Exchange Rate or Alternative Payment Cross Currency Rate or Settlement Currency Exchange Rate, an Alternative Payment Currency Fixing Date;

**"Relevant Final Performance"** means the Final Index Performance or Final Security Performance, as applicable;

**"Relevant Financial Centre"** means the financial centre specified as such in the relevant Final Terms;

**"Relevant Financial Centre Day"** means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre or centres for the currency in which payment falls to be made (or, where such currency is a National Currency Unit and the Notes have been redenominated into euro pursuant to Condition 8 (*Redenomination*), the former principal financial centre or centres) and in any other place set out in the Final Terms. In the case of payments which fall to be made in euro (save for payments in relation to Notes which have been redenominated into euros pursuant to Condition 8 (*Redenomination*)), a Euro Business Day. The Relevant Financial Centre Days in relation to any Tranche determined in accordance with the above provisions as at the Issue Date shall be specified in the relevant Final Terms;

**"Relevant Nominating Body"** means, in respect of a Relevant Benchmark:

- (a) the central bank for the currency in which the Relevant Benchmark is denominated or any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark; or
- (b) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (i) the central bank for the currency in which the Relevant Benchmark is denominated, (ii) any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark, (iii) a group of those central banks or other supervisors or (iv) the Financial Stability Board or any part thereof;

**"Relevant Observation Performance"** means the Observation Index Performance or Observation Security Performance, as applicable;

**"Relevant Rate"** means the Alternative Payment Currency Exchange Rate, Alternative Payment Cross Currency Rate or Settlement Currency Exchange Rate (as applicable);

**"Relevant Reference Asset Fallback Provisions"** means:

- (a) in relation to a Series of Notes where the Affected Relevant Benchmark is an Index, Condition 17(c) (*Adjustments to Indices – Index Cancellation*), as if the relevant Benchmark Trigger Event were an Index Cancellation;
- (b) in relation to any Series of Notes where the Affected Relevant Benchmark is a Relevant Rate, if "Price Source Disruption" is specified as being applicable in the relevant Final Terms, Condition 7(f) (*Payments – Price Source Disruption and FX Disruption*), as if the relevant Benchmark Trigger Event were a Price Source Disruption; and
- (c) in relation to any Series of Notes where the Affected Relevant Benchmark is a Reference Rate, the fallback provisions contained in Conditions 4B(c) (*Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*) and/or 4B(e) (*Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA*) (as applicable);

**"Relevant Screen Page"** means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the

information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Time**" means the time specified as such in the relevant Final Terms;

"**Renminbi**", "**RMB**" and "**CNY**" all refer to the lawful currency of mainland China;

"**Replacement DRs**" means, if the relevant Deposit Agreement is terminated, any depository receipts which the Calculation Agent determines, in accordance with Condition 21 (*Events relating to DR-Linked Notes*) are to replace the Depository Receipts constituted by such terminated Deposit Agreement;

"**Replacement Index**" has the meaning given to it in Condition 13A(a)(ii)(A) (*Consequences of a Benchmark Trigger Event*);

"**Return Threshold**" means the percentage specified as such in the relevant Final Terms;

"**Scheduled Averaging Date**" means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date;

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

"**Scheduled Final Averaging Date**" means the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date;

"**Scheduled Final Observation Date**" means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been the final Observation Date;

"**Scheduled FX Fixing Date**" has the meaning specified in Condition 7(f) (*Payments – Price Source Disruption and FX Disruption*);

"**Scheduled Observation Date**" means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date;

"**Scheduled Trading Day**" means, in respect of an Index or a Security (as applicable) (a) any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or (b) with respect to a Multiple Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session;

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"**Securities**" means, in relation to a Series of Notes, the equity securities, debt securities (including without limitation Government Bonds), depository receipts or other securities or property, as adjusted pursuant to Condition 18 (*Adjustments and Events affecting Securities*) and Condition 19 (*Additional Disruption Events*) to which such Notes relate, as specified in the relevant Final Terms and subject, in the case of a Series of Notes linked to Depository Receipts, to the provisions of Condition 21 (*Events relating to DR-Linked Notes*), or in the case of a Series of Notes linked to Units in an ETF, to the provisions of Condition 20 (*Adjustments where the Securities are Units in an ETF*) and Condition 22 (*Notes linked to Units in an ETF – General*) and "**Security**" shall be construed accordingly;

"**Securities Basket**" means in relation to a Series of Notes, the basket of Securities to which such Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 18 (*Adjustments and Events affecting Securities*) and Condition 19 (*Additional Disruption Events*) and "**Securities Baskets**" shall be construed accordingly;

"**Settlement Currency**" means the currency specified as such in the relevant Final Terms;

**"Settlement Currency Exchange Rate"** means, for any Alternative Payment Currency Fixing Date, the currency exchange rate between the Cross Currency and the Settlement Currency as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time and as observed by the Calculation Agent;

**"Settlement Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms;

**"Settlement Cycle"** means, in respect of an Index or a Security, the period of Clearing System Business Days following a trade in the relevant Security or the securities underlying such Index, as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such Exchange (or, if there are multiple Exchanges in respect of an Index, the longest such period);

**"SOFR"** means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Secured Overnight Financing Rate;

**"SONIA"** means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Sterling Overnight Index Average;

**"SOR"** means the synthetic rate for deposits in Singapore Dollars known as the Singapore Dollar Swap Offer Rate provided by ABS Benchmarks Administration Co Pte. Ltd., as the administrator of the benchmark (or a successor administrator);

**"SORA"** means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Singapore Overnight Rate Average;

**"Specified Denomination"** means, with respect to a Note in definitive form, the Denomination of such Note;

**"Specified Maximum Number of Disrupted Days"** means the eighth Scheduled Trading Day or such other number of Scheduled Trading Days specified as such in the relevant Final Terms;

**"Specified Level"** means, with respect to an Index, if the Specified Level with respect to the relevant Valuation Date is specified to be:

- (i) **"Single Observation"**, the Closing Level of such Index on the Valuation Date for which the performance of the Index is to be determined;
- (ii) **"Highest Level"**, the highest Closing Level of the Index over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iii) **"Lowest Level"**, the lowest Closing Level of such Index over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iv) **"Average Level"**, the arithmetic average of the Closing Levels of such Index over the Averaging Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

**"Specified Period"** means the period specified as such in the relevant Final Terms;

**"Specified Price"** means, with respect to a Security, if the Specified Price with respect to the relevant determination of performance is specified to be:

- (i) **"Single Observation"**, the Closing Price of such Security on the Valuation Date for which the performance of the Security is to be determined;
- (ii) **"Highest Price"**, the highest Closing Price of the Security over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;



- (iii) "**Lowest Price**", the lowest Closing Price of such Security over the Observation Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent;
- (iv) "**Average Price**", the arithmetic average of the Closing Prices of such Security over the Averaging Dates specified in the relevant Final Terms with respect to the relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"**Strike Date**" means:

- (d) in respect of a Note which relates to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (e) in respect of a Note which relates to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Strike Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

"**Strike Percentage**" means the percentage specified as such in the Final Terms;

"**Substitute Index**" means, in respect of an Index, a successor index identified by the Calculation Agent using commercially reasonable efforts, with characteristics, objectives and rules similar to such index in effect immediately prior to the occurrence of the Index Cancellation with a view to produce a commercially reasonable result which will put the Issuer and the Noteholders in substantially the same economic position as prior to the relevant Index Cancellation;

"**T2**" means the real time gross settlement system operated by the Eurosystem, or any successor system;

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Underlying Company, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

"**TONA**" means, in respect of any Relevant Currency and any specified period, the interest rate benchmark known as the Tokyo Overnight Average Rate;

"**Trading Disruption**" means (a) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the Securities on the Exchange (in the case of Equity-Linked Notes) or on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Notes); or (ii) in futures or options contracts relating to the relevant Index or the Securities on any relevant Related Exchange; or (b) with respect to a Multiple Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to any Component Security on the Exchange in respect of such Component Security, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange;

"**transfer date**" shall be the Relevant Banking Day following the day on which the relevant Registered Note shall have been surrendered for transfer;

"**Treaty**" means the Treaty on the Functioning of the European Union, as amended;

"**Underlying**" means either an "Underlying Index" or an "Underlying Security";

**"Underlying Company"** means the issuer of the Security as specified in the relevant Final Terms and, if the Notes are DR-Linked Notes, each of the Depository and the issuer of the relevant Underlying Security, in each case subject to adjustment in accordance with Condition 18 (*Adjustments and Events affecting Securities*), and subject, in the case of a Series of Notes linked to Units in an ETF, to the provisions of Condition 22 (*Notes linked to Units in an ETF – General*);

**"Underlying Index"**, in relation to an ETF, means each index to which such ETF relates;

**"Underlying Security"** means, with respect to DR-Linked Notes and a Depository Receipt, the security and any other property to which such Depository Receipt relates;

**"Unit"**, in relation to an ETF, has the meaning given to it in the relevant Final Terms;

**"Unscheduled Holiday"** means, in relation to a Relevant Rate, a day, determined by the Calculation Agent, that is not a Relevant Currency Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until on or later than the second Relevant Currency Business Day (or such other number of Relevant Currency Business Days specified in the relevant Final Terms) immediately preceding the Scheduled FX Fixing Date;

**"USD"** means the lawful currency of the United States of America;

**"Valid Date"** means, in respect of an Index or a Security (as applicable), a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Final Valuation Date, Barrier Valuation Date, Lock-In Redemption Valuation Date, Automatic Early Redemption Valuation Date, Coupon Trigger Valuation Date, or Lock-In Coupon Valuation Date (as applicable) does not or is not deemed to occur;

**"Valuation Date"** means the Strike Date, the Final Valuation Date, any Barrier Valuation Date, any Lock-In Redemption Valuation Date, any Automatic Early Redemption Valuation Date, any Coupon Trigger Valuation Date or any Lock-In Coupon Valuation Date;

**"Valuation Time"** means (a) in relation to each Security to be valued or each Index (other than a Multiple Exchange Index) the level of which falls to be determined on any date, the time on such date specified as such in the relevant Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on such date in relation to such Index or Security, as applicable. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or (b) in relation to a Multiple Exchange Index for the purposes of determining whether a Market Disruption Event in respect of such Index has occurred: (i) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (ii) in respect of any options contracts or future contracts on such Index, the close of trading on the Related Exchange for such Index; and (c) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor and/or set out in the Index Rules for such Index (as applicable);

**"Weighting"** means, in respect of each Index or Security (as applicable) comprised in the relevant Basket, the percentage weighting assigned to such Index or Security and specified as such in the relevant Final Terms.

**"Worst Performing Index"** means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Level of each Index in the Basket has been determined, the Index for which the Specified Level of such Index determined with respect to such day divided by the Initial Index Level for such Index is lowest, as determined by the Calculation Agent; and

**"Worst Performing Security"** means in respect of any Valuation Date or Observation Date (as applicable) with respect to which the Specified Price of each Security in the Basket has been determined, the Security for which the Specified Price of such Security determined with respect to such day divided by the Initial Security Price for such Security is lowest, as determined by the Calculation Agent.

2. **Form, Denomination and Title**

(a) **Form**

Notes are issued in bearer form ("**Bearer Notes**"), in registered form ("**Registered Notes**") or in uncertificated registered form ("**Uncertificated Registered Notes**") as set out in the relevant Final Terms. Bearer Notes issued in definitive form are referred to as "**Definitive Notes**". Definitive Notes will be serially numbered. In the case of Registered Notes, a certificate will be issued to each Noteholder in respect of its registered holding. Each such certificate will be numbered serially with an identifying number which will be recorded in the register (the "**Register**") maintained by the Registrar in respect of the Registered Notes.

(b) **Bearer Notes**

(i) *Denomination*

Subject to Condition 8 (*Redenomination*), Bearer Notes will be in the denomination(s) specified in the relevant Final Terms. Bearer Notes of one denomination will not be exchangeable after their initial delivery for Notes of any other denomination.

(ii) *General; Title*

Interest-bearing Definitive Notes will, if so specified in the relevant Final Terms, have attached thereto at the time of their initial delivery Coupons, presentation of which will be a prerequisite to the payment of interest in certain circumstances specified below. Interest-bearing Definitive Notes will also, if so specified in the relevant Final Terms, have attached thereto at the time of their initial delivery, a Talon for further coupons and the expression "Coupons" shall, where the context so permits, include Talons.

Subject as set out below, title to Bearer Notes will pass by delivery. References herein to the "**Holder**s" of Bearer Notes or of Coupons are to the bearers of such Bearer Notes or such Coupons.

To the extent permitted by law, the Issuer, the Principal Paying Agent, any other Paying Agents and the Registrar may deem and treat the Holder of any Bearer Note or of any Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for the purpose of receiving payment on account thereof and for all other purposes.

(c) **Registered Notes**

(i) *Denomination*

Registered Notes will be in the denomination(s) and multiples specified in the relevant Final Terms.

(ii) *General; Title*

Title to Registered Notes passes by registration in the Register. References herein to the "**Holder**s" of Registered Notes are to the persons in whose names such Registered Notes are so registered in the Register.

To the extent permitted by law, the Issuer, the Principal Paying Agent, any other Paying Agents and the Registrar may deem and treat the person in whose name any Registered Note is registered (and, if more than one, the first named thereof) as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for the purpose of receiving payment on account thereof and for all other purposes.

(iii) *Regulations concerning transfer and registration of Registered Notes*

All transfers of Registered Notes and entries on the Register will be made subject to the detailed regulations (the "**Regulations**") concerning exchange and transfer of Registered Notes scheduled to the Issuing and Paying Agency Agreement. The Regulations may be amended, supplemented or replaced by the Issuer with the prior written approval of the Registrar but without the consent of the Holders of any Notes. A copy of the current Regulations are available for inspection during usual business hours at the specified office of the Registrar and the Transfer Agents.

(d) *Uncertificated Registered Notes*

The Uncertificated Registered Notes shall be issued in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Uncertificated Securities Regulations**"). The Uncertificated Registered Notes are participating securities for the purposes of the Uncertificated Securities Regulations. Title to the Uncertificated Registered Notes is recorded on the relevant Operator (as defined below) register of corporate securities. The CREST Registrar on behalf of the Issuer shall maintain a record of uncertificated corporate securities (the "**Record**") in relation to the Uncertificated Registered Notes and shall procure that the Record is regularly updated to reflect the Operator register of corporate securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of Uncertificated Registered Notes shall be treated by the Issuer and the CREST Registrar as the holder of such number of Uncertificated Registered Notes for all purposes (and the expressions "**Noteholder**" and "**Holder**" and related expressions shall be construed accordingly), and (ii) none of the Issuer and the CREST Registrar shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the CREST Registrar maintains are in accordance with particulars entered in the Operator register of corporate securities relating to the Uncertificated Registered Notes.

Uncertificated Registered Notes will be in the denomination(s) and multiples specified in the relevant Final Terms.

Title to Uncertificated Registered Notes will pass upon registration of the transfer in the Operator register of corporate securities. All transactions in relation to Uncertificated Registered Notes (including transfers of Uncertificated Registered Notes) in the open market or otherwise must be effected through an account at the Operator subject to and in accordance with the rules and procedures for the time being of the Operator.

No provision of these Conditions as amended in accordance with the relevant Final Terms shall (notwithstanding anything contained therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to Uncertificated Registered Notes in uncertificated form, (II) the transfer of title to Uncertificated Registered Notes by means of a relevant system or (III) the Uncertificated Securities Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in these Conditions or the relevant Final Terms, so long as the Uncertificated Registered Notes are participating securities, (A) the Operator register of corporate securities relating to the Uncertificated Registered Notes shall be maintained at all times in the United Kingdom, (B) the Uncertificated Registered Notes may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Securities Regulations, and (C) for the avoidance of doubt, the Conditions and the relevant Final Terms in relation to any Uncertificated Registered Note shall remain applicable notwithstanding that they are not endorsed on any certificate for such Uncertificated Registered Note.

As used herein each of "**Operator register of corporate securities**", "**participating securities**", "**record of uncertificated corporate securities**" and "**relevant system**" is as defined in the Uncertificated Securities Regulations and the relevant Operator (as such term is used in the Uncertificated Securities Regulations) is CREST (or any additional or alternative operator from time to time approved by the Issuer and the CREST Registrar in relation to the Uncertificated Registered Notes and in accordance with the Uncertificated Securities Regulations). Any

reference herein to the "**Operator**" shall, whenever the context so permits, be deemed to include a reference to any such additional or alternative Operator from time to time and notified to the holders of the Uncertificated Registered Notes in accordance with Condition 12 (*Notices*).

If at any time:

- (i) a Noteholder ceases for any reason to be a member of CREST; or
- (ii) the Uncertificated Registered Notes cease for any reason to be participating securities capable of being held in CREST,

then the Issuer shall, in accordance with the rules and procedures governing CREST, ensure that Registered Notes are issued in exchange for the Uncertificated Registered Notes and that such Registered Notes are registered in such names as the Operator shall notify to the Issuer.

3. **Status**

The Notes are direct, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and, at their date of issue, (save for certain obligations required to be preferred by law) with all other unsecured and unsubordinated obligations of the Issuer for the time being outstanding.

4. **Interest**

4A. ***Fixed Rate Note Provisions***

(a) ***Application***

Subject to Condition 4F (*Relevant Rate – Fixed*), this Condition 4A (*Interest – Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable.

(b) ***Accrual of interest***

Fixed Rate Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 7 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Final Redemption Amount or any other redemption amount, as the case may be, is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 4A (*Interest – Fixed Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the day the Calculation Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment, in which case the Notes will continue to bear interest as aforesaid).

(c) ***Fixed Coupon Amount***

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one denomination (as specified in the relevant Final Terms), shall be the relevant Fixed Coupon Amount in respect of the relevant denomination.

(d) ***Calculation of interest amount***

The amount of interest payable in respect of the Notes for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, in the case of Notes represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, the Aggregate

Outstanding Nominal Amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes; or

- (ii) in the case of Notes in definitive form or if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Calculation Amount,

and, in each case, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Settlement Currency (as defined in Condition 1 (*Definitions*)) (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, or the Notes are represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes and "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the amount of interest payable in respect of such Note or, as the case may be, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount shall be the product of (1) the amount (determined in the manner provided above) of interest payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Specified Denomination or, as the case may be, the Aggregate Outstanding Nominal Amount.

#### 4B. *Floating Rate Note Provisions*

##### (a) *Application*

Subject to Condition 4G (*Relevant Rate – Floating*), this Condition 4B (*Interest – Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable.

##### (b) *Accrual of interest*

Floating Rate Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 7 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Final Redemption Amount or any other redemption amount, as the case may be, is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 4B (*Interest – Floating Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the day the Calculation Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment, in which case the Notes will continue to bear interest as aforesaid).

##### (c) *Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*

If Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA is specified in the relevant Final Terms as being applicable, then the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis, subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*):

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, and unless otherwise specified in the relevant Final Terms, the Calculation Agent will:
  - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time;
  - (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the Settlement Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Settlement Currency) on the first day of the relevant Interest Period for loans in the Settlement Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period: (i) subject to (ii) below, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period or (ii) if the Notes are Fixed/Floating Rate Notes for which no Rate of Interest has yet been determined under this Condition 4B (*Interest – Floating Rate Note Provisions*), the Rate of Interest applicable to the Notes during such Interest Period will be the rate applicable to the Notes in respect of the preceding Interest Period for which Condition 4A (*Fixed Rate Note Provisions*) applied.

**(d) ISDA Determination**

If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i)
  - (A) the "Floating Rate Option" is as specified in the relevant Final Terms;
  - (B) the "Designated Maturity", if applicable, is a period specified in the relevant Final Terms;
  - (C) the relevant "Reset Date" unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions; and
  - (D) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Final Terms and:

Part II – Information Relating to the Notes  
Section II.6 – Alternative Terms and Conditions of the English Law Notes

- (1) if Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Final Terms;
  - (2) if Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or
  - (3) if Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms, then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;
- (E) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Final Terms and:
- (1) if Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days specified in relevant Final Terms;
  - (2) if Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Overnight Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or
  - (3) if Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms, then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms; and
- (F) if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms;
- (ii) references in the ISDA definitions to:
- (A) "Confirmation" shall be references to the relevant Final Terms;
  - (B) "Calculation Period" shall be references to the relevant Interest Period;
  - (C) "Termination Date" shall be references to the final Interest Period End Date; and
  - (D) "Effective Date" shall be references to the Interest Commencement Date;



- (iii) an "Administrator/Benchmark Event" shall be deemed to have occurred for the purpose of the 2021 ISDA Definitions and this Condition 4(d) if there is an event or circumstance which has the effect that the Issuer or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use the Applicable Benchmark (as defined in the 2021 ISDA Definitions) under such interest rate swap transaction to perform its or their obligations under the Notes; and
- (iv) unless otherwise defined capitalised terms used in this Condition 4(d) shall have the meaning ascribed to them in the ISDA Definitions,

**provided, however, that:**

- (1) if in relation to any Interest Period the application of the above provisions does not result in the determination of an ISDA Rate and the Issuer (in consultation with the Calculation Agent) has not determined a Benchmark Trigger Event to have occurred, then (a) the Calculation Agent shall determine the ISDA Rate for such Interest Period having regard to such facts and circumstances as it considers relevant and (b) the Calculation Agent shall not be required to obtain quotations from Reference Banks (as defined in the ISDA Definitions) for purposes of determining the ISDA Rate for such Interest Period notwithstanding that it might otherwise be required to do so as a fallback procedure for the relevant Floating Rate Option pursuant to the ISDA Definitions; and
  - (2) if in relation to any Interest Period the Issuer (in consultation with the Calculation Agent) determines a Benchmark Trigger Event to have occurred, then (a) the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) shall apply and (b) the Calculation Agent shall not be required to obtain quotations from Reference Banks (as defined in the ISDA Definitions) for purposes of determining the ISDA Rate for such Interest Period notwithstanding that it might otherwise be required to do so as a fallback procedure for the relevant Floating Rate Option pursuant to the ISDA Definitions.
- (e) ***Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA***
- (i) If Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA is specified in the relevant Final Terms as being applicable, then the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the Relevant Rate, all as determined by the Calculation Agent on the Interest Determination Date for such Interest Period.
  - (ii) If the Notes become due and payable in accordance with Condition 9 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which the Notes became due and payable and the Rate of Interest applicable to the Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.
  - (iii) If "Payment Delay" is specified as the Observation Method in the relevant Final Terms, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead.

(iv) Definitions

**"Applicable Period"** means,

- (A) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, in relation to any Interest Period, the Observation Period relating to such Interest Period; and
- (B) where "Lag", "Lock-Out" or "Payment Delay" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period.

**"d"** means the number of calendar days in the Applicable Period.

**"d<sub>0</sub>"** means the number of Reference Rate Business Days in the Applicable Period.

**"Effective Interest Payment Date"** means each date specified as such in the relevant Final Terms.

**"i"** means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Reference Rate Business Day in the Applicable Period in chronological order from (and including) the first Reference Rate Business Day in the Applicable Period (each a **"Reference Rate Business Day(i)"**).

**"n<sub>i</sub>"** means, in relation to any Reference Rate Business Day(i), the number of calendar days from (and including) such Reference Rate Business Day(i) up to (but excluding) the next following Reference Rate Business Day.

**"Non-Reset Date"** means each Reference Rate Business Day(i) in an Applicable Period, the Reference Rate Determination Date in relation to which falls on or after the Rate Cut-Off Date (if any).

**"Observation Period"** means, in relation to an Interest Period the period from (and including) the date which is "p" Reference Rate Business Days prior to the first day of such Interest Period (and in respect of the first Interest Period, the Interest Commencement Date) and ending on (but excluding) the date which is "p" Reference Rate Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Reference Rate Business Days prior to such earlier date, if any, on which the Notes become due and payable).

**"p"** means the whole number specified as such in the Final Terms representing a number of Reference Rate Business Days.

**"Rate Cut-Off Date"** means:

- (A) where "Lock-Out" is specified as the Observation Method in the relevant Final Terms and "SONIA" is specified as the relevant Reference Rate, in relation to any Interest Period, the Reference Rate Business Day immediately prior to the Interest Determination Date;
- (B) where "Lock-Out" is specified as the Observation Method in the relevant Final Terms and a Reference Rate other than SONIA is specified as the relevant Reference Rate, in relation to any Interest Period, the second Reference Rate Business Day falling prior to the Interest Determination Date;
- (C) where "Payment Delay" is specified as the Observation Method in the relevant Final Terms, and:
  - (I) "SONIA" is specified as the relevant Reference Rate, the Reference Rate Business Day immediately prior to the Interest Determination Date in relation to the final Interest Period only;

- (II) a Reference Rate other than SONIA is specified as the relevant Reference Rate, the second Reference Rate Business Day falling prior to the Interest Determination Date; and
- (D) in any other circumstances, no Rate Cut-Off Date shall apply.

**"Reference Rate"** means in relation to any Reference Rate Business Day:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such Reference Rate Business Day as provided by the administrator of SONIA (or any successor administrator of such rate) to authorised distributors, or as otherwise published by such authorised distributors, on the Reference Rate Business Day immediately following such Reference Rate Business Day;
- (B) where "SOFR" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Secured Overnight Financing Rate ("**SOFR**") as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors on the next succeeding Reference Rate Business Day for trades made on such Reference Rate Business Day;
- (C) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily euro short-term rate ("**€STR**") for such Reference Rate Business Day as published by the European Central Bank, as administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors, on the Reference Rate Business Day immediately following such Reference Rate Business Day;
- (D) where "SORA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Singapore Overnight Rate Average ("**SORA**") rate for such Reference Rate Business Day as provided by the Monetary Authority of Singapore as the administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors, on the Reference Rate Business Day immediately following such Reference Rate Business Day; or
- (E) where "TONA" is specified as the Reference Rate in the relevant Final Terms, a reference rate equal to the daily Tokyo Overnight Average Rate ("**TONA**") rate for such Reference Rate Business Day as provided by the Bank of Japan as the administrator of such rate (or any successor administrator of such rate) or as published by its authorised distributors; on the Reference Rate Business Day immediately following such Reference Rate Business Day.

**"Reference Rate(i)"** or "**REFi**" means in relation to any Reference Rate Business Day(i), the Reference Rate for the Reference Rate Determination Date in relation to such Reference Rate Business Day(i), **provided that** where either "Lock Out" or "Payment Delay" are specified as the Observation Method in the relevant Final Terms, Reference Rate(i) (or REFi) in respect of each Interest Non-Reset Date (if any) in an Applicable Period shall be Reference Rate(i) (or REFi) as determined in relation to the Rate Cut-Off Date.

**"Reference Rate Business Day"** means:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in London;
- (B) where "SOFR" is specified as the Reference Rate in the relevant Final Terms, means any day except for a Saturday, Sunday or a day on which The Securities Industry and Financial Markets Association ("**SIFMA**") recommends that the

fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;

- (C) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a Euro Business Day;
- (D) where "SORA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in Singapore; or
- (E) where "TONA" is specified as the Reference Rate in the relevant Final Terms, a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in Tokyo.

**"Reference Rate Determination Date"** means, in relation to any Reference Rate Business Day(i):

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the Reference Rate Business Day falling "p" Reference Rate Business Days prior to such Reference Rate Business Day(i); and
- (B) otherwise, such Reference Rate Business Day(i).

**"Relevant Rate"** means with respect to an Interest Period:

- (A) where "Compounded Daily Rate" is specified as the Determination Method in the relevant Final Terms, the rate of return of a daily compound interest investment (with the applicable Reference Rate specified in the Final Terms as reference rate for the calculation of interest) calculated as follows, with the resulting percentage rounded, if necessary, (i) in the case of SONIA, €STR and SORA, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards and (ii) in the case of SOFR and TONA to the nearest one hundred-thousandth of a percentage point (0.00001%), with 0.000005% being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{RF_i \times n_i}{Y} \right) - 1 \right] \times \frac{Y}{d}$$

- (B) where "Weighted Average Rate" is specified as the Determination Method in the relevant Final Terms the arithmetic mean of Reference Rate(i) for each Reference Rate Business Day during such Applicable Period (each **"Reference Rate Business Day(i)"**), calculated by multiplying the relevant Reference Rate(i) for any Reference Rate Business Day(i) by the number of days such Reference Rate(i) is in effect (being the number of calendar days from (and including) such Reference Rate Business Day(i) up to (but excluding) the next following Reference Rate Business Day), determining the sum of such products and dividing such sum by the number of calendar days in the relevant Applicable Period.

**"Y"** is the number specified as such in the relevant Final Terms, or if no number is so specified, a number reflecting the denominator for day count fractions customarily used to calculate floating rate interest amounts on instruments denominated in the Specified Currency and with an original maturity equal to that of the Notes, as determined by the Calculation Agent.

- (v) Additional Provisions applicable where "SONIA" or "€STR" is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable):

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date, in each case with respect to the Reference Rate, have occurred, Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof;
- (B) If the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Reference Rate(i), then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) to 4B(e)(iv):
- (I) Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Relevant Recommended Rate;
- (II) if there is a Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date, but neither the administrator of the Relevant Recommended Rate nor authorised distributors provide or publish the Relevant Recommended Rate in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, then, subject to paragraph (3) below, in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Relevant Recommended Rate prior to the related Reference Rate Determination Date. If there is no last provided or published Relevant Recommended Rate, then in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Reference Rate (without taking into account any deemed changes to the term "Reference Rate" pursuant to Condition 4B(e)(v)(B)(I) above) prior to the related Reference Rate Determination Date; and
- (III) if:
- (x) there is no Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date referred to in the first paragraph of Condition 4B(e)(v)(B) above; or
- (y) there is a Relevant Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation

Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Relevant Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(e)(iv), Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Final Fallback Rate. In respect of any day for which the Final Fallback Rate is required, references to the Final Fallback Rate will be deemed to be references to the last provided or published Final Fallback Rate as at close of business in the RFR Financial Centre on that day.

(C) Definitions for the purposes of this Condition 4B(e)(v) and Condition 4B(vii):

**"EDFR"** means, in respect of any relevant day, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, in respect of that day;

**"EDFR Spread"** means:

- (1) if no Relevant Recommended Rate is recommended before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to the Reference Rate referred to in the first paragraph of Condition 4B(v)(B), the arithmetic mean of the daily difference between €STR and EDFR over an observation period of 30 Reference Rate Business Days starting 30 Reference Rate Business Days prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the Reference Rate referred to in the first paragraph of Condition 4B(e)(v)(B) occurs and ending on the Reference Rate Business Day immediately preceding such day; or
- (2) if an Index Cessation Event or Administrator/Benchmark Event with respect to the Relevant Recommended Rate occurs, the arithmetic mean of the daily difference between the Relevant Recommended Rate and EDFR over an observation period of 30 Reference Rate Business Days starting 30 Reference Rate Business Days prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the Relevant Recommended Rate occurs and ending on the Euro Business Day immediately preceding such day;

**"Final Fallback Rate"** means in respect of any relevant day:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, the official bank rate as determined by the Monetary Policy Committee of the Bank of England and published by the Bank of England from time to time, in effect on that day; or
- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a rate equal to EDFR in respect of that day, plus the EDFR Spread;

**"RFR Financial Centre"** means:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, London; or

- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, Frankfurt; and

**"Relevant Recommended Rate"** means in respect of any relevant day:

- (1) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SONIA by (i) the administrator of SONIA if the administrator of SONIA is a national central bank, or (ii) if the national central bank administrator of SONIA does not make a recommendation or the administrator of SONIA is not a national central bank, a committee designated for this purpose by one or both of the Financial Conduct Authority (or any successor thereto) and the Bank of England and as provided by the then administrator or provider of that rate, or if that rate is not provided by the then administrator or provider thereof, published by an authorised distributor, in respect of that day;
- (2) where "€STR" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for €STR by:
- (I) the European Central Bank (or any successor administrator for €STR); or
- (II) a committee officially endorsed or convened by (a) the European Central Bank (or any successor administrator of €STR) and/or (b) the European Securities and Markets Authority,

in each case for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day;

- (3) where "SORA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SORA by the Monetary Authority of Singapore or by a committee officially endorsed or convened by the Monetary Authority of Singapore (which rate may be produced by the Monetary Authority of Singapore or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day; or
- (4) where "TONA" is specified as the Reference Rate in the relevant Final Terms, the rate (inclusive of any spreads or adjustments) recommended as the replacement for TONA by a committee officially endorsed or convened by the Bank of Japan for the purpose of recommending a replacement for TONA (which rate may be produced by the Bank of Japan or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day.

- (vi) Additional Provisions applicable where "SOFR" is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable):

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date, and:
- (I) where "**ARRC Fallbacks**" are specified as applicable in the relevant Final Terms a SOFR Transition Event and a related SOFR Replacement Date have not both occurred; or
  - (II) where "**ARRC Fallbacks**" are not specified as applicable in the relevant Final Terms, and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator Benchmark Event Date, in each case with respect to SOFR, have occurred,

Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof.

- (B) Where "ARRC Fallbacks" are specified as applicable in the relevant Final Terms, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines that a SOFR Transition Event and the related SOFR Replacement Date have occurred in relation to the Reference Rate (or any SOFR Replacement Rate previously determined in accordance with this Condition 4B(e)(C) on the Reference Rate Business Day on which a determination of Reference Rate is due to be made,

the SOFR Replacement Rate will replace the then-current Reference Rate for all purposes and in respect of all determinations on such Reference Rate Business Day and (without prejudice to the further operation of this Condition 4B(e)(C) all subsequent determinations; **provided that**, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or its designee (in consultation with the Issuer) is unable to or does not determine a SOFR Replacement Rate in accordance with the provisions below prior to 5:00 p.m. (New York time) on the relevant Interest Determination Date, the interest rate for the related Interest Period will be equal to (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period); **provided, however, that** if the Notes are Fixed/Floating Rate Notes for which no Rate of Interest has yet been determined under this Condition 4B (*Interest - Floating Rate Note Provisions*), the Rate of Interest applicable to the Notes during such Interest Period will be the rate applicable to the Notes in respect of the preceding Interest Period for which Condition 4A (*Fixed Rate Note Provisions*) applied.

- (C) If "ARRC Fallbacks" are not specified as applicable in the relevant Final Terms, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with



respect to SOFR, then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i)– 4B(e)(iv),

- (I) Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be deemed to be the rate (inclusive of any adjustments or spreads) that was recommended as the replacement for SOFR by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for SOFR (which rate may be produced by the Federal Reserve Bank of New York or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof, published by an authorised distributor, in respect of that day (the "**Fed Recommended Rate**") as determined in relation to related Reference Rate Determination Date for such Reference Rate Business Day(i);
- (II) if there is a Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR, but neither the administrator nor authorised distributors provide or publish the Fed Recommended Rate, then, subject to paragraph (III) below, in respect of any day for which the Fed Recommended Rate is required, references to the Fed Recommended Rate will be deemed to be references to the last provided or published Fed Recommended Rate. However, if there is no last provided or published Fed Recommended Rate, then in respect of any day for which the Fed Recommended Rate is required, references to the Fed Recommended Rate will be deemed to be references to the last provided or published SOFR;
- (III) if:
  - (x) there is no Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR; or
  - (y) there is a Fed Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Fed Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) to 4B(e)(iv), Reference Rate(i) in relation to each Reference Rate Business Day (i) falling on or after the Applicable Fallback Effective Date with respect to SOFR or the Applicable Fallback Effective Date with respect to the Fed Recommended Rate (as applicable) will be the Overnight Bank Funding Rate ("**OBFR**") administered by the Federal Reserve Bank of New York (or a successor administrator), as determined in relation to the related Reference Rate Determination Date for such Reference Rate Business Day(i) but as if references to "Reference Rate Business Day(i)" were to "New York Fed Business Day", but so that in the case of the Applicable Period in which the Applicable Fallback Effective Date occurred, "d<sub>0</sub>" shall be construed so that it means the aggregate of (x) the number of Reference Rate Business Days in the Applicable Period up to (but excluding) the Applicable Fallback Effective Date and (y) the number of New York Fed Business Days in the Applicable Period relating to such Interest Period from (and including) the Applicable Fallback Effective Date (and "i" shall be construed accordingly);

- (IV) if neither the administrator nor authorised distributors provide or publish the OBFR, then, subject to paragraph (V) below, in respect of any day for which

the OBFR is required, references to the OBFR will be deemed to be references to the last provided or published OBFR;

- (V) if:
- (x) there is no Fed Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to SOFR, or there is a Fed Recommended Rate and an Applicable Fallback Effective Date subsequently occurs with respect to it; and
  - (y) there is an OBFR and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator Benchmark Event Date have occurred, in each case with respect to the OBFR, then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) – 4B(e)(iv), Reference Rate(i) in relation to each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date with respect to OBFR (or, if the Applicable Fallback Effective Date with respect to SOFR or the Applicable Fallback Effective Date with respect to the Fed Recommended Rate (as applicable) is later, the Reference Rate Business Day(i) occurring on or after the Applicable Fallback Rate with respect to SOFR or the Fed Recommended Rate, as applicable) will be the short-term interest rate target set by the Federal Open Market Committee, as prevailing on such Reference Rate Determination Date, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee, as prevailing on such Reference Rate Determination Date (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range, rounded, if necessary, to the nearest second decimal place with 0.005 being rounded upwards) (the "**FOMC Target Rate**") determined in accordance with the definition of Reference Rate(i), but as if references to "Reference Rate Business Day(i)" were to "New York City Business Day", but so that in the case of the Applicable Period in which the Applicable Fallback Effective Date occurred, "d<sub>0</sub>" shall be construed so that it means the aggregate of (x) the number of Reference Rate Business Days in the Applicable Period up to (but excluding) the Applicable Fallback Effective Date and (y) the number of New York City Business Days in the Applicable Period relating to such Interest Period from (and including) the Applicable Fallback Effective Date (and "i" shall be construed accordingly); and
  - (z) In respect of any day for which the FOMC Target Rate is required, references to the FOMC Target Rate will be deemed to be references to the last provided or published FOMC Target Rate as at close of business in New York City on that day.

(D) *Definitions for purposes of this Condition 4B(e)(vi):*

"**designee**" means an affiliate or any other agent of the Issuer.

"**Federal Reserve Board**" means the Board of Governors of the U.S. Federal Reserve System.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto,

as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

**"ISDA Fallback Adjustment"** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Reference Rate for the applicable tenor.

**"ISDA Fallback Rate"** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

**"New York City Business Day"** a day on which commercial banks and foreign exchange markets are open for general business (including settling payments and dealings in foreign exchange and foreign currency deposits) in New York City.

**"New York Fed Business Day"** means any day except for a Saturday, Sunday or a day on which the Fedwire Securities Services or the Fedwire Funds Service of the Federal Reserve Bank of New York is closed.

**"Reference Time"** with respect to any determination of the Reference Rate means (1) if the Reference Rate is SOFR, the time specified for such determination specified in the definition of the Reference Rate, and (2) if the Reference Rate is not SOFR, the time determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer).

**"Relevant Governmental Body"** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

**"SIFMA"** means the Securities Industry and Financial Markets Association or any successor thereto.

**"SOFR Replacement Adjustment"** means the first alternative set forth in the order below that can be determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as of the SOFR Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Replacement;
- (2) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) giving due consideration to any industry-accepted spread adjustments, or method for calculating or determining such spread adjustment, for the replacement of the then-current Reference Rate with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated floating rate notes at such time.

**"SOFR Replacement Date"** means the earliest to occur of the following events with respect to the then-current Reference Rate (including the daily published component used in the calculation thereof):

- (1) in the case of clause (1) or (2) of the definition of "SOFR Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Reference Rate permanently or indefinitely ceases to provide the Reference Rate (or such component); or
- (2) in the case of clause (3) of the definition of "SOFR Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the SOFR Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the SOFR Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

**"SOFR Replacement Rate"** means the first alternative set forth in the order below that can be determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as of the SOFR Replacement Date:

- (1) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Reference Rate and (ii) the SOFR Replacement Adjustment;
- (2) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment; or
- (3) the sum of: (i) the alternate rate of interest that has been selected by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as the replacement for the then-current Reference Rate for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Reference Rate for U.S. dollar-denominated floating rate notes at such time and (ii) the SOFR Replacement Adjustment.

**"Corresponding Tenor"** with respect to a SOFR Replacement Rate means a tenor (including overnight) having approximately the same length (disregarding business day adjustments) as the applicable tenor for the then-current Reference Rate.

**"SOFR Transition Event"** means the occurrence of one or more of the following events with respect to the then-current Reference Rate (including the daily published component used in the calculation thereof):

- (1) a public statement or publication of information by or on behalf of the administrator of the Reference Rate (or such component) announcing that such administrator has ceased or will cease to provide the Reference Rate (or such component), permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate (or such component); or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate (or such component), the central bank for the currency of the Reference Rate (or such component), an insolvency official with jurisdiction over the

administrator for the Reference Rate (or such component), a resolution authority with jurisdiction over the administrator for the Reference Rate (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate (or such component) has ceased or will cease to provide the Reference Rate (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate (or such component); or

- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate announcing that the Reference Rate is no longer representative.

**"Unadjusted SOFR Replacement"** means the SOFR Replacement Rate excluding the SOFR Replacement Rate Adjustment.

- (vii) Additional Provisions applicable where "SORA" or "TONA" is specified as the Reference Rate in the relevant Final Terms:

Subject always to the provisions of Condition 13A (*Consequences of a Benchmark Trigger Event*) (as applicable):

- (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date, and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date, in each case with respect to the Reference Rate, have occurred, Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published or otherwise provided as set out in the relevant definition thereof.
- (B) If the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Reference Rate(i), then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) to 4B(e)(iv):
- (1) Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be deemed to be the Relevant Recommended Rate;
- (2) if there is a Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date, but neither the administrator of the Relevant Recommended Rate nor authorised distributors provide or publish the Relevant Recommended Rate in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, then, subject to paragraph (3) below, in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Relevant Recommended Rate prior to the related Reference Rate Determination Date. If there is no last provided or

published Relevant Recommended Rate, then in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Reference Rate (without taking into any deemed changes to the term "Reference Rate" pursuant to Condition 4B(e)(vii)(B)(1) above) prior to the related Reference Rate Determination Date; and

- (3) if:
- (i) there is no Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date referred to in the first paragraph of Condition 4B(e)(vii)(B) above; or
  - (ii) there is a Relevant Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and an Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and an Administrator/Benchmark Event Date have occurred, in each case with respect to the Relevant Recommended Rate,

then, for the purposes of determining the Relevant Rate in accordance with Conditions 4B(e)(i) - 4B(e)(iv), Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be a commercially reasonable alternative for the Applicable Benchmark determined by the Calculation Agent (failing which, the Issuer), taking into account all available information that in good faith it considers relevant including a rate implemented by the central counterparties and/or futures exchanges (if any), in each case with trading volumes in derivatives or futures referencing the Applicable Benchmark that the Calculation Agent considers sufficient for that rate to be a representative alternative rate.

- (C) The definitions set out in Condition 4B(e)(v)(C) shall be equally applicable to this Condition 4B(e)(vii).

(f) *Maximum or Minimum Interest Rate*

If any Maximum Interest Rate or Minimum Interest Rate is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

In no event shall the Rate of Interest in respect of any Interest Period be less than zero.

(g) *Calculation of Interest Amount*

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of the Notes for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, in the case of Notes represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, the Aggregate Outstanding Nominal Amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes notwithstanding that the formula specified in the relevant Final Terms may provide for calculation in relation to the Calculation Amount; or

- (ii) in the case of Notes in definitive form or if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Calculation Amount,

and, in each case, multiplying the product by the Day Count Fraction for such Interest Period, rounding the resulting figure to the nearest sub-unit of the Settlement Currency (as defined in Condition 1 (*Definitions*)) (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, or the Notes are represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes and "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the amount of interest payable in respect of such Note or, as the case may be, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount shall be the product of (1) the amount (determined in the manner provided above) of interest payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Specified Denomination or, as the case may be, the Aggregate Outstanding Nominal Amount.

If interest is required to be paid in respect of the Notes in relation to a period other than an Interest Period, then such interest shall be calculated in accordance with the above paragraph but as if reference therein to "Interest Period" were to such other period. For the avoidance of doubt, where Notes are redeemed prior to their stated Maturity Date (whether as a result of the occurrence of an Automatic Early Redemption Event or for any other reason) interest shall be payable with respect to the period from and including the most recent Interest Payment Date to but excluding the final date of redemption.

(h) *Dividend Equivalent Payments*

In respect of any Series of Notes where the principal and/or interest in respect of such Notes is determined by reference to one or more variables such as an index, formula, security, currency exchange rate, interest rate or other factor (each variable being a "**Reference Asset**" or, if it is comprised in a basket of variables, a "**Reference Asset Component**"), if the Final Terms in respect of such Notes states the Notes are "Section 871(m) Notes", the Final Terms shall further specify whether the "Dividend Withholding" or "Issuer Withholding" approach to withholding in relation to Section 871(m) IRC shall be applicable to the Notes.

If "Dividend Withholding" is specified in the relevant Final Terms, the relevant Final Terms shall provide for the Issuer to make payments to Noteholders in respect of any dividend equivalent amounts received or deemed received in respect of any Reference Asset or Reference Asset Component and shall include provisions relating to the amount and timing of such payments.

If "Issuer Withholding" is specified in the relevant Final Terms, the Final Terms shall specify whether any dividend equivalent amounts are to be treated as being reinvested during the term of the Notes and what portion thereof is expected as of the Issue Date to be treated for U.S. federal income tax purposes as having been withheld from a payment due to the Noteholders

(i) *Publication*

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s), to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but in any event not later than the fourth Business Day thereafter. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum denomination, the Calculation Agent shall not be obliged to publish

each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum denomination.

(j) *Notifications etc.*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4B (*Interest – Floating Rate Note Provisions*) by the Calculation Agent will be made by the Calculation Agent and will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

4C. ***Coupon Trigger Notes***

This Condition 4C (*Interest – Coupon Trigger Notes*) is applicable where Coupon Trigger Event is specified in the relevant Final Terms as being applicable, subject to the additional provisions of Condition 4D (*Lock-In Coupon Event*) and Condition 4E (*Coupon Trigger Recovery Event*) below.

If a Coupon Trigger Event occurs in relation to any Coupon Trigger Valuation Date, then the Issuer shall pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Trigger Amount on the relevant Coupon Trigger Payment Date.

The Calculation Agent will cause any Coupon Trigger Amount required to be determined by it together with details of the Coupon Trigger Valuation Date to be notified to the Paying Agents as soon as practicable after such determination (including where such amount is payable following the occurrence of a Lock-In Coupon Event in accordance with Condition 4D (*Lock-In Coupon Event*) below).

If a Coupon Trigger Event does not occur in relation to a Coupon Trigger Valuation Date, then no Coupon Trigger Amount under this Condition 4C shall be payable in respect of the Notes on the relevant Coupon Trigger Payment Date.

4D. ***Lock-In Coupon Event***

This Condition 4D (*Lock-In Coupon Event*) is applicable to the Notes only if Lock-In Coupon Event is specified in the relevant Final Terms as being applicable.

If a Lock-In Coupon Event occurs in relation to any Lock-In Coupon Valuation Date, then the Issuer shall, notwithstanding any other provisions of Condition 4C (*Coupon Trigger Notes*) pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Trigger Amount on each relevant Coupon Trigger Payment Date falling on or after the relevant Lock-In Coupon Valuation Date.

4E. ***Coupon Trigger Recovery Event***

This Condition 4E (*Coupon Trigger Recovery Event*) shall apply if Coupon Trigger Recovery Event is specified in the relevant Final Terms as being applicable.

If a Coupon Trigger Recovery Event occurs in relation to any Coupon Trigger Valuation Date, then (in addition to any Coupon Trigger Amount that might be payable pursuant to Condition 4C) the Issuer shall pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Outstanding Missed Coupon Amounts on the relevant Coupon Trigger Payment Date.

If a Coupon Trigger Recovery Event does not occur in relation to a Coupon Trigger Valuation Date, then no Outstanding Missed Coupon Amount shall be payable in respect of the Notes on the relevant Coupon Trigger Payment Date under this Condition 4E (notwithstanding any amount which might be payable pursuant to Condition 4C).

The Calculation Agent will cause any Outstanding Missed Coupon Amounts required to be determined by it together with details of the Coupon Trigger Valuation Date to be notified to the Paying Agents as soon as practicable after such determination.



4F. **Relevant Rate - Fixed**

If Condition 4C (*Interest – Coupon Trigger Notes*) is specified as being applicable in the Final Terms and "Relevant Rate – Fixed" is further specified as being applicable in the relevant Final Terms, then this Condition 4F (*Relevant Rate – Fixed*) shall apply.

Where this Condition 4F (*Relevant Rate – Fixed*) is applicable, to the extent that a "Coupon Trigger Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Trigger Amount (including such Coupon Trigger Amounts as are required to be calculated to determine any Outstanding Missed Coupon Amounts) shall be determined in accordance with Condition 4A (*Fixed Rate Notes*).

4G. **Relevant Rate - Floating**

If Condition 4C (*Interest – Coupon Trigger Notes*) is specified as being applicable in the Final Terms and "Relevant Rate – Floating" is further specified as being applicable in the relevant Final Terms, then this Condition 4G (*Relevant Rate – Floating*) shall apply.

Where this Condition 4G (*Relevant Rate – Floating*) is applicable, to the extent that a "Coupon Trigger Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Trigger Amount (including such Coupon Trigger Amounts as are required to be calculated to determine any Outstanding Missed Coupon Amounts) shall be determined in accordance with Condition 4B (*Interest - Floating Rate Note Provisions*).

5. **Redemption and Purchase**

(a) **At Maturity**

Unless previously redeemed or purchased and cancelled, each Note will be redeemed by the Issuer at an amount per Calculation Amount (the "**Final Redemption Amount**") in the Settlement Currency specified in the relevant Final Terms determined in accordance with this Condition 5(a) (*Redemption and Purchase – At Maturity*) together with Conditions 5(b) (*Redemption Provisions*) on the date specified in the relevant Final Terms as the scheduled date on which such Note is to be redeemed (the "**Maturity Date**").

(b) **Redemption Provisions**

The Calculation Agent will, as soon as practicable after the Final Valuation Date, calculate the Final Redemption Amount in relation to each Note. Subject to Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*) and Condition 5(c) (*Lock-In Redemption*) the Final Redemption Amount of a Note will be calculated in accordance with one of the following paragraphs of this Condition 5(b), depending on the type of Final Redemption Amount specified in the relevant Final Terms.

(i) **Booster with Barrier Redemption**

If Booster with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

(1) the Calculation Amount; and

(2) either:

(A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

(B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, 100%; or

- (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(ii) *Airbag with Barrier Redemption*

If Airbag with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold and no Barrier Event has occurred, the result of the following formula:

$\text{Max} \{ \text{Conditional Protection Percentage}; 100\% + \text{Min} [ \text{Cap}; \text{Participation} \times \text{Max} [ 0; \text{Relevant Final Performance} - 100\% ] ] \}$

- (B) if the Relevant Final Performance is equal to or greater than the Return Threshold and a Barrier Event has occurred, the result of the following formula:

$100\% + \text{Min} [ \text{Cap}; \text{Participation} \times \text{Max} [ 0; \text{Relevant Final Performance} - 100\% ] ]$

- (C) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage; or
- (D) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(iii) *Barrier Redemption*

If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold and/or no Barrier Event has occurred, 100%; or
  - (B) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(iv) *Digital with Barrier Redemption*

If Digital with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage

- (B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage;  
or
- (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(v) *Digital Growth with Barrier Redemption*

If Digital Growth with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:  
$$\text{Max}\{100\% + \text{Digital Return Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\}$$
  - (B) if the Relevant Final Performance is less than the Return Threshold but no Barrier Event has occurred, the Conditional Protection Percentage;  
or
  - (C) if the Relevant Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Relevant Final Performance.

(vi) *Growth with Full Protection Redemption*

If Growth with Full Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) the result of the following formula:  
$$\text{Max}\{\text{Protection Level Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\}$$

(vii) *Growth with Partial Protection Redemption*

If Growth with Partial Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]$$

- (B) if the Relevant Final Performance is less than the Return Threshold, the result of the following formula:

$$\text{Max}[\text{Minimum Return Percentage}; \text{Relevant Final Performance}]$$

(viii) *Digital with Partial Protection Redemption*

If Digital with Partial Protection Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
- (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage; or
- (B) if the Relevant Final Performance is less than the Return Threshold, the result of the following formula:

$$\text{Max}[\text{Minimum Return Percentage}; \text{Relevant Final Performance}]$$

(ix) *Buffer Redemption*

If Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
- (A) if the Relevant Final Performance is equal to or greater than the Strike Percentage, 100%; or
- (B) if the Relevant Final Performance is less than the Strike Percentage, the result of the following formula:

$$[\text{Relevant Final Performance}/\text{Strike Percentage}]$$

(x) *Booster with Buffer Redemption*

If Booster with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
- (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$100\% + \text{Min} [\text{Cap}; \text{Participation} \times \text{Max} [0; \text{Relevant Final Performance} - 100\%]]$$

- (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or
- (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

[Relevant Final Performance/Strike Percentage]

(xi) *Digital with Buffer Redemption*

If Digital with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, 100% + Digital Return Percentage;
  - (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

[Relevant Final Performance/Strike Percentage]

(xii) *Digital Growth with Buffer Redemption*

If Digital Growth with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:  
$$\text{Max}\{100\% + \text{Digital Return Percentage}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]\};$$
  - (B) if the Relevant Final Performance is less than the Return Threshold but greater than or equal to the Strike Percentage, 100%; or
  - (C) if the Relevant Final Performance is less than the Return Threshold and less than the Strike Percentage, the result of the following formula:

[Relevant Final Performance/Strike Percentage]

(xiii) *Step-Down Growth with Partial Protection Redemption*

If Step-Down Growth with Partial Protection is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
  - (A) if the Relevant Final Performance is equal to or greater than the Return Threshold, the result of the following formula:

$$\text{Min}[100\% + \text{Cap}; \text{Minimum Redemption Percentage} + [\text{Participation} \times \text{Max}[0; \text{Relevant Final Performance} - 100\%]]]$$

- (B) if the Relevant Final Performance is less than the Return Threshold, the Minimum Redemption Percentage.

(c) ***Lock-In Redemption***

If Lock-In Redemption Event is specified to be applicable in the relevant Final Terms, then, notwithstanding any provision of Condition 5(b), if a Lock-In Redemption Event has occurred with respect to the Notes, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) Lock-In Redemption Percentage.

(d) ***Redemption for Taxation Reasons***

If in respect of a Series of Notes Condition 6B (*Taxation – Gross-up*) is specified as applicable in the relevant Final Terms, and:

- (i) on a subsequent date for the payment of interest on such Series of Notes the Issuer would be required to pay any additional amounts in accordance with the provisions of Condition 6B (*Taxation – Gross-up*); or
- (ii) if the Issuer were to seek to redeem such Notes (for which purpose no regard shall be had to whether or not the Issuer would otherwise be entitled to redeem such Notes), the Issuer would be required to pay any additional amounts in accordance with the provisions of Condition 6B (*Taxation – Gross-up*);

the Issuer may, having given not less than 30 nor more than 45 days' notice (ending, in the case of Floating Rate Notes, on an Interest Payment Date) to the Noteholders in respect of such Series of Notes, redeem all, but not some only, of such Notes, at their Early Redemption Amount specified in the relevant Final Terms together with interest accrued and unpaid, if any, to the date fixed for redemption **provided that** no such notice of redemption shall be given earlier than 90 days (or in the case of Floating Rate Notes a number of days which is equal to the lesser of the aggregate of the number of days in the then current Interest Period plus 60 days and 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.

The Issuer may exercise such option in respect of any Note notwithstanding the prior exercise by the Issuer of its option to require the redemption of such Note under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), below, if the due date for redemption under this Condition 5(d) would occur prior to that under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), but not otherwise and, in such circumstances, the exercise of the option under Condition 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*) shall be rendered ineffective.

Prior to giving any notice of redemption pursuant to this Condition 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*) the Issuer may obtain a certificate of an independent legal adviser or accountant to the effect either that such a circumstance does exist or that, upon a change in or amendment to the laws of the United Kingdom (including any regulations pursuant thereto), or in the interpretation or administration thereof, which at the date of such certificate is proposed and in the opinion of such legal adviser or accountant is reasonably expected to become effective on or prior to the date on which the relevant payment of principal or interest in respect of the Notes would otherwise be made, becoming so effective, such circumstances would exist and any such certificate shall be sufficient to establish the circumstances required by this Condition 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*).

(e) ***Early Redemption for Autocallable Notes***

This Condition 5(e) (*Redemption and Purchase – Early Redemption for Autocallable Notes*) applies only where Early Redemption for Autocallable Notes is specified as being applicable in the relevant Final Terms.

If an Automatic Early Redemption Event occurs in relation to any Automatic Early Redemption Date, then unless previously redeemed or purchased and cancelled, the Notes will be automatically redeemed in whole, but not in part, on such Automatic Early Redemption Date and subject to Condition 5(k) (*Redemption and Purchase – Calculation and Rounding*), the redemption amount payable by the Issuer on such date upon redemption of each Note shall be an amount per Calculation Amount in the Settlement Currency equal to the relevant Automatic Early Redemption Amount.

(f) ***Redemption at the Option of the Issuer (Call Option)***

Where Redemption at the Option of the Issuer (Call Option) is specified as being applicable in the relevant Final Terms, the Issuer may at any time or as may otherwise specified in the relevant Final Terms, having given not less than or five nor more than 30 days' notice (or such other notice period as may be specified in the relevant Final Terms) to the Noteholders in accordance with Condition 12 (*Notices*) which notice shall be irrevocable), elect to redeem on an Optional Redemption Date (Call Option) all of the Notes then outstanding on such Optional Redemption Date (Call Option) and at an amount in the Settlement Currency per Calculation Amount equal to the Redemption Amount (Call Option) specified in the relevant Final Terms as corresponding to such Optional Redemption Date (Call Option), together with interest accrued but unpaid thereon to the date fixed for redemption, as determined by the Calculation Agent in accordance with the Conditions.

(g) ***Early Redemption for Illegality***

The Issuer shall have the right to terminate its obligations under the Notes, if the Calculation Agent shall have determined that the performance of such obligations under the Notes shall after the Trade Date have become unlawful in whole or in part, including, without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial authority or power **provided, however, that** if the Calculation Agent determines that the relevant obligations have become unlawful, the Issuer may obtain an opinion of an independent legal adviser to that effect prior to terminating its obligations under the Notes, and any such opinion shall be sufficient to establish the circumstances required by this Condition 5(g) (*Redemption and Purchase – Early Redemption for Illegality*). In such circumstances the Issuer will pay to each Noteholder the Early Redemption Amount specified in the relevant Final Terms. Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 12 (*Notices*).

(h) ***Early Redemption for Significant Change Event***

The Issuer shall have the right (but not the obligation) to terminate its obligations under the Notes, if the Issuer shall have determined that an event or circumstance or combination of events or circumstances has occurred that is not attributable to the Issuer but which has as its consequence that the economic balance of the Notes as at the Issue Date is significantly altered, including, without limitation, where such event causes a material increased cost for the Issuer as a consequence of change in tax laws, solvency or regulatory capital requirements, nationalisation, or regulatory action. In such circumstances the Issuer will pay to each Noteholder the Early Redemption Amount. Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 12 (*Notices*).

(i) ***Purchases***

Each of the Issuer and any person directly or indirectly connected with the Issuer may at any time purchase Notes at any price in the open market or otherwise, and such Notes may be held,

reissued, resold or, provided such Notes are held by the Issuer, at the option of the Issuer, reissued or cancelled.

**(j) Cancellation**

All Notes which are redeemed pursuant to Condition 5(a) (*Redemption and Purchase – At Maturity*), 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(e) (*Redemption and Purchase – Early Redemption for Autocallable Notes*), 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*) or 5(g) (*Redemption and Purchase – Early Redemption for Illegality*) shall, and all Notes purchased by the Issuer pursuant to Condition 5(i) (*Redemption and Purchase – Purchases*) may, at the option of the Issuer, be cancelled forthwith (together with, in the case of Definitive Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). All Notes redeemed or purchased and cancelled as aforesaid may not be re-issued or resold.

**(k) No Other Redemption Provisions**

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 5(a) (*Redemption and Purchase – At Maturity*), 5(d) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(e) (*Redemption and Purchase – Early Redemption for Autocallable Notes*), 5(f) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), 5(g) (*Redemption and Purchase – Early Redemption for Illegality*), Condition 17 (*Adjustments to Indices*), Condition 18 (*Adjustments and Events affecting Securities*), Condition 19 (*Additional Disruption Events*) and Condition 21 (*Events relating to DR-Linked Notes*).

**(l) Calculation and Rounding**

Any redemption amount payable on redemption of a Note (the "**Redemption Amount**") shall be calculated pursuant to this Condition 5 (*Redemption and Purchase*) and in rounding any values determined or calculated in connection with such Redemption Amount, the Calculation Agent shall apply the following rounding conventions:

- (i) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, in the case of Notes represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes, the Redemption Amount shall be calculated in relation to the Aggregate Outstanding Nominal Amount of the Notes represented by such global Note(s) or, as the case may be, such Uncertificated Registered Notes, rounded to the nearest currency sub-unit (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention) notwithstanding that the formula specified in the relevant Final Terms may provide for the Redemption Amount to be calculated in relation to the Calculation Amount; or
- (ii) in the case of Notes in definitive form or if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Redemption Amount shall be calculated in relation to the Calculation Amount rounded to the nearest currency sub-unit (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention).

For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, or the Notes are represented by a global Note or global Notes or Notes which are in the form of Uncertificated Registered Notes and "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable, the Redemption Amount shall be the product of (1) the amount (determined in the manner provided above) payable in relation to the Calculation Amount and (2) the amount by which the Calculation Amount is multiplied to reach the Specified Denomination or, as the case may be, the Aggregate Outstanding Nominal Amount.



**(m) Monetisation option**

If "Monetisation Option" is specified in the relevant Final Terms as being applicable, and an event occurs as a consequence of which the Issuer exercises its right to redeem the Notes at the applicable Early Redemption Amount:

- (a) the Noteholder shall receive, on the Maturity Date (and notwithstanding the early redemption notice) the Monetisation Amount, unless the Noteholder elects, in accordance with this Condition 5(m), to receive the Early Redemption Amount on the date fixed for early redemption of the Notes; and
- (b) the Issuer's notice of early redemption must include the following:
  - (i) the cut-off date and time for each Noteholder to elect to receive the Early Redemption Amount on the date fixed for early redemption of the Notes;
  - (ii) the instructions to allow such Noteholder to make such election, substantially in accordance with the paragraph below; and
  - (iii) the Early Redemption Amount Valuation Date;
  - (iv) the Early Redemption Amount;
  - (v) the amount calculated by the Calculation Agent as the Monetisation Amount; and
  - (vi) a confirmation that, in the absence of making an election to receive the Early Redemption Amount, such Noteholder will receive the Monetisation Amount on the Maturity Date.

In order to elect to receive the Early Redemption Amount on the date fixed for early redemption of the Notes, a Noteholder must no later than the cut-off date and time set out in the Issuer's notice of early redemption, give notice to the Issuer with a copy to the Principal Paying Agent in accordance with Condition 12 (*Notices*), and, on or prior to the date on which such notice is given, deposit the Note or Notes in respect of which such notice is given (together, in the case of an interest-bearing Definitive Note, with any unmatured Coupons appertaining thereto) with, in the case of a Bearer Note, any Paying Agent, or, in the case of a Registered Note, the Registrar.

**6. Taxation**

**6A. Taxation – No gross-up**

This Condition 6A (*Taxation – No gross-up*) will be applicable to all Series of Notes unless it is specified in the relevant Final Terms that Condition 6B (*Taxation – Gross-up*) is applicable.

All payments by the Issuer of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of the United Kingdom unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges. In the event that the Issuer is so required by law to withhold or deduct, the Issuer shall not be required to pay any additional amounts in connection with such withholding or deduction.

**6B. Taxation – Gross-up**

This Condition 6B (*Taxation – Gross-up*) will only be applicable to a Series of Notes where it is specified in the relevant Final Terms that this Condition 6B (*Taxation – Gross-up*) is applicable.

All payments by the Issuer of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of the United Kingdom unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges.

In the event that the Issuer is so required by law to withhold or deduct, it will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders or Couponholders, as the case may be, after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Notes and/or, as the case may be, Coupons, in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) to, or to a third party on behalf of, a Holder of a Note or Coupon who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of it having some connection with the United Kingdom or any other relevant jurisdiction, other than the mere holding of such Note or Coupon;
- (b) unless it is proved, in the case of Bearer Notes, to the satisfaction of the Principal Paying Agent or the Paying Agent to whom the same is presented, or, in the case of Registered Notes, to the satisfaction of the Registrar, that the Holder is unable to avoid such withholding or deduction by satisfying any statutory requirement or by making a declaration of non residence or other similar claim for exemption to the relevant tax authorities or by notifying (and/or presenting evidence of such notification to) any tax authorities of such payment of principal or interest or by presenting the relevant Note or Coupon at the specified office of another Paying Agent;
- (c) more than 30 days after the Relevant Date (defined below) except, in the case of Bearer Notes, to the extent that the Holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days;
- (d) in the case of Registered Notes, unless it is proved to the satisfaction of the Registrar that the Holder, immediately upon becoming the Holder, (i) was eligible for the benefits of a tax treaty with the United Kingdom or any other relevant jurisdiction that provides for a complete exemption from withholding taxes on payments under the Notes, or (ii) was otherwise entitled to a complete exemption from withholding taxes on payments under the Notes; or
- (e) to, or to a third party on behalf of, a Holder who is not the sole beneficial owner of the Note or any Coupon, or a portion of either, or that is a fiduciary or partnership, but only to the extent that a beneficiary or settlor with respect to the fiduciary, a beneficial owner or member of the partnership would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment.

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due but, in the case of Bearer Notes, if the full amount of the money payable has not been received by the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such money having been so received, notice to that effect shall have been duly given to the relevant Holders in accordance with Condition 12 (*Notices*).

If the Issuer becomes resident for tax purposes in any taxing jurisdiction other than the United Kingdom, references in this Condition 6 (*Taxation*) to the United Kingdom shall be construed as references to the United Kingdom and/or such other jurisdiction.

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

- (i) any additional amounts which may be payable under this Condition 6 (*Taxation*);
- (ii) the principal amount payable on the relevant Notes on the Maturity Date;
- (iii) the principal amount payable on redemption of the relevant Notes prior to such Maturity Date; and
- (iv) any premium and any other amounts which may be payable under or in respect of the relevant Notes.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts permitted or required by the rules of IRC Section 871(m) or IRC Sections 1471

through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**U.S. Permitted Withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any U.S. Permitted Withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of U.S. Permitted Withholding.

7. **Payments**

(a) ***Bearer Notes***

Payments of principal and interest (if any) in respect of Bearer Notes will (subject as provided below) be made against presentation (save in the case of partial payment, surrender of the relevant Note or, in the case of payments of interest, surrender of the relevant Coupon at the specified office of any Paying Agent outside the United States (subject to the next paragraph). No payments on Bearer Notes will be made by mail to an address in the United States or by transfer to an account maintained by the Holder in the United States.

Payments of amounts due in respect of interest on Bearer Notes and exchanges of Talons for Coupon sheets will not be made at the specified office of any Paying Agent in the United States or its possessions (as defined in the IRC and Regulations thereunder) unless (a) payment in full of amounts due in respect of interest on such Notes when due or, as the case may be, the exchange of Talons at all the specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (b) such payment or exchange is permitted by applicable United States law, in which case the Issuer shall forthwith appoint a further Paying Agent with a specified office in New York City.

If the due date for payment of any amount due in respect of any Bearer Note is not both a Relevant Financial Centre Day and, if such Bearer Note is a Definitive Note or if the Final Terms so specify, a local banking day, then the Holder thereof will not be entitled to payment thereof until the next day which is such a day and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 4A (*Interest – Fixed Rate Note Provisions*) or Condition 4B (*Interest – Floating Rate Note Provisions*).

Upon the due date for redemption of any Definitive Note other than a Fixed Rate Note, all unmatured Coupons and Talons (if any) relating to such Definitive Note (whether or not attached) shall become void and no payment shall be made in respect of them.

Definitive Notes which are Fixed Rate Notes should be presented for payment with all unmatured Coupons appertaining thereto, failing which the face value of any missing unmatured Coupon (or, in the case of payment not being made in full, that portion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total amount of principal due) will be deducted from the sum due for payment. Any amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon within a period of 10 years from the Relevant Date (as defined in Condition 6 (*Taxation*)) for the payment of such principal, whether or not such Coupon has become void pursuant to Condition 10 (*Prescription*) or, if later, five years from the date on which such Coupon would have become due.

Notwithstanding the above, if any Definitive Notes should be issued with a Maturity Date and an interest rate or rates such that, on the presentation for payment of any such Definitive Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required to be deducted would be greater than the amount otherwise due for payment, then, upon the due date for redemption, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that the amount required to be deducted would not be greater than the amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Definitive Note to become void, the relevant Paying Agent shall, in its sole and absolute

discretion, determine which unmatured Coupons are to become void, and shall select, in its sole and absolute discretion, for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

Upon any Definitive Notes becoming due and repayable prior to their Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

In relation to Definitive Notes initially delivered with Talons attached thereto, on or after the due date for the payment of interest on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent outside the United States (save as provided above) in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 10 (*Prescription*). Each Talon shall, for the purpose of these Conditions, be deemed to mature on the due date for the payment of interest on which the final Coupon comprised in the relative Coupon sheet matures.

If (otherwise than by reason of the application of the above) the due date for redemption of any Bearer Note is not the due date for the payment of a Coupon appertaining thereto, interest accrued in respect of such Note from and including the last preceding due date for the payment of a Coupon (or from the Issue Date or the Interest Commencement Date, as the case may be) will be paid only against surrender of such Bearer Note and all unmatured Coupons appertaining thereto.

**(b) Registered Notes**

Payment of the amount due on final redemption in respect of Registered Notes will be made against presentation and, save in the case of partial payment of any such amount, surrender of the relevant certificate at the specified office of the Registrar or of the Transfer Agent. If the due date for payment of the Final Redemption Amount or any other redemption amount, as the case may be, of any Registered Note is not both a Relevant Financial Centre Day and, if such Registered Note is not in global form or if the Final Terms so specify, a local banking day, then the Holder thereof will not be entitled to payment thereof until the next day which is such a day and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 4A (*Interest – Fixed Rate Note Provisions*) or Condition 4B (*Interest – Floating Rate Note Provisions*).

Payment of amounts (whether principal, interest or otherwise) due (other than on final redemption) in respect of Registered Notes will be paid to the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the Register at the close of business (local time in the place of the specified office of the Registrar) on the fifteenth day prior to the due date for such payment (the "**Record Date**").

Payment will be made in the currency in which such amount is due either by cheque posted to the Noteholder's registered address (or, in the case of joint Holders, the first-named) not later than the relevant due date for payment unless prior to the relevant Record Date the Holder thereof (or, in the case of joint Holders, the first-named) has applied to the Registrar or to the Transfer Agent and the Registrar or, as the case may be, the Transfer Agent has acknowledged such application for payment to be made to a designated account denominated in the relevant Settlement Currency, in each case as specified in Condition 7(d) (*Payments – General Provisions*).

**(c) Uncertificated Registered Notes**

The Issuer shall pay or cause to be paid when due payments of principal and interest (if any) in respect of Uncertificated Registered Notes to the relevant Noteholder's cash memorandum account (as shown in the records of the Operator), such payment to be made in accordance with the rules of the Operator. Each of the persons shown in the Operator register of corporate securities as holder of a particular principal amount of Uncertificated Registered Notes must look solely to the settlement bank or institution at which its cash memorandum account is held for its share of each such payment so made by or on behalf of the Issuer.

**(d) General Provisions**

The following provisions apply to both Bearer Notes and Registered Notes (and do not apply to Uncertificated Registered Notes). Subject to Condition 7(e) (*Payments – Payment of Alternative Payment Currency Equivalent*), payments of amounts due (whether principal, interest or otherwise) in respect of Notes will be made in the relevant Settlement Currency either by cheque or, at the option of the payee, by transfer to an account in the relevant Settlement Currency specified by the payee other than, for payments in respect of Bearer Notes, any such account in the United States.

Payments and deliveries will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 6 (*Taxation*).

Without prejudice to the generality of the foregoing, the Issuer reserves the right to require any person receiving payment of principal or, as the case may be, payment of interest with respect to any Note or Coupon to provide a Paying Agent with such certification or information as may be required to enable the Issuer or any parent or holding company of the Issuer or any subsidiary of any such parent or holding company to comply with the requirements of the U.S. Federal Income Tax laws or such other laws as the Issuer or any such parent or holding company or subsidiary thereof may be required to comply with.

**(e) Payment of Alternative Payment Currency Equivalent**

If:

- (i) "Payment of Alternative Payment Currency Equivalent" is specified as applicable in the relevant Final Terms, or is applicable in accordance with the proviso to Condition 7(f)(Y); or
- (ii) a Clearing System Currency Eligibility Event has occurred and is continuing,

then, if by reason of a FX Disruption Event or a Clearing System Currency Eligibility Event, the Issuer is not able to satisfy payments in respect of the Notes when due in the Settlement Currency, the Issuer may, settle any such payment in U.S. dollars or any other currency specified as the Alternative Payment Currency in the relevant Final Terms on the due date at the Alternative Payment Currency Equivalent of any such amount due.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7(e) (*Payments – Payment of Alternative Payment Currency Equivalent*) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Noteholders. By acceptance thereof, purchasers of the Notes will be deemed to have acknowledged and agreed and to have waived any and all actual or potential conflicts of interest that may arise as a result of the calculation of the Alternative Payment Currency Equivalent by the Calculation Agent.

**(f) Price Source Disruption and FX Disruption**

- (X) If "Price Source Disruption" is specified as being applicable in the relevant Final Terms, then, if on any day on which the Calculation Agent is required to determine a Relevant Rate (a "**Scheduled FX Fixing Date**"):
  - (A) a Price Source Disruption occurs, (other than as a result of an Unscheduled Holiday), the Calculation Agent shall:
    - (1) determine the Relevant Rate by reference to the rate of exchange published by available recognised financial information vendors (as selected by the Calculation Agent) on the Scheduled FX Fixing Date (the "**Fallback Reference Price**"); or

- (2) unless the Final Terms specify Dealer Poll as not applicable, in the event that the Calculation Agent is unable to determine a Fallback Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fallback Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market, the Calculation Agent will request four Reference Dealers to provide a quotation of their rate for the Relevant Rate as of the Scheduled FX Fixing Date. If at least two quotations are provided, the Relevant Rate will be the arithmetic mean of such quotations; and
- (3) if (i) the Final Terms specify Dealer Poll as not applicable and the Calculation Agent is unable to determine a Fallback Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fallback Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; (ii) the Calculation Agent determines that the Relevant Rate determined in accordance with paragraph (2) above does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; or (iii) fewer than 2 quotations are provided by Reference Dealers following the Calculation Agent's request pursuant to paragraph (2) above, the Calculation Agent will determine the Relevant Rate on the first succeeding Business Day on which the Price Source Disruption ceases to exist; **provided, however, that** if the Price Source Disruption continues for thirty consecutive calendar days (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (the "**FX Cut-off Date**"), the Calculation Agent shall determine its good faith estimate of the Relevant Rate on that FX Cut-off Date; or
- (B) an Unscheduled Holiday occurs (whether or not a Price Source Disruption also occurs), the Scheduled FX Fixing Date for such Relevant Rate and all other Relevant Rates which have the same Scheduled FX Fixing Date shall be postponed to the first succeeding Relevant Currency Business Day; **provided, however that** in the event that the Scheduled FX Fixing Date is postponed as a result of the occurrence of an Unscheduled Holiday (a "**Postponed FX Fixing Date**"), and if the Postponed FX Fixing Date has not occurred on or before the thirtieth consecutive calendar day (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (any such period being a "**Deferral Period**"), then the next day after the Deferral Period that is or would have been a Relevant Currency Business Day but for an Unscheduled Holiday, shall be deemed to be the Postponed FX Fixing Date and the Calculation Agent shall determine its good faith estimate of the Relevant Rate on that Postponed FX Fixing Date.
- (Y) If at any time, a FX Disruption Event occurs, the Issuer, in its sole and absolute discretion, may elect to either:
- (A) unless Redemption following FX Disruption Event is specified as being not applicable in the relevant Final Terms, having given not less than five days' notice to the Noteholders in accordance with Condition 12 (*Notices*), redeem all, but not some only, of the Notes at their Early Redemption Amount (and, if the FX Disruption Event occurs on a Scheduled FX Fixing Date on which there is a Price Source Disruption or Unscheduled Holiday, and the Early Redemption Amount is specified as being Fair Market Value in the relevant Final Terms, for the purposes of determining such Fair Market Value the Calculation Agent shall first determine any Relevant Rate (A) in accordance with sub-paragraph (X)(A) or (X)(B) above, as applicable, of this Condition (f) (*Payments – Price Source*

*Disruption and FX Disruption*) if "Price Source Disruption" is specified as applicable in the relevant Final Terms or, otherwise (B) in good faith and in a commercially reasonable manner) on the date notified to the Noteholders; or

- (B) instruct the Calculation Agent to make such adjustment(s) to the Conditions as it determines to be necessary or desirable to reflect or account for the FX Disruption Event with a view to produce a commercially reasonable result which will put the Issuer and the Noteholder in substantially the same economic position as prior to the relevant FX Disruption Event,

**provided, however that** in relation to sub-paragraphs (Y)(A) and (Y)(A) above, if as a result of the FX Disruption Event the Issuer is not able to satisfy payments in respect of the Notes when due in the Settlement Currency, the Issuer may settle any such payment pursuant to the provisions of Condition (e) (*Payments – Payment of Alternative Payment Currency Equivalent*).

If a Scheduled FX Fixing Date is postponed in accordance with this Condition (f) (*Payments – Price Source Disruption and FX Disruption*), any Related Payment Date will also be postponed, if needed, such that the Related Payment Date shall fall at least three (3) local banking days (or such other number of local banking days as may be specified in the relevant Final Terms) following the postponed Scheduled FX Fixing Date or, if later, the FX Cut-off Date or Postponed FX Fixing Date, as applicable.

## 8. **Redenomination**

### (a) **General**

Where redenomination is specified in the relevant Final Terms as being applicable and in respect of Notes denominated in a National Currency Unit, the Issuer may, without the consent of the Noteholders, upon giving at least 30 days' prior notice to the Noteholders in accordance with Condition 12 (*Notices*), designate a Redenomination Date.

With effect from the Redenomination Date:

- (i) each Note shall (unless already so provided by mandatory provisions of applicable law) be deemed to be redenominated into such amount of euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Settlement Currency, converted into euro at the rate for the conversion of the relevant Settlement Currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with EC regulations); **provided, however, that** if the Issuer determines that market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;
- (ii) if Notes are in definitive form:
- (A) all unmatured Coupons denominated in the relevant Settlement Currency (whether or not attached to the Notes) will become void on the Euro Exchange Date and no payments will be made in respect thereof;
- (B) the payment obligations contained in all Notes denominated in the Settlement Currency will become void on the Euro Exchange Date but all other obligations of the Issuer thereunder (including the obligation to exchange such Notes in accordance with this Condition 8(a)(ii) (*Redenomination – General*) shall remain in full force and effect; and
- (C) new Notes and Coupons denominated in euro will be issued in exchange for Notes and Coupons denominated in the relevant Settlement Currency in such

manner as the Issuer may specify and as shall be notified to the Noteholders in the Euro Exchange Notice;

- (iii) all payments in respect of the Notes (other than, unless the Redenomination Date is on or after such date as the relevant Settlement Currency ceases to be a sub-division of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro, as though references in the Notes to the Settlement Currency were to euro. Such payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union; and
- (iv) such other changes will be made to the terms and conditions of the Notes as the Issuer may decide to conform such Notes to conventions then applicable to Notes denominated in euro. Any such other changes will not take effect until after it has been notified to the Noteholders in accordance with Condition 12 (*Notices*).

Neither the Issuer nor any Paying Agent will be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of euro or any currency conversion or rounding effected in connection therewith.

**(b) Interest**

Following redenomination of the Notes pursuant to Condition 8(a) (*Redenomination – General*):

- (i) where Notes are in definitive form, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate principal amount of the Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (ii) in respect of Fixed Rate Notes where interest is payable annually, any interest required to be calculated for a period of less than one year in respect of the Notes shall be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed fall in a leap year, the sum of (a) the number of those days falling in a leap year divided by 366 and (b) the number of those days falling in a non-leap year divided by 365); **provided, however, that** if the Issuer determines that the market practice in respect of internationally offered euro denominated securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;
- (iii) in respect of Fixed Rate Notes where interest is payable quarterly or semi-annually, the amount of interest payable in respect of each Note on any Interest Payment Date shall be calculated by applying the Rate of Interest to the principal amount of such Note, dividing the product by four or two (as the case may be) and rounding the figure down to the nearest euro 0.01. If interest is required to be calculated for any other period, it shall be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed fall in a leap year, the sum of (a) the number of those days falling in a leap year divided by 366 and (b) the number of those days falling in a non-leap year divided by 365); **provided, however, that** if the Issuer determines that the market practice in respect of internationally offered euro denominated securities is different from that specified above, then the Issuer shall promptly notify the Noteholders, and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of the changes that will be required so as to comply with such market practice and such changes shall be deemed to be effective on the date which is 5 days following the date on which such notice is given to the Noteholders;



- (iv) in respect of Floating Rate Notes, the Interest Amount payable in respect of the Notes for each Interest Period will be calculated by applying the Rate of Interest for such Interest Period to the principal amount of such Note during the Interest Period, multiplying the product by the actual number of days in such Interest Period divided by 360 and rounding the resulting figure down to the nearest euro 0.01; and
- (v) in respect of Floating Rate Notes, the Rate of Interest for any subsequent Interest Period shall be determined by the Calculation Agent on the basis of provisions which it determines reflects the market practice in respect of internationally offered euro denominated securities.

## 9. **Events of Default**

If any one or more of the following events (each, an "**Event of Default**") shall occur and be continuing in relation to a Series of Notes:

- (a) the Issuer fails to remedy a default in the repayment of any principal due on the Notes of such Series or any of them or in the payment of any interest due in respect of the Notes of such Series or any of them, in each case within 14 days of notice of such default having been given to the Principal Paying Agent or other Paying Agent or the Registrar (as the case may be) by any Noteholder in accordance with Condition 12(b) (*Notices from Noteholders*), **provided that** it shall not be such a default to withhold or refuse any such payment (1) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment or (2) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time during the said period of 14 days by independent legal advisers acceptable to the Principal Paying Agent as to such validity or applicability; or
- (b) an order is made or an effective resolution is passed for the winding-up of the Issuer in England (otherwise than in connection with a scheme of reconstruction or amalgamation the terms of which shall previously have been approved in writing by an Extraordinary Resolution of the Holders of the relevant Series of Notes),

then any Noteholder may, by written notice to the Issuer, effective upon the date of receipt thereof by the Issuer (such date the "**Early Redemption Date**"), declare the Note held by the Holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount, as specified in the relevant Final Terms, together with interest accrued and unpaid until the date of its redemption, without presentment, demand, protest or other notice of any kind.

## 10. **Prescription**

Notes and Coupons will become void unless presented for payment within a period of 10 years and five years, respectively, from the Relevant Date (as defined in Condition 6 (*Taxation*)) in respect thereof. Any monies paid by the Issuer to the Principal Paying Agent for the payment of the principal or interest in respect of any Notes or Coupons and remaining unclaimed when such Notes or Coupons become void will then revert to the Issuer and all liability of the Principal Paying Agent with respect thereto will thereupon cease.

There shall not be included in any Coupon sheet issued in exchange for a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 10 (*Prescription*) or Condition 7 (*Payments*).

## 11. **Replacement, Exchange and Transfer**

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

Upon the terms and subject to the conditions set out in the Issuing and Paying Agency Agreement and the relevant Final Terms, a Registered Note may be exchanged for a Registered Note or Notes of equal aggregate principal amount in such different authorised denominations as may be requested by the Noteholder by surrender of such Registered Note at the specified office of the Registrar or of the Transfer Agent, together with a written request for the exchange.

Upon the terms and subject to the conditions set out in the Issuing and Paying Agency Agreement, a Registered Note, in definitive form, may be transferred in whole or in part only (**provided that** such part is, or is an appropriate multiple of, the minimum denomination set out in the Final Terms) by the Holder or Holders surrendering the Registered Note for registration of transfer at the specified office of the Registrar or the Transfer Agent, duly endorsed by, or accompanied by a written instrument to transfer in form satisfactory to the Issuer and the Registrar or the Transfer Agent, duly executed by the Holder or Holders thereof or his or their attorney duly authorised in writing. A new Registered Note will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Registered Note in respect of the balance not transferred will be issued to the transferor.

If so set out in the relevant Final Terms, the Holder of Bearer Notes may exchange the same for the same aggregate principal amount of Registered Notes upon the terms and subject to the conditions set forth in the Issuing and Paying Agency Agreement. In order to exchange a Bearer Note for a Registered Note, the Holder thereof shall surrender such Bearer Note at the specified office outside the United States of the Principal Paying Agent or of the Registrar or the Transfer Agent, together with a written request for the exchange. Each Bearer Note so surrendered must be accompanied by all unmatured Coupons appertaining thereto other than the Coupon in respect of the next payment of interest falling due after the exchange date (as defined below) where the exchange date would, but for the provisions of this paragraph, occur between the Record Date (as defined in Condition 7(b) (*Payments – Registered Notes*)) for such payment of interest and the date on which such payment of interest fall due.

Each new Registered Note to be issued upon the transfer of a Registered Note or the exchange of a Bearer Note for a Registered Note will, within three Relevant Banking Days of the transfer date or, as the case may be, the exchange date be available for delivery at the specified office of the Registrar or the Transfer Agent, or, at the option of the Holder requesting such exchange or transfer be mailed (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder.

The costs and expenses of effecting any exchange or registration of transfer pursuant to the foregoing provisions, except for the expenses of delivery by other than regular mail or insurance charges that may be imposed in relation hereto, shall be borne by the Issuer.

The Registrar or the Transfer Agent, as the case may be, shall not be required to register the transfer or exchange of Registered Notes for a period of 15 days preceding the due date for any payment of principal or interest in respect of such Notes.

## 12. Notices

### (a) Notices to Noteholders

All notices to the Holders of Notes or the Coupons appertaining thereto will be valid: (i) if published, in the case of Bearer Notes and Coupons, in one leading daily newspaper with circulation in London (which is expected to be the *Financial Times* or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe); (ii) in the case of Registered Notes, if mailed to their registered addresses (as advised by the Registrar) or to that of the first named of them in the case of joint Holders; **provided that**, in each case, in the case of Notes admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system the rules of such listing authority, stock exchange and/or quotation system by which the Notes have then been admitted to listing, trading and/or quotation have been complied with; and (iii) in the case of Uncertificated Registered Notes, if sent by first class mail or (if posted to an address overseas) by airmail to the holders at their respective addresses appearing in the Record and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Uncertificated Registered Notes are listed by or on a competent authority or stock exchange and the rules of that competent authority or stock exchange so require, such notice will be published in a daily newspaper of general circulation in the places or places required by that competent authority or stock exchange. Any

such notice shall be deemed to have been given on the date of such publication or delivery or, if published more than once, on the date of the first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

Holders of any Coupons appertaining to Bearer Notes will be deemed for all purposes to have notice of the contents of any notice given to the Holders of such Bearer Notes in accordance herewith.

**(b) Notices from Noteholders**

Notices given by any Noteholder shall be in writing and given by lodging the same, together with relevant Note or Notes (if applicable), with the Principal Paying Agent or other Paying Agent or with the Registrar (as the case may be) at its specified office.

**13. Paying Agents, Calculation Agents, Issue Agents, Transfer Agents and Registrars**

- (a) The names of the initial Principal Paying Agent, the other initial Paying Agents, the initial Calculation Agents, the initial Issue Agent, the initial Transfer Agent, the initial Registrar and their respective initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent, Calculation Agent, Issue Agent, Transfer Agent or Registrar and/or approve any change in the specified office through which any Paying Agent, Calculation Agent, Issue Agent, Transfer Agent or Registrar acts, **provided that:**

- (i) so long as any Bearer Notes are outstanding, there will at all times be a Principal Paying Agent; and
  - (ii) so long as any Registered Notes are outstanding, there will at all times be a Registrar and a Transfer Agent.
- (b) In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the second paragraph of Condition 7(a) (*Payments – Bearer Notes*). Any variation, termination, appointment or change shall only take effect (other than in the case of an insolvency, when it shall be of immediate effect) after notice has been given to the Noteholders in accordance with Condition 12 (*Notices*).
- (c) All calculations and determinations made by the Calculation Agent pursuant to the Conditions for the purposes of the Notes (including any determinations by the Calculation Agent as to the exercise or non-exercise by it of its powers, duties and discretions for such purposes) shall be made in good faith and a commercially reasonable manner, and in exercising any discretion to amend or adjust the Conditions, the Calculation Agent will exercise such discretion with a view to replicating as closely as possible the economic position that existed prior to the occurrence of the event giving rise to the exercise of such discretion.
- (d) The Agents and the Calculation Agent shall not act as agents for the Noteholders but shall be the agents of the Issuer. All calculation functions required of the Calculation Agent under these Conditions may be delegated to any such person as the Calculation Agent, in its absolute discretion, may decide.

**13A Consequences of a Benchmark Trigger Event**

- (a) If the Issuer (in consultation with the Calculation Agent) determines that a Benchmark Trigger Event has occurred in relation to a Relevant Benchmark relating to a Series of Notes, then:
- (i) if an Alternative Pre-nominated Index has been specified in relation to such Relevant Benchmark in the relevant Final Terms:
    - (A) unless the Issuer determines that replacing the Relevant Benchmark with the Alternative Pre-nominated Index would not produce a commercially reasonable result, references to such Relevant Benchmark shall be deemed to be replaced

Part II – Information Relating to the Notes  
Section II.6 – Alternative Terms and Conditions of the English Law Notes

with references to the Alternative Pre-nominated Index with effect from such date as the Issuer shall determine (acting in good faith and in a commercially reasonable manner); and

- (B) the Issuer shall make such other adjustments to the Conditions as it determines are necessary to account for the effect on the Notes of referencing the Alternative Pre-nominated Index in place of such Relevant Benchmark including, without limitation, to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Notes; and
- (ii) if an Alternative Pre-nominated Index has not been specified in relation to such Relevant Benchmark in the relevant Final Terms or the Issuer determines that replacing the Relevant Benchmark with the Alternative Pre-nominated Index would not produce a commercially reasonable result, the Issuer shall do any of the following:
- (A) determine that references to such Relevant Benchmark shall be deemed to be replaced by references to such index, benchmark or price source as the Issuer determines would have the effect of placing the Issuer in an economically equivalent position to that which it would have been in had the Benchmark Trigger Event not occurred (the "**Replacement Index**") (and in making such determination the Issuer shall be entitled to take into account such facts and circumstances as it considers relevant including, without limitation, (i) any index, benchmark or other price source which measures the same market or economic reality as the Relevant Benchmark and which is formally designated, nominated or recommended by the administrator or sponsor of the Relevant Benchmark or (ii) any index, benchmark or other price source which is formally designated, nominated or recommended by any Relevant Nominating Body, in each case to replace the Relevant Benchmark), in which case:
    - (1) references to such Relevant Benchmark shall be deemed to be replaced with references to such Replacement Index with effect from such date as the Issuer shall determine (acting in good faith and in a commercially reasonable manner); and
    - (2) the Issuer shall make such other adjustments to the Conditions as it determines are necessary to account for the effect on the Notes of referencing the Replacement Index in place of such Relevant Benchmark including, without limitation, to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Notes; or
  - (B) follow the steps for determining the relevant rate or level set out in the Relevant Reference Asset Fallback Provisions (if any); or
  - (C) determine that the Notes shall be redeemed, in which case the Issuer shall redeem the Notes at the Early Redemption Amount specified in the relevant Final Terms on the date selected by the Issuer and give notice of such redemption to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*);

**provided, however, that** if (A)(1) it is or would be unlawful at any time under applicable law or regulation or (2) it would contravene any applicable licensing requirements, in each case, for any of the above provisions or determinations to apply to the Notes, then such provision shall not apply and the Issuer shall not make such determination (as the case may be) and the Issuer shall instead take any of the above actions that complies with the applicable law, regulation or licensing requirements and (B) the Issuer will, notwithstanding any other provision of this Condition, make any determination and exercise any discretion as to whether the Alternative Pre-Nominated Index is to be used following such Benchmark Trigger Event or which Replacement Index is to be used, and which adjustments are to be made to the Conditions following such replacement, in such manner as to put the Issuer and the Noteholder in substantially the same

economic position as prior to the occurrence of the Benchmark Trigger Event, in each case without prejudice to the right of the Issuer to redeem the Notes in accordance with this Condition.

- (b) If the Issuer is not able to determine the Relevant Benchmark in accordance with the provisions of this Condition 13A (*Consequences of a Benchmark Trigger Event*) on any Relevant Benchmark Determination Date, then the Relevant Benchmark Determination Date shall be postponed to such date as it is able to make such determination and any Relevant Benchmark Related Payment Date will also be postponed, if needed, such that the Related Payment Date shall fall at least three (3) local banking days (or such other number of days as may be specified in the relevant Final Terms) following the postponed Relevant Benchmark Determination Date.
- (c) Unless Interest Adjustment is specified in the relevant Final Terms as being applicable, no further payment on account of interest or otherwise shall be due in respect of any payment postponed pursuant to this Condition 13A (*Consequences of a Benchmark Trigger Event*) (so that, for the avoidance of doubt, any interest payable in respect of the Notes on a Relevant Benchmark Related Payment Date which is so postponed shall be calculated as if such Relevant Benchmark Related Payment Date had not been postponed pursuant to this Condition 13A) (*Consequences of a Benchmark Trigger Event*) unless, in the case of a Fixed Rate Note or a Floating Rate Note there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in Condition 4A (*Fixed Rate Note Provisions*) or 4B (*Floating Rate Note Provisions*), as appropriate.
- (d) The Issuer shall promptly following the determination of any replacement for a Relevant Benchmark pursuant to paragraph (a)(i)(A) or (a)(ii)(A) above give notice thereof and of any changes pursuant to paragraph (a)(i)(B) or (a)(ii)(A)(2) (as applicable) to the Principal Paying Agent, the Calculation Agent and the Noteholders (in accordance with Condition 12 (*Notices*)).
- (e) Without prejudice to Condition 17(b) (*Adjustments to Indices – Index Modification*), if the definition, methodology or formula for a Relevant Benchmark in respect of a Series of Notes, or other means of calculating the Relevant Benchmark in respect of a Series of Notes, is changed, then references to such Relevant Benchmark shall be to such Relevant Benchmark as so changed.
- (f) In making any determination under this Condition 13A (*Consequences of a Benchmark Trigger Event*), the Issuer shall take account of such facts and circumstances as it considers relevant, including, without limitation, prevailing market practice; **provided, however, that**, it shall not take account of any such determinations made in respect of such hedging arrangements and/or the Issuer's funding costs. Except to the extent such exclusion is prohibited by law, in the absence of fraud or gross negligence on the part of the Issuer, no liability will attach to the Issuer in connection with any determination made by the Issuer pursuant to this Clause 13A.

#### 14. Meetings of Noteholders, Modification and Substitution

##### (a) Meetings of Noteholders

The Master Note Issuance Agreement contains provisions for convening meetings of the Holders of the Notes of any Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Note Issuance Agreement) of a modification of the Notes or any of the provisions of the Master Note Issuance Agreement. Such a meeting may be convened by the Issuer or by Holders of the Notes of any Series holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders of the Notes of any Series whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes (including modifying the date of maturity of the Notes, reducing or cancelling the amount of principal payable in respect of the Notes or altering the currency of payment of the Notes), the quorum shall be one or more persons holding or representing not less than 75 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing a clear majority, in nominal amount of the Notes for the time being outstanding. An Extraordinary

Resolution passed at any meeting of the Holders of the Notes of any Series shall be binding on all the Noteholders, whether or not they are present at the meeting. Any modification of the Notes shall be notified to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

**(b) Modification**

Subject in the case of the Issuing and Paying Agency Agreement and the Master Note Issuance Agreement (as applicable) to the agreement of the other parties thereto the Issuer may agree, without the consent of the Noteholders, to:

- (i) any modification (except as mentioned above) of the Issuing and Paying Agency Agreement or the Master Note Issuance Agreement or the Conditions which is not materially prejudicial to the interests of the Noteholders as a whole;
- (ii) any modification of the Conditions or the Issuing and Paying Agency Agreement or the Master Note Issuance Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated; or
- (iii) any modification of the Notes which is made to correct an inconsistency between the final terms and conditions of the Note issue (comprising these Conditions as completed by the relevant Final Terms) and the relevant termsheet relating to the Notes.

Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

**(c) Substitution**

The Issuer may also agree, without the consent of the Noteholders, to the substitution of a subsidiary or holding company of the Issuer or any subsidiary of any such holding company (the "**New Issuer**") in place of the Issuer as principal debtor under the Notes of any Series and the Coupons appertaining thereto (if any), **provided that** such Notes and the Coupons appertaining thereto (if any) are irrevocably guaranteed by the Issuer. In the event of any such substitution, any reference in these Conditions to the Issuer shall be construed as a reference to the New Issuer. Any such substitution shall be promptly notified to the relevant Noteholders in accordance with Condition 12 (*Notices*). In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and no Noteholder shall be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Noteholder.

**15. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Holders of Notes of any Series or Holders of the Coupons appertaining thereto (if any) to create and issue further notes ranking equally in all respects with the Notes of such Series so that the same shall be consolidated and form a single series with such Notes for the time being outstanding.

**16. Consequences of Disrupted Days**

- (a) For the purposes of this Condition 16 (*Consequences of Disrupted Days*), "**Limit Valuation Date**" shall mean, if any Scheduled Valuation Date or Scheduled Observation Date in respect of a Note is a Disrupted Day, the Specified Maximum Number of Disrupted Days following such Scheduled Valuation Date or Scheduled Observation Date, notwithstanding the fact that such day is a Disrupted Day.

- (b) If any Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day, then:
- (A) in the case of a Note which relates to a single Index or Security, the Valuation Date or Observation Date (as applicable) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, **provided that** the Valuation Date or Observation Date (as applicable) shall not fall after the Limit Valuation Date. In that case:
- (1) in respect of an Index-Linked Note, the Limit Valuation Date will be deemed to be the Valuation Date or Observation Date (as applicable), notwithstanding the fact that such day is a Disrupted Day, and the Calculation Agent shall determine the level of the Index as of the Valuation Time on the Limit Valuation Date determined in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Limit Valuation Date of each security or other property comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or other property on the Limit Valuation Date, its good faith estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and
- (2) in respect of an Equity-Linked Note, the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable), notwithstanding the fact that such day is a Disrupted Day and the Calculation Agent shall determine its good faith estimate of the value of the relevant Security as of the Valuation Time on that Limit Valuation Date;
- (B) in the case of a Note which relates to an Index Basket, the Valuation Date or Observation Date (as applicable) for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date or Scheduled Observation Date (as applicable) and the Valuation Date or Observation Date (as applicable) for each Index affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day which is not a Disrupted Day relating to that Index, unless each of the succeeding Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day relating to that Index. In that case, the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable) for the relevant Index notwithstanding the fact that such day is a Disrupted Day relating to that Index and the Calculation Agent shall determine the level of that Index, as of the Valuation Time on the Limit Valuation Date in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Limit Valuation Date of each security or other property comprised in the relevant Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or other property on the Limit Valuation Date, its estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and
- (C) in the case of a Note which relates to a Securities Basket, the Valuation Date or Observation Date (as applicable) for each Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date or Scheduled Observation Date (as applicable), and the Valuation Date or Observation Date (as applicable) for each Security affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Security, unless each of the Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day relating to that Security. In that case, (1) the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable) for the relevant Security, notwithstanding the fact that such day is a Disrupted Day, and (2) the Calculation Agent shall determine its estimate of the value for that Security as of the Valuation Time on the Limit Valuation Date.

- (c) If Averaging Dates are specified in the relevant Final Terms, then notwithstanding any other provisions of these Conditions, the following provisions will apply to the valuation of the relevant Index or Security:
- (A) If any Averaging Date is a Disrupted Day, then, if the consequence specified in the relevant Final Terms in relation to "**Averaging Date Market Disruption**" with respect to the relevant Averaging Date is:
- (1) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Final Security Price, Final Index Level, Final Redemption Amount, Coupon Trigger Amount or Automatic Early Redemption Amount, as applicable, **provided that**, if through the operation of this provision no Averaging Date would occur with respect to the relevant Index, then Condition 16(b) (*Consequences of Disrupted Days*) will apply for purposes of determining the relevant level or relevant value (as applicable), price or amount on the final Averaging Date as if such final Averaging Date were a Valuation Date that was a Disrupted Day. If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or a Potential Adjustment Event, shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 16(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 16 (*Consequences of Disrupted Days*);
  - (2) "**Postponement**", then Condition 16(b) (*Consequences of Disrupted Days*) will apply for purposes of determining the relevant level or relevant value (as applicable), price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the relevant Notes. If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or a Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 16(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 16 (*Consequences of Disrupted Days*); or
  - (3) "**Modified Postponement**", then:
    - (aa) in the case of a Note which relates to a single Index or Security, such Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Limit Valuation Date immediately following the Scheduled Final Averaging Date in relation to the relevant Scheduled Valuation Date, then the Limit Valuation Date shall be deemed to be the Averaging Date notwithstanding the fact that such day is a Disrupted Day (irrespective of whether that Limit Valuation Date is already an Averaging Date) and
      - (i) in respect of an Index-Linked Note, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 16(b)(A)(1) (*Consequences of Disrupted Days*); and
      - (ii) in respect of an Equity-Linked Note, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 16(b)(A)(2); and



- (bb) in the case of a Note which relates to an Index Basket and/or a Securities Basket, the Averaging Date for each Index or Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date and the Averaging Date for an Index or Security affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index or Security. If the first succeeding Valid Date in relation to such Index or Security has not occurred as of the Valuation Time on the Limit Valuation Date immediately following the Scheduled Final Averaging Date, then the Limit Valuation Date shall be deemed to be the Averaging Date (irrespective of whether that Limit Valuation Date is already an Averaging Date) and
- (i) in respect of an Index, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 16(b)(B) (*Consequences of Disrupted Days*); and
- (ii) in respect of a Security, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 16(b)(C) (*Consequences of Disrupted Days*).

If any Averaging Dates occur after the relevant Valuation Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the relevant redemption amount due under the relevant Note or (ii) the occurrence of an Extraordinary Event or Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were a Valuation Date and Condition 16(d) (*Consequences of Disrupted Days*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 16 (*Consequences of Disrupted Days*).

For the purposes of this Condition 16(c)(A)(3) only, "**Limit Valuation Date**" shall mean, if any Averaging Date in respect of a Note is a Disrupted Day, the Specified Maximum Number of Disrupted Days following the Scheduled Final Averaging Date, notwithstanding the fact that such day is a Disrupted Day.

- (d) If a Scheduled Valuation Date or Scheduled Final Observation Date is postponed (x) in accordance with this Condition 16 (*Consequences of Disrupted Days*) and/or (y) as a result of it not being a Scheduled Trading Day, any Disrupted Day Related Payment Date will also be postponed, if needed, such that the Disrupted Day Related Payment Date shall fall at least three (3) local banking days (or such other number of local banking days as may be specified in the Final Terms) following the later of (i) the postponed Valuation Date or postponed Observation Date or, if later, the Limit Valuation Date, as applicable and (ii) the postponed Scheduled FX Fixing Date or, if later, the FX Cut-off Date or Postponed FX Fixing Date, as applicable (if any). In respect of a Note which relates to an Index Basket and/or a Securities Basket, the postponed Valuation Date or postponed Observation Date or Limit Valuation Date referred to in this paragraph (d) will be deemed to be, in respect of a Scheduled Valuation Date or Scheduled Final Observation Date, the latest postponed Valuation Date or postponed Observation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation Date or Scheduled Final Observation Date.

Unless Interest Adjustment is specified in the relevant Final Terms as being applicable, no further payment on account of interest or otherwise shall be due in respect of any payment postponed pursuant to this Condition 16(d) (so that, for the avoidance of doubt, any interest payable in respect of the Notes on a Disrupted Day Related Payment Date which is so postponed shall be calculated as if such Disrupted Day Related Payment Date had not been postponed pursuant to this Condition 16(d)) unless, in the case of a Fixed Rate Note or a Floating Rate Note, there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in Condition 4A (*Interest - Fixed Rate Note Provisions*) or Condition 4B (*Interest - Floating Rate Note Provisions*), as appropriate.

17. **Adjustments to Indices**

This Condition 17 (*Adjustments to Indices*) is applicable only in relation to Index-Linked Notes.

(a) **Successor Index**

If a relevant Index is (A) not calculated and announced by the Index Sponsor but is calculated and published by a successor to the Index Sponsor acceptable to the Calculation Agent, or (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that Index (the "**Successor Index**") will be deemed to be the Index.

(b) **Index Modification**

If on or prior to any Valuation Date, Observation Date or Averaging Date, a relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation or other routine events) (an "**Index Modification**"), then the Calculation Agent shall determine whether such Index Modification has a material effect on the Notes, and if so, shall make such adjustment(s) (if any) as it determines appropriate to account for the economic effect of the Index Modification with a view to produce a commercially reasonable result which will put the Issuer and the Noteholder in substantially the same economic position as prior to the relevant Index Modification, and determine the effective date of any such modification or adjustment.

(c) **Index Cancellation**

If on or prior to any Valuation Date, Observation Date or Averaging Date (A) the Index Sponsor fails to calculate and announce a relevant Index, (B) the Index Sponsor announces that it suspends the calculation and publication of the level of a relevant Index, or (C) the Index Sponsor permanently cancels the Index and no Successor Index exists (each, an "**Index Cancellation**"), then:

- (A) the Issuer shall as soon as is reasonably practicable after determining the same give notice (an "**Index Cancellation Notice**") of such Index Cancellation to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*);
- (B) if "Index Substitution" is specified as being applicable in the relevant Final Terms, the Issuer shall, acting in good faith and a commercially reasonable manner, determine whether or not and the date as of which the Index is to be substituted with a Substitute Index and, if it so determines, it shall give an Index Substitution Notice to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*) and, with effect from the date so determined, the Substitute Index shall be deemed to be the Index; and
- (C) if no Substitute Index has been identified within 10 Business Days of the giving of such Index Cancellation Notice or if Index Substitution has not been specified as being applicable in the relevant Final Terms, the Issuer shall, in its sole and absolute discretion, determine whether or not the relevant Notes shall continue and:
  - (1) if it determines that the Notes shall continue, then the Calculation Agent shall determine the Specified Level or Closing Level required to be determined with respect to such Valuation Date, Observation Date or Averaging Date using, in lieu of a published level of that Index, the Specified Level or Closing Level required to be determined with respect to such Valuation Date, Observation Date or Averaging Date as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the Index Cancellation, but using only those components that comprised that Index immediately prior to that Index Cancellation; and

- (2) if it determines that continuation of the Notes is impossible or would result in a significant alteration to the economic balance of the Notes compared to that which existed at the Issue Date, the Issuer shall terminate the relevant Notes as of the date selected by the Issuer and give notice thereof to the Noteholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*), specifying the Early Redemption Amount and early redemption date, and the entitlements of the relevant Noteholders to receive the Final Redemption Amount (or any other payment to be made by the Issuer, as the case may be) shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Early Redemption Amount of the Notes.

**(d) Correction of Index Levels**

If the level of an Index published by the Index Sponsor at any time and used or to be used by the Calculation Agent for any calculation or determination under the Notes is subsequently corrected and the correction is published by the Index Sponsor after the original publication, the Calculation Agent will make such adjustment as it determines to be appropriate, if any, to the settlement or payment terms of the Notes to account for such correction.

**18. Adjustments and Events affecting Securities**

This Condition 18 is applicable only in relation to Equity-Linked Notes.

**(a) Potential Adjustment Events**

If Potential Adjustment Events is specified as "Applicable" in the relevant Final Terms, the Calculation Agent shall determine whether or not at any time a Potential Adjustment Event has occurred and where it determines such an event has occurred, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Securities and, if so, will make such adjustment(s) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and/or any other adjustment(s) and, in any case, any other variable relevant to the payment terms of the relevant Notes as the Calculation Agent determines to be appropriate to account for that diluting or concentrative effect with a view to produce a commercially reasonable result which will put the Issuer and the Noteholder in substantially the same economic position as prior to the relevant Potential Adjustment Event, and determine the effective date(s) of such adjustment(s).

**(b) Extraordinary Events**

If Extraordinary Events is specified as 'Applicable' in the relevant Final Terms, the following provisions shall apply.

- (i) Without prejudice to Condition 18(e) (*Security Substitution*) below, following the occurrence of any Extraordinary Event (other than a Delisting in respect of any Depository Receipts), the Issuer will determine whether or not the relevant Notes shall continue and, if so, determine any adjustments to be made. If the Issuer determines that the relevant Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate with a view to produce a commercially reasonable result which will put the Issuer and the Noteholders in substantially the same economic position as prior to the relevant Extraordinary Event, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date selected by the Calculation Agent, acting in good faith and in a commercially reasonable manner.

- (ii) If the Issuer determines that continuation of the Notes is impossible or would result in a significant alteration to the economic balance of the Notes compared to that which existed at the Issue Date (in each case, after having taken into account any possible adjustment pursuant to paragraph (i) above), then the Notes shall be terminated as the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer) as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Early Redemption Amount of the Notes.

(c) *Conversion*

If Conversion is specified as 'Applicable' in the relevant Final Terms, following the occurrence of any Conversion, the Issuer will determine whether or not the Notes will continue and, if so, determine any adjustment(s) to be made. If the Issuer determines that the Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate with a view to producing a commercially reasonable result which will put the Issuer and the Noteholders in substantially the same economic position as prior to the Conversion, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment and determine the effective date(s) of such adjustment(s). If the Issuer determines that continuation of the Notes is impossible or would result in a significant alteration to the economic balance of the Notes compared to that which existed at the Issue Date (in each case, after having taken into account any possible adjustment pursuant to this paragraph), then the Notes shall be terminated as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer), as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Early Redemption Amount of the Notes.

(d) *Correction of Prices*

If Correction of Prices is specified as 'Applicable' in the relevant Final Terms, in the event that any price published or announced on a given day and utilised or to be utilised for the purpose of any calculation or determination under the Notes is subsequently corrected and the correction is published or announced by the Exchange within one Settlement Cycle after the original publication, the Calculation Agent will make such adjustment(s) as it determines to be appropriate, if any, to the amount payable in respect of the Notes and their terms to account for such correction and the Calculation Agent shall determine the effective date(s) of such adjustment(s) **provided that** if any amount has been paid in an amount which exceeds the amount that would have been payable if the correction had been taken into account, no further amount in an amount at least equal to the excess is payable in respect of the Notes and the Calculation Agent determines that it is not practicable to make such an adjustment to account fully for such correction, the Issuer shall be entitled to reimbursement of the relevant excess payment (or, as the case may be, the proportion thereof not accounted for by an adjustment made by the Calculation Agent) by the relevant Noteholder, together with interest on that amount for the period from and including the day on which payment was originally made to (but excluding) the day of payment of reimbursement by the Noteholder (all as calculated by the Calculation Agent). Any such reimbursement shall be effected in such manner as the Issuer shall determine.

(e) *Security Substitution*

- (i) If the relevant Final Terms specify Substitution of Securities to be applicable, if any Security (the "**Affected Security**") to which the relevant Note relates is affected by an Extraordinary Event (other than a Delisting in respect of any Depositary Receipts) or an Additional Disruption Event occurs, then, without prejudice to any other rights that the Issuer may have under the Notes, the Issuer shall have the option to replace the Affected Security with a substitute security (the "**Substitute Security**") selected by the Calculation Agent with effect from a date selected by the Calculation Agent (the "**Substitution Reference Date**").

- (ii) The Substitute Security shall satisfy such criteria as the Calculation Agent determines (which may, but need not, include, without limitation, the Substitute Security belonging to a similar economic sector as the Affected Security and the Underlying Company of the Substitute Security having a similar creditworthiness to the Underlying Company of the Affected Security) with a view to produce a commercially reasonable result which will put the Issuer and the Noteholders in substantially the same economic position as prior to the relevant Substitution of Security.
- (iii) The Initial Price of the Substitute Security shall be determined in accordance with the following formula:

$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Security Price(k)}/\text{Affected Security Price(j)})$$

Where:

**"Affected Security Price(j)"** means either (i) the last closing price per share of the Affected Security on or prior to the Substitution Reference Date or (ii) an exchange traded price per share of the Affected Security on or recently prior to the Substitution Reference Date, in each case as determined by the Calculation Agent;

**"Affected Security Price(k)"** means the Initial Price per share of the relevant Affected Security as specified in the relevant Final Terms; and

**"Substitute Price"** means the official closing price per share of the relevant Substitute Security as of the Valuation Time on the date on which the Affected Security Price(j) is determined or, if such date is not a Scheduled Trading Day in respect of the Substitute Security, the next following Scheduled Trading Day in respect of the Substitute Security.

- (iv) If the currency of the Substitute Security is different from the currency of the Affected Security, the Calculation Agent may make such adjustments to the terms and conditions of the Notes as it determines to be appropriate to account for such difference.
- (v) The Calculation Agent shall notify the Noteholders in accordance with Condition 12 (*Notices*) of the Substitute Security and of any changes to the terms and conditions of the Notes made pursuant to paragraph (iv) above as soon as practicable after determining the same.
- (vi) In the event that (i) the Issuer determines not to substitute the Security in accordance with the provisions of this Condition 18(e), or (b) the Calculation Agent determines that it cannot substitute the Affected Security in accordance with the provisions of this Condition 18(e), the Issuer may make appropriate adjustments or redeem the Notes of the relevant Series in accordance with Condition 18(b) (*Extraordinary Events*) or Condition 19 (*Additional Disruption Events*), as applicable.

#### 19. **Additional Disruption Events**

- (i) Without prejudice to Condition 18(e) (*Security Substitution*) following the occurrence of any Additional Disruption Event, the Issuer will determine whether or not the relevant Notes shall continue and, if so, the Calculation Agent shall determine any adjustments to be made with a view to produce a commercially reasonable result which will put the Issuer and the Noteholder in substantially the same economic position as prior to the relevant Additional Disruption Event. If the Issuer determines that the relevant Notes shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms, the number of Securities to which each Note relates, the number of Securities comprised in a Securities Basket and, in any case, any other variable relevant to the payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date selected by the Calculation Agent.
- (ii) If the Issuer determines that the continuation of the Notes is impossible or would result in a significant alteration to the economic balance of the Notes compared to that which existed at the Issue Date (in each case, after having taken into account any possible adjustment pursuant to

paragraph (i) above), then the Notes shall be terminated as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment to be made by the Issuer), as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Early Redemption Amount of the Notes.

20. **Adjustments where the Securities are Units in an ETF**

Where the Securities are specified in the relevant Final Terms as being Units in an ETF, in the case of the occurrence at any time on or prior to the Valuation Date of any Extraordinary Event affecting the ETF or the value of the Units, the Calculation Agent may make any adjustment as provided in Condition 18 (*Adjustments and Events affecting Securities*) or Condition 19 (*Additional Disruption Events*) or:

- (i) if the Calculation Agent determines that no adjustment that it could make under Condition 18 (*Adjustments and Events affecting Securities*) or Condition 19 (*Additional Disruption Events*) would produce a commercially reasonable result:
  - (A) the Calculation Agent will use commercially reasonable efforts to identify a new underlying asset with characteristics, investment objectives and policies similar to those in effect for the Affected Units immediately prior to the occurrence of the relevant Extraordinary Event and any substitution of the new underlying asset for the Affected Units shall be effected at such time and in such manner as determined by the Calculation Agent; and
  - (B) if necessary, the Calculation Agent will adjust any relevant terms, including, but not limited to, adjustments to account for changes in volatility, investment strategy or liquidity relevant to the Units or the Notes,

in each case with a view to produce a commercially reasonable result which will put the Issuer and the Noteholder in substantially the same economic position as prior to the Extraordinary Event; or

- (ii) if the Calculation Agent determines that the continuation of the Notes is impossible or would result in a significant alteration to the economic balance of the Notes compared to that which existed at the Issue Date (in each case, after having taken into account any possible adjustment pursuant to paragraph (i) above), then the Notes shall be terminated as of the date selected by the Calculation Agent in its discretion and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount and any accrued interest shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Early Redemption Amount of the Notes.

In this Condition 20, "**Affected Unit(s)**" means each Unit subject to an applicable Extraordinary Event.

21. **Events relating to DR-Linked Notes**

In relation to DR-Linked Notes only, if a Delisting of the Securities occurs or the Depository announces that the Deposit Agreement is (or will be) (or is at any time, whether or not announced by the Depository) terminated, then the Issuer will determine whether or not the Notes shall continue. If the Issuer determines that:

- (i) the Notes shall continue, it shall elect whether the Security shall thereafter be (x) the Replacement DRs or (y) the Underlying Security and the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the terms of the Notes (including, without limitation, any change to the notional number of Securities and/or the formula for the relevant Redemption Amount) to reflect such election, and which change or adjustment(s) shall be effective on such date selected by the Calculation Agent; or
- (ii) the continuation of the Notes is impossible or would result in a significant alteration to the economic balance of the Notes compared to that which existed at the Issue Date (in each case after having taken into account any possible adjustment pursuant to paragraph (i) above), then the Notes shall be terminated as of the date selected by the Calculation Agent and the entitlements of the relevant Noteholders to receive the relevant Redemption Amount (or any other payment

to be made by the Issuer) as the case may be, shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of the Early Redemption Amount of the Notes.

22. **Notes Linked to Units in an ETF – General**

If the relevant Final Terms specify that the Securities in relation to a Series of Notes are Units in an ETF, then these Conditions shall apply to the Notes as if references herein to "Underlying Company" were references to the "ETF" and as if references therein to "Security" were references to "Unit".

23. **Effects of European Economic and Monetary Union**

Following the occurrence of an EMU Event, the Calculation Agent shall make such adjustment (and determine the effective date of such adjustment) as it determines to be appropriate, if any, to the formula for the relevant Redemption Amount or any amount of interest set out in the relevant Final Terms and, in any case, any other variable relevant to the settlement or payment terms of the relevant Notes.

Following the occurrence of an EMU Event, without prejudice to the generality of the foregoing, the Issuer shall be entitled to make such conversions between amounts denominated in the National Currency Units and the euro, and the euro and the National Currency Units, in each case, in accordance with the conversion rates and rounding rules in Regulation (EC) No. 1103/97 as it determines to be appropriate.

Neither the Issuer nor the Calculation Agent will be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection therewith.

24. **Third Party Rights**

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

25. **Governing Law**

(a) ***Governing law***

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

(b) ***English courts***

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with the Notes (including any Dispute regarding the existence, validity or termination of the Notes or the consequence of their nullity).

**SECTION II.7 – FORM OF FINAL TERMS FOR NOTES (GENERAL ENGLISH LAW CONDITIONS AND FRENCH LAW CONDITIONS)**

*Set out below is the template of the "Final Terms", a document which will be filled out for each issue of Notes and which will complete the terms and conditions in respect of each such issue of Notes.*

Final Terms dated: [•]

**[HSBC Bank plc**

*(a company incorporated in England with registered number 14259; the liability of its members is limited)/*

**HSBC Continental Europe**

*(a société anonyme registered in France)]*

**Programme for the Issuance of Notes and Warrants**

**[Legal Entity Identifier (LEI): MP6I5ZYZBEU3UXPYFY54 / F0HUI1NY1AZMJMD8LP67]**

**[Further] Issue of**

**[Aggregate Principal Amount of Tranche] [Title of Notes]**

**[(to be consolidated and form a single series with the existing Tranche[s] [•])] ]**

**PART A – CONTRACTUAL TERMS**

This document constitutes the Final Terms relating to the issue of the Tranche of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**") set forth under the heading ["*Terms and Conditions of the English Law Notes*"] ["*Terms and Conditions of the French Law Notes*"] in the Base Prospectus dated 28 June 2023 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the issue date or listing date of the Notes, whichever is later, to which these Final Terms relate which together constitute a base prospectus ("**Prospectus**") for the purposes of the Prospectus Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the EU Prospectus Regulation and must be read in conjunction with such Prospectus. However, a summary of the issue of the Notes is annexed to these Final Terms.

*[The following alternative paragraph to be included instead of the above paragraph where either the Offer Period for the Notes, the Issue Date for the Notes or the date of admission to trading for the Notes is expected to span the update of the Base Prospectus (so long as the updated Base Prospectus is approved and published before the expiry of this Base Prospectus):*

This document constitutes the Final Terms for the purposes of the Prospectus Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") relating to the issue of the Tranche of Notes described herein.

Up to and including the 2023 Prospectus Expiry Date (as defined below), the Final Terms must be read in conjunction with the Base Prospectus dated 28 June 2023 relating to Notes issued under the above Programme, which together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the 2023 Prospectus Expiry Date constitutes a base prospectus (the "**2023 Prospectus**") for the purposes of the EU Prospectus Regulation. The 2023 Prospectus shall expire on 27 June 2024 (the "**2023 Prospectus Expiry Date**").

Following the 2023 Prospectus Expiry Date, the Final Terms must be read in conjunction with such base prospectus relating to Notes issued under the above Programme as is published by the Issuer in replacement of the 2023 Prospectus and each supplemental prospectus relating to the Programme as may be published by the Issuer after such publication but before the issue date or listing date of the Notes, whichever is later, to which these Final Terms relate (the "**2024 Prospectus**"). Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes set forth under the heading ["*Terms and Conditions of the English Law Notes*"] ["*Terms and Conditions of the French Law Notes*"] in the 2023 Prospectus (the



## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

"**Conditions**"). The Conditions shall be incorporated by reference into the 2024 Prospectus. A summary of the issue of the Notes is annexed to these Final Terms.]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an offering document with an earlier date:*

This document constitutes the Final Terms relating to the issue of the Tranche of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**") set forth under the heading ["*Terms and Conditions of the English Law Notes*" / "*Terms and Conditions of the French Law Notes*"] in the Base Prospectus dated [ [1 July 2019] / [9 July 2020] / [30 November 2021] / [30 December 2022]] which are incorporated by reference in the Base Prospectus dated 28 June 2023 and are applicable to the Notes. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation (EU) 2017/1129) (as amended, the "**EU Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 28 June 2023 together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the issue date or listing date of the Notes to which the Final Terms relate, whichever is later, which together constitute a base prospectus ("**Prospectus**") for the purposes of the EU Prospectus Regulation. However, a summary of the issue of the Notes is annexed to these Final Terms.]

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 Prospectus. The Prospectus is available for viewing during normal business hours at [HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=201](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=201)] / [HSBC Continental Europe, 38, avenue Kléber, 75116, Paris, France and [www.about.hsbc.fr/investor-relations/debt-issuance](http://www.about.hsbc.fr/investor-relations/debt-issuance)].

*[The following alternative paragraph to be included instead of the above paragraph where either the Offer Period for the Notes, the Issue Date for the Notes or the date of admission to trading for the Notes is expected to span the update of the Base Prospectus (so long as the updated Base Prospectus is approved and published before the expiry of this Base Prospectus):*

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 (i) in relation to the period to and including the 2023 Prospectus Expiry Date, the 2023 Prospectus, and (ii) from but excluding the 2023 Prospectus Expiry Date, the 2024 Prospectus. The 2023 Prospectus is available for viewing during normal business hours at [HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=201](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=201)] [HSBC Continental Europe, 38, avenue Kléber, 75116, Paris, France and [www.about.hsbc.fr/investor-relations/debt-issuance](http://www.about.hsbc.fr/investor-relations/debt-issuance)]. The 2024 Prospectus shall be available for viewing from its date of publication during normal business hours at [HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=201](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=201)] [HSBC Continental Europe, 38, avenue Kléber, 75116, Paris, France and [www.about.hsbc.fr/investor-relations/debt-issuance](http://www.about.hsbc.fr/investor-relations/debt-issuance)].]

**[EU PRIIPs REGULATION - PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). 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 Directive 2014/65/EU, (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

**[UK PRIIPs REGULATION - PROHIBITION OF SALES TO 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 United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the United Kingdom Financial Services and Markets Act 2000 (as amended) ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

2016/97/EU, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

**[PROHIBITION OF SALES TO SWISS PRIVATE CLIENTS** - 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 investors that qualify as private (retail) clients according to Article 4 para. 2 Swiss Financial Services Act ("**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance ("**FinSO**"). Consequently, no key information document (or equivalent document) required by FinSA has been prepared and therefore offering or selling the Notes or otherwise making them available to any private (retail) client in, into or from Switzerland may be unlawful under FinSA.]

**[Singapore SFA Product Classification:** In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**CMP Regulations 2018**") the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA), that the Notes are capital markets products other than "prescribed capital markets products" (as defined in the CMP Regulations 2018) and are Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.)

- |    |                                                            |                                                                                                                                                                   |
|----|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Issuer:                                                    | [HSBC Bank plc] [HSBC Continental Europe]                                                                                                                         |
| 2. | Tranche Number:                                            | [ ] [The Notes issued under these Final Terms are to be consolidated and form a single series with [ ] (the " <b>Original Issue</b> ") issued on [ ] [(ISIN):[ ]] |
| 3. | (i) Settlement Currency:                                   | [ ]                                                                                                                                                               |
|    | (ii) Governing Law:                                        | [English Law Notes] [French Law Notes]                                                                                                                            |
| 4. | Aggregate Principal Amount [of Notes admitted to trading]: |                                                                                                                                                                   |
|    | [(i) Series:                                               | [ ]]                                                                                                                                                              |
|    | [(ii) Tranche:                                             | [ ]]                                                                                                                                                              |
| 5. | Issue Price:                                               | [ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]                                                                                  |
| 6. | (i) Denomination(s):                                       | [ ]                                                                                                                                                               |
|    |                                                            | <i>[In respect of French Law Notes, there should be one denomination only]</i>                                                                                    |
|    | (ii) Calculation Amount:                                   | [ ]                                                                                                                                                               |
|    | (iii) Aggregate Outstanding Nominal Amount Rounding:       | [Applicable] [Not Applicable]                                                                                                                                     |
| 7. | (i) Issue Date:                                            | [ ]                                                                                                                                                               |
|    | (ii) Trade Date:                                           | [ ]                                                                                                                                                               |
|    | (iii) Interest Commencement Date:                          | [ ] [Issue Date] [Not Applicable]                                                                                                                                 |

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

8. Maturity Date:  [or, if later, the  Business Day following the [Final Valuation Date]] [adjusted in accordance with [the  Business Day Convention] ].
9. Interest basis:  [per cent. Fixed Rate]  
 [+/-  per cent. Floating Rate Notes]  
 [Coupon Trigger Event is Applicable. See Paragraph 13 for further details.]  
 [Coupon Trigger Recovery Event is Applicable. See Paragraph 13 for further details.]  
 [Lock-in Coupon Event is Applicable. See Paragraph 13 for further details.]  
 [Not Applicable]
10. Change of interest basis: [Applicable][Not Applicable]

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

11. Fixed Rate Note provisions: [Applicable][Not Applicable][Condition [4C (*Interest – Coupon Trigger Notes*)] [4D (*Lock-In Coupon Event*)] [4E (*Coupon Trigger Recovery Event*)] applies and "Relevant Rate – Fixed" is applicable with respect to such Notes].
- (i) Rate of Interest:  [per cent. [per annum]  payable in arrear on [each] [the first]  Interest Payment Date] [[and]  [per cent. [per annum] in arrear on  [the last] Interest Payment Date]  
 [Fixed Coupon Amount applies (see (iii) below).]  
 [Interest Step-up applies (see (vi) below)]  
 [Interest Step-down applies (see (vii) below)]
- (ii) Interest Payment Date(s):  [in [each year]  [Each date specified below] [adjusted in accordance with the Business Day Convention] [, not adjusted][Each [Coupon Trigger Payment Date][Lock-In Coupon Payment Date] [*specify dates*]

<b>[Interest Payment Date(s)]</b>	
	<input type="checkbox"/>

- (iii) Fixed Coupon Amount(s): [Calculation Amount multiplied by  per cent.] [ per Calculation Amount] [Not Applicable]
- (iv) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [Actual/Actual (ICMA)] [30E/360] [30E/360 (ISDA)] [Not Applicable]
- (vi) Interest Step-up: [Applicable] [Not Applicable]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

<b>[Interest Payment Date]</b>	<b>[Rate of Interest]</b>
[•]	[•]

(vii) Interest Step-down: [Applicable] [Not Applicable]

<b>[Interest Payment Date]</b>	<b>[Rate of Interest]</b>
[•]	[•]

(v) Business Day Convention: [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]

12. Floating Rate Note provisions: [Applicable] [Not Applicable] [Condition 4C (*Coupon Trigger Notes*)] [4D (*Lock-In Coupon Trigger Notes*)] [4E (*Coupon Trigger Recovery Event*)] applies and "Relevant Rate – Floating" is applicable with respect to such Notes].

(i) Interest Period(s): [ ] [Not Applicable]

(ii) Specified Period: [ ] [Not Applicable]

(iii) Interest Payment Dates: [ ] [Each [Coupon Trigger Payment Date]] [Lock-In Coupon Payment Date]]

(iv) Business Day Convention: [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]

(v) Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA (*Condition 4B(c)*): [Applicable] [Not Applicable]

(1) Reference Rate: [[•] month] [BBR] [EURIBOR]

(2) Interest Determination Date: [ ]

(3) Relevant Screen Page: [ ]

(4) Alternative Pre-nominated Index: [ ] [*specify Alternative Pre-nominated Index details*] [Not Applicable]

(5) Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 13A(f) [3] [ ]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

*(Consequences of a Benchmark Trigger Event):*

- |      |                                                                                                                                                                                         |                                                                                          |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| (6)  | Relevant Financial Centre:                                                                                                                                                              | [ ]                                                                                      |
| (7)  | Relevant Time:                                                                                                                                                                          | [ ]                                                                                      |
| (8)  | Relevant Currency:                                                                                                                                                                      | [AUD] [CHF] [EUR] [GBP] [USD]                                                            |
| [(9) | [ISDA Determination for Fall-back provisions:                                                                                                                                           | [Applicable] [Not Applicable]                                                            |
|      | • ISDA Definitions:                                                                                                                                                                     | [2021 ISDA Definitions]                                                                  |
|      | • Floating Rate Option:                                                                                                                                                                 | [ ]                                                                                      |
|      | • Designated Maturity:                                                                                                                                                                  | [ ]                                                                                      |
|      | • Reset Date:                                                                                                                                                                           | [[•]/as specified in the ISDA Definitions/the first day of the relevant Interest Period] |
|      | • Compounding:                                                                                                                                                                          | Not Applicable                                                                           |
|      | • Averaging:                                                                                                                                                                            | Not Applicable                                                                           |
|      | • Index Provisions:                                                                                                                                                                     | Not Applicable                                                                           |
|      | • Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 13A(f) ( <i>Consequences of a Benchmark Trigger Event</i> ): | [3] [ ]                                                                                  |
|      | • Fewer than minimum number of Reference Banks quoting:                                                                                                                                 | [Applicable] [Not Applicable]                                                            |
|      | • Applicable Benchmark                                                                                                                                                                  | [ ] [Not Applicable]                                                                     |
|      | • Fixing Day:                                                                                                                                                                           | [ ] [Not Applicable]                                                                     |
|      | • Fixing Time:                                                                                                                                                                          | [ ] [Not Applicable]                                                                     |
|      | • Any other terms relating to the ISDA Definitions:                                                                                                                                     | [ ] [Not Applicable]                                                                     |
|      | • Alternative Pre-nominated Index:                                                                                                                                                      | [ ] [specify Alternative Pre-nominated Index details] [Not Applicable]                   |
| (vi) | ISDA Determination (Condition 4B(d)):                                                                                                                                                   | [Applicable] [Not Applicable]                                                            |
| (1)  | ISDA Definitions                                                                                                                                                                        | [2021 ISDA Definitions]                                                                  |
| (2)  | Floating Rate Option:                                                                                                                                                                   | [[•] / CHF-SARON / EUR-EURIBOR / EUR-EuroSTR / EUR-EuroSTR Compounded Index/             |

GBP-SONIA / GBP-SONIA Compounded Index/  
HKD-HONIA / JPY-TONA / USD-SOFR / USD-  
SOFR Compounded Index]

*(The Floating Rate Option should be selected from one of: CHF-SARON / EUR-EURIBOR / EUR-EuroSTR / EUR-EuroSTR Compounded Index / GBP-SONIA / GBP-SONIA Compounded Index / HKD-HONIA / JPY-TONA / USD-SOFR / USD-SOFR Compounded Index (as defined in the ISDA Definitions). These are the only options envisaged by the terms and conditions.)*

- (3) Designated Maturity: [•]
- (4) Reset Date: [[•] /as specified in the ISDA Definitions/ the first day of the relevant Interest Period]
- (5) Compounding: [Applicable] [Not applicable]
- (i) Compounding Method: [Compounding with Lookback  
Lookback: [•] Applicable Business Days]  
[Compounding with Observation Period Shift  
Observation Period Shift: [•] Observation Period Shift Business Days  
Observation Period Shift Additional Business Days: [•]/[Not applicable] ]  
[Compounding with Lockout  
Lockout:[•] Lockout Period Business Days  
Lockout Period Business Days: [•]/Applicable Business Days]
- (6) Averaging: [Applicable][Not applicable]
- (i) Averaging Method: [Averaging with Look back  
Lookback: [•] Applicable Business Days]  
[Averaging with Observation Period Shift  
Observation Period Shift: [•] Observation Period Shift Business Days  
Observation Period Shift Additional Business Days: [•]/[Not applicable]]  
[Averaging with Lockout  
Lockout: [•] Lockout Period Business Days  
Lockout Period Business Days: [•]/Applicable Business Days]
- (7) Index Provisions: [Applicable][Not applicable]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (i) Index Method: Compounding Index Method with Observation Period Shift
- Observation Period Shift: [•] Observation Period Shift Business Days
- Observation Period Shift Additional Business Days: [•]/[Not applicable]
- (8) Applicable Benchmark: [ ] [Not applicable]
- (9) Fixing Day: [ ] [Not applicable]
- (10) Fixing Time: [ ] [Not applicable]
- (11) Any other terms relating to the ISDA Definitions: [ ] [Not applicable]
- (12) Alternative Pre-nominated Index: [ ] [specify Alternative Pre-nominated Index details] [Not applicable]
- (vii) Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA (Condition 4B(e)): [Applicable] [Not Applicable]
- (1) Reference Rate: [SONIA] [SOFR] [€STR] [SORA] [TONA]
- (2) Relevant Screen Page [ ] [Not applicable] – *This is only required if SONIA is the Reference Rate*
- (3) Interest Determination Dates: [•] [[ ]][prior to the [The][first] day of each Interest Period]] [The [second][ ] [Business Day]][•] falling prior to Interest Payment Date][Each Interest Payment Date, **provided that** in respect of the final Interest Period, the Interest Determination Date shall be the [second][ ] [Business Day]][•] falling prior to Interest Payment Date ([not] taking into account any adjustment made pursuant to Condition 7 (*Payments*)) – *use for Payment Delay only*
- (5) Determination Method: [Compounded Daily Rate][Weighted Average Rate]
- (6) Observation Method: [Observation Shift][Lag][Lock-Out][Payment Delay]
- (7) Y: [360 – likely to be specified for USD][365 -likely to be specified for GBP][•]
- (8) "p": [*Specify if Observation Shift or Lag are applicable*][Not Applicable]
- (9) ARRC Fallbacks: [Applicable][Not Applicable] – *May be applicable if SOFR is the Reference Rate only*
- (10) Effective Interest Payment Dates: [In respect of each Interest Period other than the final Interest Period, the date falling [two][•] [Business Days]][•] following the Interest Payment Date, and in respect of the final Interest Period, the

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

Maturity Date or redemption date (as applicable) of the Notes. – *include if Payment Delay is specified*[Not Applicable]

- (11) Alternative Index: Pre-nominated [ ] [*specify Alternative Pre-nominated Index details*] [Not applicable]
- (viii) Margin: [[+/-] [ ] per cent. per [annum] [ ]] [Not Applicable]
- (ix) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [Actual/Actual (ICMA)] [30E/360] [30E/360 (ISDA)] [Not Applicable]
- (x) Minimum Interest Rate: [[ ] per cent. [ ] per [ ] [annum]] [Not Applicable]
- (xi) Maximum Interest Rate: [[ ] per cent. [ ] per [ ] [annum]] [Not Applicable]
13. Coupon Trigger Event: [Applicable] [Not Applicable]
- (i) Coupon Trigger Amount: [Digital Coupon][Relevant Rate – Fixed. The provisions of Condition 4F (*Relevant Rate – Fixed*) shall apply][Relevant Rate – Floating. The provisions of Condition 4G (*Relevant Rate – Floating*) shall apply]

[Coupon Trigger Valuation Date(s)]	[Coupon Trigger Level(s)]	[Coupon Trigger Payment Date(s)]	[Coupon Trigger Rate(s)]
[ ]	[ ]	[ ]	[ ] [Not Applicable]

- (ii) [Specified [Level][Price]: [Single Observation][Highest][Lowest][Average] [Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]

*[If Highest/Lowest is specified]*

[Performance Observation Period applies]

[Coupon Trigger Valuation Date(s)]	[Coupon Trigger Observation Start Date]	[Coupon Trigger Observation End Date]
[ ]	[ ]	[ ]

[Coupon Trigger Valuation Date(s)]	Observation Dates
[ ]	[ ]

- (iii) [Averaging Dates: [Averaging Period applies][Not Applicable]

*[If Averaging Dates are specified]*



<b>[Coupon Trigger Valuation Date(s)]</b>	<b>[Averaging Dates]</b>
[ ]	[ ]

(iv) [Averaging Period: [Not Applicable]

*[If Averaging Period is specified]*

<b>[Coupon Trigger Valuation Date(s)]</b>	<b>[Coupon Trigger Averaging Start Date]</b>	<b>[Coupon Trigger Averaging End Date]</b>
[ ]	[ ]	[ ]

(v) Averaging Date Market Disruption in respect of Coupon Trigger Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

(vi) Business Day Convention with respect to Coupon Trigger Payment Date(s): [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]

(vii) Coupon Trigger Recovery Event [Applicable] [Not Applicable]

<b>[Coupon Trigger Valuation Date(s)]</b>	<b>[Coupon Trigger Recovery Level]</b>
[ ]	[ ]

(viii) Lock-In Coupon Event: [Applicable] [Not Applicable]

<b>[Lock-In Coupon Valuation Date(s)]</b>	<b>[Lock-In Coupon Level]</b>
[ ]	[ ]

(ix) [Specified [Level][Price]: [Single Observation][Highest][Lowest][Average][Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]

*[If Highest/Lowest is specified]*

[Performance Observation Period applies]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

[Lock-In Coupon Valuation Date(s)]	[Lock-In Coupon Observation Start Date]	[Lock-In Coupon Observation End Date]
[ ]	[ ]	[ ]

[Lock-In Coupon Valuation Date(s)]	Observation Dates
[ ]	[ ]

(x) [Averaging Dates: [Averaging Period applies] [Not Applicable]

*[If Averaging is specified]*

[Lock-In Coupon Valuation Date(s)]	[Averaging Dates]
[ ]	[ ]

(xi) [Averaging Period: [Not Applicable]

*[If Averaging Period is specified]*

[Lock-In Coupon Valuation Date(s)]	[Lock-In Coupon Averaging Start Date]	[Lock-In Coupon Averaging End Date]
[ ]	[ ]	[ ]

(xii) Averaging Date Market Disruption in respect of Lock-In Coupon Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

(xiii) Business Day Convention with respect to Lock-In Coupon Payment Date(s): [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]

## PROVISIONS RELATING TO REDEMPTION

14. Method for determining the Final Redemption Amount of each Note: [Booster with Barrier Redemption] [Airbag with Barrier Redemption] [Barrier Redemption] [Digital with Barrier Redemption] [Digital Growth with Barrier Redemption] [Growth with Full Protection Redemption] [Growth with Partial Protection Redemption] [Digital with Partial Protection Redemption] [Buffer Redemption] [Booster with Buffer Redemption] [Digital with Buffer Redemption] [Digital Growth with Buffer Redemption][Step-Down Growth with Partial Protection Redemption] [- In addition, Lock-In Redemption Event is applicable with respect to the

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

Notes, and the provisions of Condition 5(c)(*Lock-In Redemption*) shall apply.] [Fixed Amount Redemption]

15. Provisions relating to the calculation of the Final Redemption Amount of each Note:

- (i) Final [Index Level][Security Price]  
 [Specified [Level]][Price]: [Single Observation][Highest][Lowest][Average][Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]  
 Final Valuation Date: [ ]  
 [Observation Dates: [ ]][Not Applicable][Performance Observation Period applies]  
*[If Highest/Lowest is specified]*  
 [Final Valuation Observation Start Date: [ ]][Not Applicable]  
 [Final Valuation Observation End Date: [ ]][Not Applicable]  
 [Averaging Dates: [ ] [Averaging Period applies][Not Applicable]  
 [Final Valuation Averaging Start Date: [ ]][Not Applicable]  
 [Final Valuation Averaging End Date: [ ]][Not Applicable]  
 [Averaging Date Market Disruption in respect of Final Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]
- (ii) [Barrier: [Applicable][Not Applicable]  
 Barrier Event: [Inclusive][Non-Inclusive]  
 Barrier Observation Method: [European][Bermudan][Daily]

[Barrier Valuation Date(s)]	[Barrier Level]
[ ]	[ ]

[Barrier Valuation Period Start Date]	[Barrier Valuation Period End Date]	[Barrier Level]
[ ]	[ ]	[ ]

[Specified [Level]][Price]: [Single Observation][Highest][Lowest][Average][Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]

*[If Highest/Lowest is specified]* [Performance Observation Period applies]

[Barrier Valuation Date(s)]	[Barrier Observation Start Date]	[Barrier Observation End Date]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

[ ]	[ ]	[ ]
-----	-----	-----

<b>[Barrier Valuation Date(s)]</b>	<b>[Observation Dates]</b>
[ ]	[ ]

[Averaging Dates: [ ] [Averaging Period applies] [Not Applicable]  
*[If Averaging Dates are specified]*

<b>[Barrier Valuation Date(s)]</b>	<b>[Averaging Dates]</b>
[ ]	[ ]

[Averaging Period: [ ] [Not Applicable]  
*[If Averaging Period is specified]*

<b>[Barrier Valuation Date(s)]</b>	<b>[Barrier Averaging Start Date]</b>	<b>[Barrier Averaging End Date]</b>
[ ]	[ ]	[ ]

Averaging Date Market Disruption in [ ] [Omission] [Postponement]  
 respect of Barrier Averaging Dates: [Modified Postponement] [Not Applicable]

(iii) [Lock-In Redemption Event: [Applicable][Not Applicable]

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Lock-In Redemption Trigger Level]</b>	<b>[Lock-In Redemption Percentage]</b>
[ ]	[ ]	[ ]

[Specified [Level][Price]: [Single Observation][Highest][Lowest][Average]  
 [Level][Price][Not Applicable – Average Basket  
 – [Lowest][Highest] Date applies]

*[If Highest/Lowest is specified]* [Performance Observation Period applies]

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Lock-In Redemption Observation Start Date]</b>	<b>[Lock-In Redemption Observation End Date]</b>
-----------------------------------------------	----------------------------------------------------	--------------------------------------------------

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

[ ]	[ ]	[ ]
-----	-----	-----

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Observation Dates]</b>
[ ]	[ ]

[Averaging Dates: [Averaging Period applies][Not Applicable]  
*[If Averaging Dates are specified]*

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Averaging Dates]</b>
[ ]	[ ]

[Averaging Period: [Not Applicable]  
*[If Averaging Period is specified]*

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Lock-In Redemption Averaging Start Date]</b>	<b>[Lock-In Redemption Averaging End Date]</b>
[ ]	[ ]	[ ]

Averaging Date Market Disruption in [ ] [Omission] [Postponement]  
 respect of Lock-In Redemption [Modified Postponement] [Not Applicable]  
 Averaging Dates:

- (iv) [Return Threshold: [ ] per cent.]
- (v) [Cap: [[ ] per cent.] [Unlimited][Not Applicable]]
- (vi) [Participation: [100] per cent.] [Not Applicable]]
- (vii) [Strike Percentage: [[ ] per cent.] [Not Applicable]]
- (viii) [Conditional Protection Percentage: [[ ] per cent.] [Not Applicable]]
- (ix) [Digital Return Percentage: [[ ] per cent.] [Not Applicable]]
- (x) [Protection Level Percentage: [[ ] per cent.] [Not Applicable]]
- (xi) [Minimum Redemption Percentage: [[ ] per cent.] [Not Applicable]]
- (xii) [Minimum Return Percentage: [[ ] per cent.] [Not Applicable]]
- (xiii) [Fixed Amount Redemption Rate: [[ ] per cent.] [Not Applicable]]

## 16. Early Redemption:

- (i) Early Redemption Amount (upon redemption for taxation reasons or illegality): [[ ] per cent. of the Calculation Amount] [Fair Market Value] [Not Applicable]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

*(Condition 5(d) (Redemption and Purchase – Redemption for Taxation Reasons) or 5(f) (Redemption and Purchase – Early Redemption for Illegality)*

- (ii) Early Redemption for taxation reasons on days other than Interest Payment Dates: [Yes] / [No]

*(Condition 5(d) (Redemption and Purchase – Redemption for Taxation Reasons))*

- (iii) Early Redemption Amount following an Event of Default: [[ ] per cent. of the Calculation Amount] [Fair Market Value]

*(Condition 9 (Events of Default))*

- (iv) Redemption following FX Disruption Event [Applicable] [Not Applicable]

*(Condition 7(f) (Y) of the English Law Conditions or Condition 7(e) (Y) of the French Law Conditions (Payments – Price Source Disruption and FX Disruption))*

- (v) Early Redemption Amount following FX Disruption Event or Benchmark Trigger Event: [[ ] per cent. of the Calculation Amount] [Fair Market Value][Not Applicable]

*(Condition 7(f) (Y) of the English Law Conditions or Condition 7(e) (Y) of the French Law Conditions (Payments – Price Source Disruption and FX Disruption) or 13A (Consequences of a Benchmark Trigger Event))*

- Interest Adjustment [Applicable] [Not Applicable]

17. Early Redemption for Autocallable Notes: [Applicable] [Not Applicable]

[Automatic Early Redemption Valuation Date(s)]	[Automatic Early Redemption Percentage(s)]	[Automatic Early Redemption Date(s)]	[Automatic Early Redemption Rate(s)]
[ ]	[ ]	[ ]	[ ]

- (i) [Specified [Level]][Price]: [Single Observation][Highest][Lowest][Average] [Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]

*[If Highest/Lowest is specified]* [Performance Observation Period applies]

[Automatic Early Redemption Valuation Date(s)]	[Autocall Observation Start Date]	[Autocall Observation End Date]
[ ]	[ ]	[ ]

[Automatic Early Redemption Valuation Date(s)]	[Observation Dates]
[ ]	[ ]

(ii) [Averaging Dates: [Averaging Period applies] [Not Applicable]

*[If Averaging Dates are specified]*

[Automatic Early Redemption Valuation Date(s)]	[Averaging Dates]
[ ]	[ ]

(iii) [Averaging Period: [Not Applicable]

*[If Averaging Period is specified]*

[Automatic Early Redemption Valuation Date(s)]	[Autocall Averaging Start Date]	[Autocall Averaging End Date]
[ ]	[ ]	[ ]

(iv) Averaging Date Market Disruption in respect of Autocall Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

(v) Business Day Convention with respect to Automatic Early Redemption Date(s): [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]

18. Redemption at the Option of the Issuer (Call Option) [Applicable] [Not Applicable]

(i) [Optional Redemption Date(s) (Call Option): [ ] [Each date specified as such below.] ]

[Notice period: [Condition 5(f) applies] [The Issuer may elect to redeem the Notes on an Optional Redemption Date (Call Option) by giving notice on or before the corresponding Call Date]]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (ii) [Redemption Amount (Call Option): [[ ] per cent. of the Calculation Amount] [In respect of each Optional Redemption Date (Call Option), the corresponding rate specified below.]]

[Call Date]	[Optional Redemption Date (Call Option)]	[Redemption Amount (Call Option)]
[ ]	[ ]	[[ ] per cent. of the Calculation Amount]

- (iii) [Business Day Convention with respect to Optional Redemption Date (Call Option): [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment] ]
19. Taxation: (Condition 6 (Taxation)) [Condition 6A (Taxation – No gross-up (HBEU)) is applicable] [Condition 6B (Taxation – Gross-up (HBEU)) is applicable] [Condition 6C (Taxation – Gross-up (HBCE)) is applicable] [Condition 6D (Taxation – No gross-up (HBCE)) is applicable]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

20. Form of Notes: (*The following elections apply in respect of English Law Notes:*) [Bearer Notes] [Registered Notes] [Uncertificated Registered Notes]
- (*The following applies in respect of French Law Notes:*) [Bearer Dematerialised Notes]
21. If issued in bearer form: [Applicable] [Not Applicable]
- (*select Not Applicable and delete (i) to (v) below in case of French Law Notes*)
- (i) Initially represented by a Temporary Global Note or Permanent Global Note: [Temporary] [Permanent] Global Note
- (ii) Temporary Global Note exchangeable for Permanent Global Note and/or Definitive Notes: [Yes] [No] [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only in limited circumstances specified in the Permanent Global Note]
- (iii) Permanent Global Note exchangeable at the option of the Issuer in circumstances where the Issuer would suffer a material disadvantage following a change of law or regulation: [Yes] [No. Paragraph (c) of the Permanent Global Note does not apply. The Issuer may not elect to exchange a Permanent Global Note for Definitive Notes in the circumstances described in paragraph (c) of the Permanent Global Note.]
- (iv) Coupons to be attached to Definitive Notes: [Yes] [No] [Not Applicable]



## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (v) Talons for future Coupons to be attached to Definitive Notes:  [Yes]  [No]  [Not Applicable]
22. Exchange Date for exchange of Temporary Global Note:  [ ]  [Not earlier than 40 days after the Issue Date]  [Not Applicable (*in case of French Law Notes*)]
23. If issued in registered form (other than Uncertificated Registered Notes):  [Applicable; the Notes will initially be represented by a Regulation S Global Registered Note]  [Not Applicable]
- (select Not Applicable and delete (i) below in case of French Law Notes)*
- (i) Regulation S Global Registered Note exchangeable at the option of the Issuer in circumstances where the Issuer would suffer a material disadvantage following a change of law or regulation:  [Yes]  [No. Paragraph (d) of the Regulation S Global Registered Note does not apply. The Issuer may not elect to exchange a Regulation S Global Registered Note for Regulation S Definitive Registered Notes in the circumstances described in paragraph (d) of the Regulation S Global Registered Note]
24. [*Masse* (Condition 13 of the French Law Conditions):] Condition 13 applies. (*delete paragraph in case of English Law Notes*)
- (i) Representative:  [•] (*specify name and address*)
- [(ii) Alternative Representative:  [•] (*specify name and address*)]
- (iii) Remuneration of Representative:  [•]
25. Payments:
- (i) Relevant Financial Centre Day:  [ ]
- (ii) Business Centre(s):  [ ]
- (iii) Payment of Alternative Payment Currency Equivalent:  [Applicable]  [Not Applicable]
- Cross Currency:  [ ]
  - Cross Currency Jurisdiction:  [ ]
  - Settlement Currency Jurisdiction:  [ ]
  - Alternative Payment Currency:  [ ]
  - Alternative Payment Currency Jurisdiction:  [ ]
  - Alternative Payment Currency Fixing Page:  [ ]
  - Alternative Payment Currency Fixing Time:  [ ]
  - Alternative Payment Currency Fixing Date:  [ ]  [Condition 1 (*Definitions*) applies] [The relevant [jurisdictions/places] for the purposes of the Alternative Payment Currency Fixing Date are  [ ]]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- Additional Alternative Payment Currency Event:  [Not Applicable]
  - Offshore RMB Centre: [Hong Kong] [Singapore] [Taiwan]  [Not Applicable]
  - Alternative Pre-nominated Index:  [Not Applicable]
  - Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 13A(c) (*Consequences of a Benchmark Trigger Event*):  [3]
- (iv) Price Source Disruption:  [Applicable]  [Not Applicable]
- FX Cut-off Date:  [Condition 1 (*Definitions*) applies]
  - Number of local banking days for the purpose of postponing Related Payment Dates pursuant to Condition 7(f) of the English Law Conditions or Condition 7(e) of the French Law Conditions (*Payments – Price Source Disruption and FX Disruption*):  [3]
  - Dealer Poll:  [Applicable]  [Not Applicable]
  - Unscheduled Holiday and Deferral Period: The number of Relevant Currency Business Days for the purpose of the definition of Unscheduled Holiday in Condition 1 (*Definitions*) is  [ ] [and the number of calendar days for the purposes of the Deferral Period is  [ ] [as per Condition 1 (*Definitions*)]
  - Interest Adjustment  [Applicable]  [Not Applicable]
26. Redenomination:  [Applicable]  [Not Applicable]
27. Provisions relating to the underlying Indices:  [Applicable]  [Not Applicable]
- (i)  [Index][Index Basket]:  [ ] [Not Applicable] [Each of the Indices specified in the table below:]

[Index]	[Bloomberg Ticker]
[ ]	[ ]

[(each, an "**Index**" and together, the "**Indices**")]

- (ii)  [Performance measure with respect to Index Basket]:  [Worst of Basket]  [Best of Basket]  [Average Basket]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (iii) [Weighting: [Equally weighted basket][As per the table below][Not Applicable – [Worst][Best] of Basket applies]]
- (iv) Index Sponsor(s): [ ] [As per the table below]
- (v) Index Rules: [ ] [Not Applicable] [As per the table below]
- (vi) Exchange(s): [ ] [The Index is a Multiple Exchange Index] [As per the table below]
- (vii) Related Exchange(s): [ ] [All Exchanges] [As per the table below]
- (viii) Initial Index Level: [ ] [The Specified Level with respect to [the][each] Index determined with respect to the Strike Date][As per the table below]
- [Strike Date:] [ ]
- [Specified Level:] [Single Observation][Highest][Lowest][Average] [Level]
- [If Highest/Lowest Level is specified]*
- [Observation Dates: [ ] [Not Applicable][Performance Observation Period applies]]
- [Strike Observation Start Date: [ ] [Not Applicable]]
- [Strike Observation End Date: [ ] [Not Applicable]]
- [If Average Level is specified]*
- [Averaging Dates: [ ] [Averaging Period applies][Not Applicable]]
- [Strike Averaging Start Date: [ ] [Not Applicable]]
- [Strike Averaging End Date: [ ] [Not Applicable]]
- [Averaging Date Market Disruption in respect of Strike Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]
- (ix) Alternative Pre-nominated Index: [Applicable] [Not Applicable] [As per the table below]

[Index]	[Alternative Pre-nominated Index]	[Index Sponsor]	[Index Rules]	[Exchanges]	[Related Exchanges]	[Weighting]	[Initial Index Level]
[ ]	[ ]	[ ]	[ ]	[ ] [The Index is a Multiple Exchange Index]	[ ] [All Exchanges]	[ ]	[ ]

- (x) Additional Disruption Event: [The following Additional Disruption Events apply: [Change in Law][Hedging]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

Disruption][Increased Cost of Hedging]] [Not Applicable]

- (xi) Index Substitution: [Applicable] [Not Applicable]
  - (xii) Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 13A(f) (*Consequences of a Benchmark Trigger Event*): [3] [ ]
28. Provisions relating to the underlying Securit[y][ies]: [Applicable] [Not Applicable]

- (i) [Security]/[Security Basket]: [The Security (the "**Security**") is: [ ] (ISIN:[ ]) / [Depository Receipts of [ ]] / [Units of an ETF, where the ETF is [name of ETF] and "**Unit**" means, in respect of the ETF, a share or notional unit of the ETF (as defined in the ETF Documents), the price of which is denominated in [ ]. [The Units represent undivided ownership interests in the portfolio of investments held by the ETF] [delete if not applicable].]

[Each of the securities specified in the table below (each a "**Security**" and together the "**Securities**"):

[Security]	[ISIN] or [Unit]
[ ] / [Depository Receipts of [ ]] [Units of [Name of ETF]]	[ISIN] ["Unit" means, in respect of the ETF, a share or notional unit of the ETF (as defined in the ETF Documents), the price of which is denominated in [ ]. [The Units represent undivided ownership interests in the portfolio of investments held by the ETF] [delete if not applicable], "Underlying Index" means [ ].]

- [Performance measure with respect to Security Basket: [Worst of Basket][Best of Basket][Average Basket]]
  - (ii) [Weighting]: [Equally weighted basket][As per the table below][Not Applicable – [Worst][Best] of Basket applies]
  - (iii) [Underlying Company(ies): [ ] [and with respect to the Underlying Securities [ ]] [The ETF] [As per the table below]]
  - (iv) [Initial Security Price]: [ ] [The Specified [Level][Price] with respect to [the][each] [Security] determined with respect to the Strike Date][As per the table below.]
- [Strike Date:] [ ]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

[Specified [Price]: [Single Observation][Highest][Lowest][Average][Level][Price]

[Observation Dates: [ ] [Not Applicable] [Performance Observation Period applies]

*[If Highest/Lowest is specified]*

[Strike Observation Start Date: [ ] [Not Applicable]]

[Strike Observation End Date: [ ] [Not Applicable]]

[Averaging Dates: [ ] [Averaging Period applies] [Not Applicable]]

[Strike Averaging Start Date: [ ] [Not Applicable]]

[Strike Averaging End Date: [ ] [Not Applicable]]

[Averaging Date Market Disruption in respect of Strike Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable] ]

(v) Exchange(s): [ ] [As per the table below]

(vi) Related Exchange(s): [ ] [All Exchanges] [As per the table below]

[Security]	[Underlying Company]	[Exchanges]	[Related Exchanges]	[Initial Security Price]	[Weighting]
[ ]	[ ]	[ ]	[ ] [All Exchanges]	[ ]	[ ]

(vii) Potential Adjustment Event: Condition [18(a) of the English Law Conditions]/[17(a) of the French Law Conditions] is [Applicable] [Not Applicable]

- Extraordinary Dividend (if other than as specified in the definition in Condition 1) [ ]

- additional Potential Adjustment Event (for purposes of paragraph (viii) of the definition thereof) [ ]

(viii) Extraordinary Event: Condition [18(b) of the English Law Conditions]/[17(b) of the French Law Conditions] is [Applicable] [Not Applicable]

(ix) Conversion: Condition [18(c) of the English Law Conditions]/[17(c) of the French Law Conditions] is [Applicable] [Not Applicable]  
(for Notes relating to Government Bonds and debt securities only)

(x) Correction of Prices: Condition [18(d) of the English Law Conditions]/[17(d) of the French Law Conditions] is [Applicable] [Not Applicable]

(xi) Additional Disruption Event [The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]] [Insolvency Filing] [Not Applicable]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (xii) Substitution of Securities:  [Applicable]  [Not applicable]
29. Adjustment Provisions with respect to Scheduled Valuation Dates and Scheduled Observation Dates:
- Specified Maximum Number of Disrupted Days:  [ ]  [Not Applicable] [The definition in Condition 1 applies]
  - Number of local banking days for the purpose of postponing Disrupted Day Related Payment Dates pursuant to Condition 16 of the English Law Conditions or Condition 15 of the French Law Conditions:  [3]  [ ]
30. Valuation Time:  [ ]  [The definition in Condition 1 applies]
31. Additional U.S. federal income tax considerations:  [Not Applicable/*give details*] [The Notes are  [not] Section 871(m) Notes for the purpose of Section 871(m).] [The  [Dividend Withholding]  [Issuer Withholding] approach shall apply to the Notes. For further information, see "*Taxation – Other Taxation Matters – Notes and Warrants – U.S. Withholding on Dividend Equivalent Payments*" in the Base Prospectus. [The following dividend equivalent amounts are to be treated as being reinvested during the term of the Notes, less a withholding on such amounts at a rate of  [ ] per cent. (as of the Issue Date), which shall be treated for U.S. federal income tax purposes as having been withheld from payments due to the holders of the Notes:  [ ]]. Additional information regarding the application of Section 871(m) to the Notes will be available from the Issuer. Investors should submit any requests for additional information to the Issuer via their custodians.] *[The Notes will not be Section 871(m) Notes if they do not reference any U.S. equity or any index that contains any U.S. equity. Notes that reference a U.S. equity or index that contains any U.S. equity are subject to additional testing on a trade-by-trade basis to determine whether they are Section 871(m) Notes.]*
32. Governing law: The Notes [and the Receipts, the Coupons and the Talons] and any non-contractual obligations arising out of or in connection with the Notes [and the Receipts, the Coupons and the Talons] will be governed by, and shall be construed in accordance with, [English law / French law]

**CONFIRMED**

**[HSBC BANK PLC / HSBC CONTINENTAL EUROPE]**

By:  
Authorised Signatory

Date: .....

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: [Application [will be] [has been] made to admit the Notes to listing on [the Official List of Euronext Dublin][and][the official list of the Borsa Italiana S.p.A.]. No assurance can be given as to whether or not, or when, such application will be granted.] [Not Applicable]
- (ii) Admission to trading: [The Original Issue was admitted to trading on the regulated market of Euronext Dublin on [ ].] [Application [will be] [has been] made for the Notes to be admitted to trading on [the regulated market of the Euronext Dublin][and][the Electronic Bond Market, being the regulated market of the Borsa Italiana S.p.A. ("MOT")]. No assurance can be given as to whether or not, or when, such application will be granted.] [Not Applicable]

### 2. [RATINGS]

- Ratings: [The Notes are not rated.] [The Notes [have been] [are expected on issue to be rated:]:
- S&P Global Ratings Europe Limited: [ ]
- Moody's Investors Service Limited: [ ]
- Fitch Ratings Limited: [ ]

### 3. [REASONS FOR THE OFFER AND USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES]

- (i) Reasons for the offer and use of proceeds: [See the "*Use of Proceeds*" section of the Base Prospectus] The Notes are "Green Notes" and an amount equivalent to the net proceeds from the sale of the Notes will be used as described in "*Green Notes*" in the Base Prospectus. The Applicable Framework is the [HSBC Green Bond Framework][Specify other].]
- (ii) Estimated net proceeds: [ ]
- (iii) Estimated total expenses: [ ]

### 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[The Notes may be on-sold by the Dealer(s) to the Initial Authorised Offerors at a discount to the Issue Price of [up to] [•%]. Such discount (the "**re-offer spread**") will be retained by the Initial Authorised Offerors.] [Save for any [[fees payable]/[and]/[discount to the Issue Price offered] to the [Dealer(s)/distributor(s) in respect of the Notes [as of (or around the Issue Date)] (the "**Distributors**")/[specify other]], [and][[S/s]ave for the re-offer spread retained by the Initial Authorised Offerors], no person involved in the issue of the Notes has, so far as the Issuer is aware, an interest material to the [issue/offer]. The [Dealer(s)/Distributor(s)/[specify other]] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] /

[Save for any [[fees payable]/[and]/[discount to the Issue Price offered] to the [Dealer(s)/distributors in respect of the Notes [as of (or around the Issue Date)] (the "**Distributors**")/[specify other]], so far



## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue. The [Dealer(s)/Distributor(s)/*specify other*] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

[Not Applicable] [ ]

5. **[Fixed Rate Notes only – YIELD**

Indication of yield: [ ]

6. **[Floating Rate Notes only – HISTORIC INTEREST RATES**

Information on past and future performance and volatility of the [BBR] [EURIBOR] interest rates can be obtained from [Reuters] [ ]. Such information can be obtained [free of charge/*set out charging arrangements*]

7. **INFORMATION ABOUT THE UNDERLYING**

Information on the past and future performance and volatility of the [Index] [Indices comprised in the Index Basket] [Securities] [Securities comprised in the Securities Basket] can be obtained from [the following display pages on [Bloomberg (source: Bloomberg Financial Markets Service)]] [the following website [•] [(Source: [•])] ] Such information can be obtained [free of charge/*set out charging arrangements*].

8. **[PERFORMANCE OF RATE[S] OF EXCHANGE**

Information on past and future performance and volatility of the [ ] [Alternative Payment Currency Exchange Rate] can be obtained from [Reuters] [ ]. Such information can be obtained [free of charge/*set out charging arrangements*].

**DISTRIBUTION**

9. (i) If syndicated, name[s] and address[es] of Dealers [and underwriting commitments (including, where not all of the issue is underwritten, a statement of the portion not covered)]: [ ]
- (ii) Date of subscription agreement: [ ]
- (iii) Indication of the overall amount of the underwriting commission and of the placing commission: [[ ] per cent. of the Aggregate Principal Amount [of the Tranche]] [Not Applicable]
10. If non-syndicated, name and address of Dealer: [ ]
11. TEFRA Rules applicable to Bearer Notes: [TEFRA C Rules] [TEFRA D Rules] [TEFRA Not Applicable]
12. Selling restrictions, United States of America: 40-day Distribution Compliance Period: [Applicable] [Not Applicable]
13. Public Offer: [Applicable] [Not Applicable]
- (i) [Details of the Public Offer: A public offer of this Tranche of Notes may be made by the Dealers [and [ ] (address: [ ])] ([together with the Dealers,] the "Initial Authorised Offeror[s]") and any other Authorised Offerors published on the Issuer's website [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20) /

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

<https://www.about.hsbc.fr/investor-relations/debt-issuance>) in [Republic of Ireland] [Belgium] [France] [Italy] (the "**Public Offer Jurisdiction**") during the period from and including [ ] until but excluding [ ] (the "**Offer Period**").

- (ii) Conditions attached to the consent to use the Prospectus: [ ] [Not Applicable]
14. Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
15. Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]

**OPERATIONAL INFORMATION**

16. ISIN Code: [ ] [Not Applicable]
17. Common Code: [ ] [Not Applicable]
18. Valoren Number: [ ] [Not Applicable]
19. SEDOL: [ ] [Not Applicable]
20. Other identifier / code: [ ] [Not Applicable]
21. Clearing System: [Euroclear] [Clearstream, Luxembourg] [CREST] [Euroclear France]
22. Central Depository: [Euroclear France] [Not Applicable]  
(*Select Euroclear France for French Law Notes*)
23. Delivery: Delivery [against] [free of] payment
24. (i) Principal Paying Agent/Registrar/Issue Agent/Transfer Agent: [HSBC Bank plc] [Names and addresses to be included if relevant agent is not HSBC Bank plc]
- (ii) Additional Paying Agent(s) (if any): [ ] [Not Applicable]
25. Common Depository: [ ] [HSBC Bank plc] [Not Applicable]
26. Calculation Agent: [ ] [HSBC Bank plc] [HSBC Continental Europe]

**[TERMS AND CONDITIONS OF THE OFFER**

27. Offer Price: [Issue Price] [ ]
28. Total amount of the issue/offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer: [ ] [Not Applicable]
29. The time period, including any possible amendments, during which the offer will be open: [ ] [Not Applicable]
30. Conditions to which the offer is subject: [ ] [Not Applicable]

## Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

31. Description of the application process:  [Not Applicable]
32. Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:  [Not Applicable]
33. Details of the minimum and/or maximum amount of application:  [Not Applicable]
34. Details of the method and time limits for paying up and delivering of the securities:  [Not Applicable]
35. Manner in and date on which results of the offer are to be made public:  [Not Applicable]
36. Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:  [Not Applicable]
37. Whether tranche(s) have been reserved for certain countries:  [Not Applicable]
38. Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:  [Not Applicable]
39. Amount of any expenses and taxes specifically charged to the subscriber or purchaser:  [Not Applicable]
40. Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:  [Not Applicable]
41. Name and address of any paying agents and depositary agents in each country:  [Not Applicable]
42. Name and address if the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment:  [Not Applicable]

**BENCHMARKS**

43. Details of benchmarks administrators and registration under EU Benchmarks Regulation: *[specify benchmark]* is provided by *[administrator legal name]*. As at the date hereof, *[administrator legal name]* *[appears]/[does not appear]* in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. *[As far as the Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that [administrator legal name] is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).]**[Not Applicable]*

**ANNEX**

**ADDITIONAL PROVISIONS NOT REQUIRED BY THE SECURITIES NOTE RELATING TO THE UNDERLYING**

**[The following [Index] [ETF] disclaimer[s] [is][are] applicable [in respect of the [ ] [Index] [ETF], as agreed between the [Index Sponsor[s]] [ ] and the Issuer]: [ ]].**

**SECTION II.8 – FORM OF FINAL TERMS FOR NOTES (ALTERNATIVE ENGLISH LAW  
CONDITIONS)**

*Set out below is the template of the "Final Terms", a document which will be filled out for each issue of Notes and which will complete the terms and conditions in respect of each such issue of Notes.*

Final Terms dated: [•]

**HSBC Bank plc**

*(a company incorporated in England with registered number 14259; the liability of its members is limited)*

**Programme for the Issuance of Notes and Warrants**

**Legal Entity Identifier (LEI): MP6I5ZYZBEU3UXPYFY54**

**[Further] Issue of**

**[Aggregate Principal Amount of Tranche] [Title of Notes]**

**[(to be consolidated and form a single series with the existing Tranche[s] [•])]**

**PART A – CONTRACTUAL TERMS**

This document constitutes the Final Terms relating to the issue of the Tranche of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**") set forth under the heading ["*Alternative Terms and Conditions of the English Law Notes*"] in the Base Prospectus dated 28 June 2023 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the issue date or listing date of the Notes, whichever is later, to which these Final Terms relate which together constitute a base prospectus ("**Prospectus**") for the purposes of the Prospectus Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the EU Prospectus Regulation and must be read in conjunction with such Prospectus. However, a summary of the issue of the Notes is annexed to these Final Terms.

*[The following alternative paragraph to be included instead of the above paragraph where either the Offer Period for the Notes, the Issue Date of the Notes or the date of admission to trading for the Notes is expected to span the update of the Base Prospectus (so long as the updated Base Prospectus is approved and published before the expiry of this Base Prospectus):*

This document constitutes the Final Terms for the purposes of the Prospectus Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") relating to the issue of the Tranche of Notes described herein.

Up to and including the 2023 Prospectus Expiry Date (as defined below), the Final Terms must be read in conjunction with, the Base Prospectus dated 28 June 2023 relating to Notes issued under the above Programme, which together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the 2023 Prospectus Expiry Date constitutes a base prospectus (the "**2023 Prospectus**") for the purposes of the EU Prospectus Regulation. The 2023 Prospectus shall expire on 27 June 2024 (the "**2023 Prospectus Expiry Date**").

Following the 2023 Prospectus Expiry Date, the Final Terms must be read in conjunction with such base prospectus relating to Notes issued under the above Programme as is published by the Issuer in replacement of the 2023 Prospectus and each supplemental prospectus relating to the Programme as may be published by the Issuer after such publication but before the issue date or listing date of the Notes, whichever is later, to which these Final Terms relate (the "**2024 Prospectus**"). Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes set forth under the heading "*Alternative Terms and Conditions of the English Law Notes*" in the 2023 Prospectus (the "**Conditions**"). The Conditions shall be incorporated by reference into the 2024 Prospectus. A summary of the issue of the Notes is annexed to these Final Terms.]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an offering document with an earlier date:*

This document constitutes the Final Terms relating to the issue of the Tranche of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**") set forth under the heading ["*Alternative Terms and Conditions of the English Law Notes*"] in the Base Prospectus dated [[1 July 2019] / [9 July 2020] / [30 November 2021] / [30 December 2022]] which are incorporated by reference in the Base Prospectus dated 28 June 2023 and are applicable to the Notes. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 28 June 2023 together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the issue date or listing date of the Notes to which the Final Terms relate, whichever is later, which together constitute a base prospectus ("**Prospectus**") for the purposes of the EU Prospectus Regulation. However, a summary of the issue of the Notes is annexed to these Final Terms.]

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 Prospectus. The Prospectus is available for viewing during normal business hours at HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20).

*[The following alternative paragraph to be included instead of the above paragraph where either the Offer Period for the Notes, the Issue Date for the Notes or the date of admission to trading for the Notes is expected to span the update of the Base Prospectus (so long as the updated Base Prospectus is approved and published before the expiry of this Base Prospectus):*

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 (i) in relation to the period to and including the 2023 Prospectus Expiry Date, the 2023 Prospectus, and (ii) from but excluding the 2023 Prospectus Expiry Date, the 2024 Prospectus. The 2023 Prospectus is available for viewing during normal business hours at HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20). The 2024 Prospectus shall be available for viewing from its date of publication during normal business hours at HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20).]

**[EU PRIIPs REGULATION - PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). 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 Directive 2014/65/EU, (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

**[UK PRIIPs REGULATION - PROHIBITION OF SALES TO 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 United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the United Kingdom Financial Services and Markets Act 2000 (as amended) ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive 2016/97/EU, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

**[PROHIBITION OF SALES TO SWISS PRIVATE CLIENTS** - 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 investors that qualify as private (retail) clients according to Article 4 para. 2 Swiss Financial Services Act ("**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance ("**FinSO**"). Consequently, no key information document (or equivalent document) required by FinSA has been prepared and therefore offering or selling the Notes or otherwise making them available to any private (retail) client in, into or from Switzerland may be unlawful under FinSA.]

**[Singapore SFA Product Classification:** In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**CMP Regulations 2018**") the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA), that the Notes are capital markets products other than "prescribed capital markets products" (as defined in the CMP Regulations 2018) and are Specified Investment Products (as fined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.)

- |     |                                                            |                                                                                                                                                                     |
|-----|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | Issuer:                                                    | HSBC Bank plc                                                                                                                                                       |
| 2.  | Tranche Number:                                            | [ ] [The Notes issued under these Final Terms are to be consolidated and form a single series with [ ] (the " <b>Original Issue</b> ") issued on [ ] [(ISIN): [ ].] |
| 3.  | (i) Settlement Currency:                                   | [ ]                                                                                                                                                                 |
|     | (ii) Governing Law:                                        | [English Law Notes]                                                                                                                                                 |
| 4.  | Aggregate Principal Amount [of Notes admitted to trading]: |                                                                                                                                                                     |
|     | [(i) Series:                                               | [ ]]                                                                                                                                                                |
|     | [(ii) Tranche:                                             | [ ]]                                                                                                                                                                |
| 5.  | Principal Protected Amount                                 | [Not applicable] [[ ] per cent. of the Aggregate Principal Amount]                                                                                                  |
| 6.  | Issue Price:                                               | [ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]                                                                                    |
| 7.  | (i) Denomination(s):                                       | [ ]                                                                                                                                                                 |
|     | (ii) Calculation Amount:                                   | [ ]                                                                                                                                                                 |
|     | (iii) Aggregate Outstanding Amount Rounding:               | [Applicable] [Not Applicable]                                                                                                                                       |
| 8.  | (i) Issue Date:                                            | [ ]                                                                                                                                                                 |
|     | (ii) Trade Date:                                           | [ ]                                                                                                                                                                 |
|     | (iii) Interest Commencement Date:                          | [ ] [Issue Date] [Not Applicable]                                                                                                                                   |
| 9.  | Maturity Date:                                             | [ ] [or, if later, the [ ] Business Day following the [Final Valuation Date]] [adjusted in accordance with [the [ ] Business Day Convention] [ ]].                  |
| 10. | Interest basis:                                            | [[ ] per cent. Fixed Rate]<br><br>[[ ] +/- [ ] per cent. Floating Rate Notes]<br><br>[Coupon Trigger Event is Applicable. See Paragraph 13 for further details.]    |

[Coupon Trigger Recovery Event is Applicable.  
See Paragraph 13 for further details.]

[Lock-in Coupon Event is Applicable. See  
Paragraph 13 for further details.]

[Not Applicable]

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

- |     |                                                                                                                          |                                                                                                                                                                                                                                         |
|-----|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11. | Fixed Rate Note provisions:                                                                                              | [Applicable] [Not Applicable]                                                                                                                                                                                                           |
|     | (i) Rate of Interest:                                                                                                    | [[ ] per cent. [per annum] [ ] payable in arrear on [each] [the first] [ ] Interest Payment Date] [[and] [ ] per cent. [per annum] in arrear on [ ] [the last] Interest Payment Date]                                                   |
|     | (ii) Interest Payment Date(s):                                                                                           | [specify list of dates] [ ] [adjusted in accordance with the Business Day Convention] [not adjusted]                                                                                                                                    |
|     | (iii) Fixed Coupon Amount(s):                                                                                            | [Calculation Amount multiplied by [ ]%] [Not Applicable]                                                                                                                                                                                |
|     | (iv) Day Count Fraction:                                                                                                 | [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [Actual/Actual (ICMA)] [30E/360] [30E/360 (ISDA)] [Not Applicable]                                                                            |
|     | (v) Business Day Convention:                                                                                             | [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment] |
| 12. | Floating Rate Note provisions:                                                                                           | [Applicable] [Not Applicable]                                                                                                                                                                                                           |
|     | (i) Interest Period(s):                                                                                                  | [ ] [Not Applicable]                                                                                                                                                                                                                    |
|     | (ii) Specified Period:                                                                                                   | [ ] [Not Applicable]                                                                                                                                                                                                                    |
|     | (iii) Interest Payment Dates:                                                                                            | [ ]                                                                                                                                                                                                                                     |
|     | (iv) Business Day Convention:                                                                                            | [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment] |
|     | (v) Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA (Condition 4B(c)): | [Applicable] [Not Applicable]                                                                                                                                                                                                           |
|     | (1) Reference Rate:                                                                                                      | [[•] month] [BBR] [EURIBOR]                                                                                                                                                                                                             |
|     | (2) Interest Determination Date:                                                                                         | [ ]                                                                                                                                                                                                                                     |
|     | (3) Relevant Screen Page:                                                                                                | [ ]                                                                                                                                                                                                                                     |



Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

- (4) Alternative Pre-nominated Index:  [specify Alternative Pre-nominated Index details] [Not Applicable]
- (5) Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 13A(f) (*Consequences of a Benchmark Trigger Event*):  [3]
- (6) Relevant Financial Centre:
- (6) Relevant Time:
- (7) Relevant Currency:  [AUD]  [CHF]  [EUR]  [GBP]  [USD]
- [(8) ISDA Determination for Fall-back provisions:  [Applicable]  [Not Applicable]
- ISDA Definitions:  [2021 ISDA Definitions]
  - Floating Rate Option:
  - Designated Maturity:
  - Reset Date:  [[•]/as specified in the ISDA Definitions/the first day of the relevant Interest Period]
  - Compounding:  Not Applicable
  - Averaging:  Not Applicable
  - Index Provisions:  Not Applicable
  - Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 13A(f) (*Consequences of a Benchmark Trigger Event*):  [3]
  - Fewer than minimum number of Reference Banks quoting:  [Applicable]  [Not Applicable]
  - Applicable Benchmark:   [Not Applicable]
  - Fixing Day:   [Not Applicable]
  - Fixing Time:   [Not Applicable]
  - Any other terms relating to the ISDA Definitions:   [Not Applicable]

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

- Alternative Pre-nominated Index: [ ] [*specify Alternative Pre-nominated Index details*] [Not Applicable]
- (vi) ISDA Determination (Condition 4B(d)): [Applicable] [Not Applicable]
- (1) ISDA Definitions [2021 ISDA Definitions]
- (2) Floating Rate Option: [[•] / CHF-SARON / EUR-EURIBOR / EUR-EuroSTR / EUR-EuroSTR Compounded Index / GBP-SONIA / GBP-SONIA Compounded Index / HKD-HONIA / JPY-TONA / USD-SOFR / USD-SOFR Compounded Index]
- (The Floating Rate Option should be selected from one of: CHF-SARON / EUR-EURIBOR / EUR-EuroSTR / EUR-EuroSTR Compounded Index / GBP-SONIA / GBP-SONIA Compounded Index / HKD-HONIA / JPY-TONA / USD-SOFR / USD-SOFR Compounded Index (as defined in the ISDA Definitions). These are the only options envisaged by the terms and conditions.)*
- (3) Designated Maturity: [•]
- (4) Reset Date: [[•]/as specified in the ISDA Definitions/ the first day of the relevant Interest Period]
- (5) Compounding: [Applicable] [Not applicable]
- (i) Compounding Method: [Compounding with Lookback]
- Lookback: [•] Applicable Business Days
- [Compounding with Observation Period Shift]
- Observation Period Shift: [•] Observation Period Shift Business Days
- Observation Period Shift Additional Business Days: [•]/[Not applicable]
- [Compounding with Lockout]
- Lockout: [•] Lockout Period Business Days
- Lockout Period Business Days: [•]/Applicable Business Days]
- (6) Averaging: [Applicable][Not applicable]
- (i) Averaging Method: [Averaging with Look back]
- Lookback: [•] Applicable Business Days]
- [Averaging with Observation Period Shift]
- Observation Period Shift: [•] Observation Period Shift Business Days
- Observation Period Shift Additional Business Days: [•]/[Not applicable]

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

- [Averaging with Lockout  
Lockout: [•] Lockout Period Business Days  
Lockout Period Business Days: [•] /Applicable Business Days]
- (7) Index Provisions: [Applicable][Not applicable]
- (i) Index Method: Compounding Index Method with Observation Period Shift
- Observation Period Shift: [•] Observation Period Shift Business Days
- Observation Period Shift Additional Business Days: [•] /[Not applicable]
- (8) Applicable Benchmark: [ ] [Not applicable]
- (9) Fixing Day: [ ] [Not applicable]
- (10) Fixing Time: [ ] [Not applicable]
- (11) Any other terms relating to the ISDA Definitions: [ ] [Not applicable]
- (12) Alternative Pre-nominated Index: [ ] [specify Alternative Pre-nominated Index details] [Not applicable]
- (vii) Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA (Condition 4B(e)): [Applicable] [Not Applicable]
- (1) Reference Rate: [SONIA] [SOFR] [€STR] [SORA] [TONA]
- (2) Relevant Screen Page [ ] [Not applicable] – *This is only required if SONIA is the Reference Rate*
- (3) Interest Determination Dates: [•] [[ ] [prior to the [The][first] day of each Interest Period]] [The [second] [ ] [Business Day] [•] falling prior to Interest Payment Date][Each Interest Payment Date, **provided that** in respect of the final Interest Period, the Interest Determination Date shall be the [second][ ] [Business Day] [•] falling prior to Interest Payment Date ([not] taking into account any adjustment made pursuant to Condition 7 (*Payments*)) – *use for Payment Delay only*]
- (5) Determination Method: [Compounded Daily Rate][Weighted Average Rate]
- (6) Observation Method: [Observation Shift][Lag][Lock-Out][Payment Delay]
- (7) Y: [360 – likely to be specified for USD][365 -likely to be specified for GBP][•]

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

- (8) "p": [Specify if Observation Shift or Lag are applicable][Not Applicable]
- (9) ARRC Fallbacks: [Applicable][Not Applicable] – May be applicable if SOFR is the Reference Rate only
- (10) Effective Interest Payment Dates: [In respect of each Interest Period other than the final Interest Period, the date falling [two][•] [Business Days][•] following the Interest Payment Date, and in respect of the final Interest Period, the Maturity Date or redemption date (as applicable) of the Notes. – include if Payment Delay is specified][Not Applicable]
- (11) Alternative Index: Pre-nominated [ ] [specify Alternative Pre-nominated Index details] [Not applicable]
- (ix) Margin: [[+/-][ ] per cent. per [annum] [ ]] [Not Applicable]
- (x) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [Actual/Actual (ICMA)] [30E/360] [30E/360 (ISDA)] [Not Applicable]
- (xi) Minimum Interest Rate: [ ] per cent. [ ] per [ ] [annum]] [Not Applicable]
- (xii) Maximum Interest Rate: [ ] per cent. [ ] per [ ] [annum]] [Not Applicable]
13. Coupon Trigger Event: [Applicable] [Not Applicable]
- (i) Coupon Trigger Amount: [Digital Coupon][Relevant Rate – Fixed. The provisions of Condition 4F (*Relevant Rate – Fixed*) shall apply][Relevant Rate – Floating. The provisions of Condition 4G (*Relevant Rate – Floating*) shall apply]

[Coupon Trigger Valuation Date(s)]	[Coupon Trigger Level(s)]	[Coupon Trigger Payment Date (s)]	[Coupon Trigger Rate(s)]
[ ]	[ ]	[ ]	[ ]

- (ii) [Specified [Level][Price]: [Single Observation][Highest][Lowest][Average] [Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]

*[If Highest/Lowest is specified]*

[Performance Observation Period applies]

[Coupon Trigger Valuation Date(s)]	[Coupon Trigger Observation Start Date]	[Coupon Trigger Observation End Date]
[ ]	[ ]	[ ]

[Coupon Trigger Valuation Date(s)]	Observation Dates
[ ]	[ ]

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

- (iii) [Averaging Dates: [Averaging Period applies][Not Applicable]  
*[If Averaging Dates are specified]*

[Coupon Trigger Valuation Date(s)]	[Averaging Dates]
[ ]	[ ]

- (iv) [Averaging Period: [Not Applicable]  
*[If Averaging Dates are specified]*

[Coupon Trigger Valuation Date(s)]	[Coupon Trigger Averaging Start Date]	[Coupon Trigger Averaging End Date]
[ ]	[ ]	[ ]

- (v) Averaging Date Market Disruption in respect of Coupon Trigger Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]
- (vi) Business Day Convention with respect to Coupon Trigger Payment Date(s): [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]
- (vii) Coupon Trigger Recovery Event [Applicable] [Not Applicable]

[Coupon Trigger Valuation Date(s)]	[Coupon Trigger Recovery Level]
[ ]	[ ]

- (viii) Lock-In Coupon Event: [Applicable] [Not Applicable]

[Lock-In Coupon Valuation Date(s)]	[Lock-In Coupon Level]
[ ]	[ ]

- (ix) [Specified [Level][Price]: [Single Observation][Highest][Lowest][Average][Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]  
*[If Highest/Lowest is specified]* [Performance Observation Period applies]

[Lock-In Coupon Valuation Date(s)]	[Lock-In Coupon Observation Start Date]	[Lock-In Coupon Observation End Date]
[ ]	[ ]	[ ]

[Lock-In Coupon Valuation Date(s)]	[Observation Dates]
[ ]	[ ]

- (x) [Averaging Dates: [Averaging Period applies] [Not Applicable]  
*[If Averaging Dates are specified]*

[Lock-In Coupon Valuation Date(s)]	[Averaging Dates]
[ ]	[ ]

- (xi) [Averaging Period: [Not Applicable]  
*[If Averaging Period is specified]*

[Lock-In Coupon Valuation Date(s)]	[Lock-In Coupon Averaging Start Date]	[Lock-In Coupon Averaging End Date]
[ ]	[ ]	[ ]

- (xii) Averaging Date Market Disruption in respect of Lock-In Coupon Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]
- (xiii) Business Day Convention with respect to Lock-In Coupon Payment Date(s): [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]

#### PROVISIONS RELATING TO REDEMPTION

14. Method for determining the Final Redemption Amount of each Note: [Booster with Barrier Redemption] [Airbag with Barrier Redemption] [Barrier Redemption] [Digital with Barrier Redemption] [Digital Growth with Barrier Redemption] [Growth with Full Protection Redemption] [Growth with Partial Protection Redemption] [Digital with Partial Protection Redemption] [Buffer Redemption] [Booster with Buffer Redemption] [Digital with Buffer Redemption] [Digital Growth with Buffer Redemption] [Step-Down Growth with Partial Protection Redemption] [- In addition, Lock-In

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

Redemption Event is applicable with respect to the Notes, and the provisions of Condition 5(c)(*Lock-In Redemption*) shall apply.]

15. Provisions relating to the calculation of the Final Redemption Amount of each Note:

- (i) Final [Index Level][Security Price]  
 [Specified [Level][Price]: [Single Observation][Highest][Lowest][Average] [Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]  
 Final Valuation Date: [ ]  
*[If Highest/Lowest is specified]*  
 [Observation Dates: [ ] [Not Applicable][Performance Observation Period applies]  
 [Final Observation Start Date: [ ] [Not Applicable]]  
 [Final Observation End Date: [ ] [Not Applicable]]  
 [Averaging Dates: [ ] [Averaging Period applies][Not Applicable]]  
 [Final Averaging Start Date: [ ] [Not Applicable]]  
 [Final Averaging End Date: [ ] [Not Applicable]]  
 Averaging Date Market Disruption in respect of Final Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]
- (ii) [Barrier: [Applicable][Not Applicable]  
 Barrier Event: [Inclusive][Non-Inclusive]  
 Barrier Observation Method: [European][Bermudan][Daily]

[Barrier Valuation Date(s)]	[Barrier Level]
[ ]	[ ]

[Barrier Valuation Period Start Date]	[Barrier Valuation Period End Date]	[Barrier Level]
[ ]	[ ]	[ ]

[Specified [Level][Price]: [Single Observation][Highest][Lowest][Average] [Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]

[Performance Observation Period applies]

*[If Highest/Lowest is specified]*

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

[Barrier Valuation Date(s)]	[Barrier Observation Start Date]	[Barrier Observation End Date]
[ ]	[ ]	[ ]

[Barrier Valuation Date(s)]	[Observation Dates]
[ ]	[ ]

[Averaging Dates: [Averaging Period applies] [Not Applicable]

*[If Averaging Dates are specified]*

[Barrier Valuation Date(s)]	[Averaging Dates]
[ ]	[ ]

[Averaging Period: [Not Applicable]

*[If Averaging Period is specified]*

[Barrier Valuation Date(s)]	[Barrier Averaging Start Date]	[Barrier Averaging End Date]
[ ]	[ ]	[ ]

Averaging Date Market Disruption in respect of Barrier Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

(iii) [Lock-In Redemption Event: [Applicable][Not Applicable]

[Lock-In Redemption Valuation Date(s)]	[Lock-In Redemption Trigger Level]	[Lock-In Redemption Percentage]
[ ]	[ ]	[ ]

[Specified [Level][Price]: [Single Observation][Highest][Lowest][Average][Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]



Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

*[If Highest/Lowest is specified]*

[Performance Observation Period applies]

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Lock-In Redemption Observation Start Date]</b>	<b>[Lock-In Redemption Observation End Date]</b>
[ ]	[ ]	[ ]

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Observation Dates]</b>
[ ]	[ ]

[Averaging Dates:

[Averaging Period applies][Not Applicable]

*[If Averaging Dates are specified]*

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Averaging Dates]</b>
[ ]	[ ]

[Averaging Period:

[Not Applicable]

*[If Averaging Period is specified]*

<b>[Lock-In Redemption Valuation Date(s)]</b>	<b>[Lock-In Redemption Averaging Start Date]</b>	<b>[Lock-In Redemption Averaging End Date]</b>
[ ]	[ ]	[ ]

Averaging Date Market Disruption in respect of Lock-In Redemption Averaging Dates: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

- (iv) Return Threshold: [ ] per cent.
- (v) Cap: [[ ] per cent.] [Unlimited][Not Applicable]
- (vi) Participation: [100] per cent.] [Not Applicable]
- (vii) Floor: [Zero] [Not Applicable]
- (viii) Strike Percentage: [[ ] per cent.] [Not Applicable]
- (ix) Conditional Protection Percentage: [[ ] per cent.] [Not Applicable]
- (x) Digital Return Percentage: [[ ] per cent.] [Not Applicable]
- (xi) Protection Level Percentage: [[ ] per cent.] [Not Applicable]
- (xii) Minimum Redemption Percentage: [[ ] per cent.] [Not Applicable]

- (xiii) Minimum Return Percentage: [[ ] per cent.] [Not Applicable]
16. Early Redemption:
- (i) Early Redemption Amount (upon redemption for taxation reasons or illegality): [[100] per cent. of the Calculation Amount] [Fair Market Value] [Market Value 1] [Market Value 2] [Principal Protected Amount] [Highest Value (Vanilla)] [Highest Value (Structured)]
- (Condition 5(d) (Redemption and Purchase – Redemption for Taxation Reasons) or 5(f) (Redemption and Purchase – Early Redemption for Illegality))*
- (ii) Early Redemption Amount following an Event of Default: [[ ] per cent. of the Calculation Amount] [Fair Market Value]
- (Condition 9 (Events of Default))*
- (iii) Redemption following FX Disruption Event [Applicable] [Not Applicable]
- (Condition 7(f) (Y) of the English Law Conditions (Payments – Price Source Disruption and FX Disruption))*
- (iv) Early Redemption Amount following FX Disruption Event or Benchmark Trigger Event: [[ ] per cent. of the Calculation Amount] [Fair Market Value][Not Applicable]
- (Condition 7(f) (Y) of the English Law Conditions or 13A (Consequences of a Benchmark Trigger Event))*
- Interest Adjustment [Applicable] [Not Applicable]
- (v) Early Redemption Amount (in case of other events giving rise to the determination of an Early Redemption Amount (other than Force Majeure)) [[100] per cent. of the Calculation Amount] [Fair Market Value] [Market Value 1] [Market Value 2] [Principal Protected Amount] [Highest Value (Vanilla)] [Highest Value (Structured)] [Not applicable]
- (vi) Monetisation Option [Applicable] [Not applicable]
- (vii) Other redemption provisions: [*Specify*] [Not applicable]
17. Early Redemption for Autocallable Notes: [Applicable] [Not Applicable]

[Automatic Early Redemption Valuation Date(s)]	[Automatic Early Redemption Percentage(s)]	[Automatic Early Redemption Date(s)]	[Automatic Early Redemption Rate(s)]
[ ]	[ ]	[ ]	[ ]

- (i) [Specified [Level]][Price]: [Single Observation][Highest][Lowest][Average] [Level][Price][Not Applicable – Average Basket – [Lowest][Highest] Date applies]
- [If Highest/Lowest is specified]* [Performance Observation Period applies]
- [If Highest/Lowest is applicable]*

[Automatic Early Redemption Valuation Date(s)]	[Autocall Observation Start Date]	[Autocall Observation End Date]
[ ]	[ ]	[ ]

[Automatic Early Redemption Valuation Date(s)]	[Observation Dates]
[ ]	[ ]

(ii) [Averaging Dates: [Averaging Period applies] [Not Applicable]

*[If Averaging Dates are specified]*

[Automatic Early Redemption Valuation Date(s)]	[Averaging Dates]
[ ]	[ ]

(iii) [Averaging Period: [Not Applicable]

*[If Averaging Period is specified]*

[Automatic Early Redemption Valuation Date(s)]	[Autocall Averaging Start Date]	[Autocall Averaging End Date]
[ ]	[ ]	[ ]

(iv) Averaging Date Market Disruption in respect of Early Redemption for Autocallable Notes: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

(v) Business Day Convention: [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]

18. Redemption at the Option of the Issuer (Call Option) [Applicable] [Not Applicable]

(i) [Optional Redemption Date(s) (Call Option): [ ] [Each date specified as such below.] ]

[Notice period: [Condition 5(f) applies] [The Issuer may elect to redeem the Notes on an Optional Redemption Date (Call Option) by giving notice on or before the corresponding Call Date]]

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

- (ii) [Redemption Amount (Call Option): [[ ] per cent. of the Calculation Amount] [In respect of each Optional Redemption Date (Call Option), the corresponding rate specified below.]]

[Optional Redemption Date (Call Option)]	[Redemption Amount (Call Option)]
[ ]	[[ ] per cent. of the Calculation Amount]

- (iii) [Business Day Convention with respect to Optional Redemption Date (Call Option): [Following Business Day Convention] [Modified Following Business Day Convention] [Modified Business Day Convention] [Preceding Business Day Convention] [FRN Convention/Floating Rate Convention/Eurodollar Convention] [No Adjustment]]
19. Taxation: [Condition 6A (*Taxation – No Gross-up*) is applicable] [Condition 6B (*Taxation – Gross-up*) is applicable]  
(Condition 6 (*Taxation*))

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

20. Form of Notes: [Bearer Notes] [Registered Notes] [Uncertificated Registered Notes]
21. If issued in bearer form: [Applicable] [Not Applicable]
- (i) Initially represented by a Temporary Global Note or Permanent Global Note: [Temporary] [Permanent] Global Note
- (ii) Temporary Global Note exchangeable for Permanent Global Note and/or Definitive Notes: [Yes] [No] [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only in limited circumstances specified in the Permanent Global Note]
- (iii) Permanent Global Note exchangeable at the option of the Issuer in circumstances where the Issuer would suffer a material disadvantage following a change of law or regulation: [Yes] [No. Paragraph (c) of the Permanent Global Note does not apply. The Issuer may not elect to exchange a Permanent Global Note for Definitive Notes in the circumstances described in paragraph (c) of the Permanent Global Note.]
- (iv) Coupons to be attached to Definitive Notes: [Yes] [No] [Not Applicable]
- (v) Talons for future Coupons to be attached to Definitive Notes: [Yes] [No] [Not Applicable]
22. Exchange Date for exchange of Temporary Global Note: [ ] [Not earlier than 40 days after the Issue Date]
23. If issued in registered form (other than Uncertificated Registered Notes): [Applicable; the Notes will initially be represented by a Regulation S Global Registered Note] [Not Applicable]
- (i) Regulation S Global Registered Note exchangeable at the option of the Issuer in circumstances where the Issuer would suffer a material disadvantage following a change of law or regulation: [Yes] [No. Paragraph (d) of the Regulation S Global Registered Note does not apply. The Issuer may not elect to exchange a Regulation S Global Registered Note for Regulation S Definitive Registered Notes in the circumstances described in

paragraph (d) of the Regulation S Global Registered Note]

24. Payments:

- (i) Relevant Financial Centre Day: [specify all places]
- (ii) Business Centre(s): [ ]
- (iii) Payment of Alternative Payment Currency Equivalent: [Applicable] [Not Applicable]
- Cross Currency: [ ]
  - Cross Currency Jurisdiction: [ ]
  - Settlement Currency Jurisdiction: [ ]
  - Alternative Payment Currency: [ ]
  - Alternative Payment Currency Jurisdiction: [ ]
  - Alternative Payment Currency Fixing Page: [ ]
  - Alternative Payment Currency Fixing Time: [ ]
  - Alternative Payment Currency Fixing Date: [ ] [Condition 1 (*Definitions*) applies] [The relevant [jurisdictions/places] for the purposes of the Alternative Payment Currency Fixing Date are [ ]]
  - Additional Alternative Payment Currency Event: [ ] [Not Applicable]
  - Offshore RMB Centre: [Hong Kong] [Singapore] [Taiwan] [ ] [Not Applicable]
  - Alternative Pre-nominated Index: [ ] [Not Applicable]
  - Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 13A(f) (*Consequences of a Benchmark Trigger Event*): [3] [ ]
- (iv) Price Source Disruption: [Applicable] [Not Applicable]
- FX Cut-off Date: [ ] [Condition 1 (*Definitions*) applies]
  - Number of local banking days for the purpose of postponing Related Payment Dates pursuant to Condition 7(f) of the English Law Conditions [3] [ ]

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

*(Payments – Price Source  
Disruption and FX Disruption):*

- Dealer Poll: [Applicable] [Not Applicable]
  - Unscheduled Holiday and Deferral Period: The number of Relevant Currency Business Days for the purpose of the definition of Unscheduled Holiday in Condition 1 (*Definitions*) is [ ] [and the number of calendar days for the purposes of the Deferral Period is [ ] [as per Condition 1 (*Definitions*)]]
  - Interest Adjustment [Applicable] [Not Applicable]
25. Redenomination: [Applicable] [Not Applicable]
26. Provisions relating to the underlying Ind[ex] [ices]: [Applicable] [Not Applicable]
- (i) [Index][Index Basket]: [ ] [Not Applicable] [Each of the Indices specified in the table below:]

[Index]	[Bloomberg Ticker]
[ ]	[ ]

[(each, an "**Index**" and together, the "**Indices**")]

- (ii) [Performance measure with respect to Index Basket]: [Worst of Basket][Best of Basket][Average Basket]
- (iii) [Weighting]: [Equally weighted basket][As per the table below][Not Applicable – [Worst][Best] of Basket applies]
- (iv) Index Sponsor(s): [ ] [As per the table below]
- (v) Index Rules: [ ] [Not Applicable] [As per the table below]
- (vi) Exchange(s): [ ] [The Index is a Multiple Exchange Index] [As per the table below]
- (vii) Related Exchange(s): [ ] [All Exchanges] [As per the table below]
- (viii) Initial Index Level: [ ] [The Specified Level with respect to [the][each] Index determined with respect to the Strike Date][As per the table below]
- [Strike Date:] [ ]
- [Specified Level:] [Single Observation][Highest][Lowest][Average] [Level]
- [If Highest/Lowest Level is specified]*
- [Observation Dates: [ ] [Not Applicable][Performance Observation Period applies]]
- [Strike Observation Start Date: [ ] [Not Applicable]]
- [Strike Observation End Date: [ ] [Not Applicable]]

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

*[If Average Level is specified]*

Averaging Dates:  [Averaging Period applies][Not Applicable]

[Strike Averaging Start Date:  [Not Applicable]]

[Strike Averaging End Date:  [Not Applicable]]

[Averaging Date Market Disruption in respect of Strike Averaging Dates:  [Omission] [Postponement] [Modified Postponement] [Not Applicable]]

(ix) Alternative Pre-nominated Index: [Applicable] [Not Applicable] [As per the table below]

[Index]	[Alternative Pre-nominated Index]	[Index Sponsor]	[Index Rules]	[Exchanges]	[Related Exchanges]	[Weighting]	[Initial Index Level]
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> [The Index is a Multiple Exchange Index]	<input type="checkbox"/> [All Exchanges]	<input type="checkbox"/>	<input type="checkbox"/>

(x) Additional Disruption Event: [The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]] [Not Applicable]

(xi) Index Substitution: [Applicable] [Not Applicable]

(xii) Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 13A(f) (*Consequences of a Benchmark Trigger Event*): [3]

27. [Provisions relating to the underlying Securit[ies]: [Applicable] [Not Applicable]

(i) [Security]/[Security Basket]: [The Security (the "**Security**") is: [ (ISIN: [ ]) / [Depository Receipts of [ ]] / [Units of an ETF, where the ETF is *[name of ETF]* and "**Unit**" means, in respect of the ETF, a share or notional unit of the ETF (as defined in the ETF Documents), the price of which is denominated in [ ]]. [The Units represent undivided ownership interests in the portfolio of investments held by the ETF] *[delete if not applicable].*]

[Each of the securities specified in the table below (each a "**Security**" and together the "**Securities**"):

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

[Security]	[ISIN] or [Unit]
[ ] / [Depository Receipts of [ ] ] [Units of [Name of ETF]]	[ISIN] ["Unit" means, in respect of the ETF, a share or notional unit of the ETF (as defined in the ETF Documents), the price of which is denominated in [ ]. [The Units represent undivided ownership interests in the portfolio of investments held by the ETF] [ <i>delete if not applicable</i> ], "Underlying Index" means [ ].]

[Performance measure with respect to Security Basket:	[Worst of Basket][Best of Basket][Average Basket]]
(ii) [Weighting]:	[Equally weighted basket][As per the table below][Not Applicable – [Worst][Best] of Basket applies]
(iii) [Underlying Company(ies):	[ ] [and with respect to the Underlying Securities [ ] ] [The ETF] [As per the table below]]
(iv) [Initial Security Price]:	[ ] [The Specified [Level][Price] with respect to [the][each] [Security] determined with respect to the Strike Date][As per the table below.]
[Strike Date:]	[ ]
[Specified Price]:	[Single Observation][Highest][Lowest][Average] [Level][Price]
[Observation Dates:	[ ] [Not Applicable][Performance Observation Period applies]
<i>[If Highest/Lowest is specified]</i>	
[Strike Observation Start Date:	[ ] [Not Applicable]]
[Strike Observation End Date:	[ ] [Not Applicable]]
[Averaging Dates:	[ ] [Averaging Period applies][Not Applicable]]
[Strike Averaging Start Date:	[ ] [Not Applicable]]
[Strike Averaging End Date:	[ ] [Not Applicable]]
[Averaging Date Market Disruption in respect of Strike Averaging Dates:	[ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable] ]
[Strike Date:]	[ ]
[Specified Price]:	[Single Observation][Highest][Lowest][Average] [Level][Price]
[Observation Dates:	[ ] [Not Applicable][Performance Observation Period applies]
(v) Exchange(s):	[ ] [As per the table below]
(vi) Related Exchange(s):	[ ] [All Exchanges] [As per the table below]



Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

[Security]	[Underlying Company]	[Exchanges]	[Related Exchanges]	[Initial Security Price]	[Weighting]
[ ]	[ ]	[ ]	[ ] [All Exchanges]	[ ]	[ ]

- (vii) Potential Adjustment Event: Condition [18(a) of the English Law Conditions] is [Applicable] [Not Applicable]
- Extraordinary Dividend (if other than as specified in the definition in Condition 1) [ ]
  - additional Potential Adjustment Event (for purposes of paragraph (viii) of the definition thereof) [ ]
- (viii) Extraordinary Event: Condition 18(b) of the English Law Conditions is [Applicable] [Not Applicable]
- (ix) Conversion: Condition 18(c) of the English Law Conditions is [Applicable] [Not Applicable]  
(for Notes relating to Government Bonds and debt securities only)
- (x) Correction of Prices: Condition 18(d) of the English Law Conditions is [Applicable] [Not Applicable]
- (xi) Additional Disruption Event [The following Additional Disruption Events apply: [Change in Law]] [Insolvency Filing] [Not Applicable]
- (xii) Substitution of Securities: [Applicable] [Not applicable]
28. Adjustment Provisions with respect to Scheduled Valuation Dates and Scheduled Observation Dates:
- Specified Maximum Number of Disrupted Days: [ ] [Not Applicable] [The definition in Condition 1 applies]
  - Number of local banking days for the purpose of postponing Disrupted Day Related Payment Dates pursuant to Condition 16 of the English Law Conditions: [3] [ ]
29. Valuation Time: [ ] [The definition in Condition 1 applies]
30. Additional U.S. federal income tax considerations: [Not Applicable/give details] [The Notes are [not] Section 871(m) Notes for the purpose of Section 871(m).] [The [Dividend Withholding] [Issuer Withholding] approach shall apply to the Notes. For further information, see "*Taxation – Other Taxation Matters – Notes and Warrants – U.S. Withholding on Dividend Equivalent Payments*" in the Base Prospectus. [The following dividend equivalent amounts are to be treated as being reinvested during the term of the Notes, less a withholding on such amounts at a rate of [ ] per

cent. (as of the Issue Date), which shall be treated for U.S. federal income tax purposes as having been withheld from payments due to the holders of the Notes: [ ]]. Additional information regarding the application of Section 871(m) to the Notes will be available from the Issuer. Investors should submit any requests for additional information to the Issuer via their custodians.] *[The Notes will not be Section 871(m) Notes if they do not reference any U.S. equity or any index that contains any U.S. equity. Notes that reference a U.S. equity or index that contains any U.S. equity are subject to additional testing on a trade-by-trade basis to determine whether they are Section 871(m) Notes.]*

31. Governing law:

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

**CONFIRMED**

**HSBC BANK PLC**

By:  
Authorised Signatory

Date: .....

**PART B – OTHER INFORMATION**

1. **LISTING**

- (i) Listing: [Application [will be] [has been] made to admit the Notes to listing on [the Official List of Euronext Dublin][and][the official list of the Borsa Italiana S.p.A.]. No assurance can be given as to whether or not, or when, such application will be granted.] [Not Applicable]
- (ii) Admission to trading: [The Original Issue was admitted to trading on the regulated market of Euronext Dublin on [ ].] [Application [will be] [has been] made for the Notes to be admitted to trading on [the regulated market of the Euronext Dublin][and][the Electronic Bond Market, being the regulated market of the Borsa Italiana S.p.A. ("MOT")]. No assurance can be given as to whether or not, or when, such application will be granted.] [Not Applicable]

2. **[RATINGS]**

- Ratings: [The Notes are not rated.] [The Notes [have been] [are expected on issue to be rated:]:
- S&P Global Ratings UK Limited: [ ]
- Moody's Investors Service Limited: [ ]
- Fitch Ratings Limited: [ ]

3. **[REASONS FOR THE OFFER AND USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES]**

- (i) Reasons for the offer and use of proceeds: [See the "Use of Proceeds" section of the Base Prospectus][The Notes are "Green Notes" and an amount equivalent to the net proceeds from the sale of the Notes will be used as described in "Green Notes" in the Base Prospectus. The Applicable Framework is the [HSBC Green Bond Framework][Specify other].]
- (ii) Estimated net proceeds: [ ]
- (iii) Estimated total expenses: [ ]

4. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[The Notes may be on-sold by the Dealer(s) to the Initial Authorised Offerors at a discount to the Issue Price of [up to] [•%]. Such discount (the "**re-offer spread**") will be retained by the Initial Authorised Offerors.] [Save for any [[fees payable]/[and]/[discount to the Issue Price offered] to the [Dealer(s)/distributor(s) in respect of the Notes [as of (or around the Issue Date)] (the "**Distributors**")]/[specify other]] [S/s]ave for the re-offer spread retained by the Initial Authorised Offerors], no person involved in the issue of the Notes has, so far as the Issuer is aware, an interest material to the [issue/offer]. The [Dealer(s)/Distributor(s)]/[specify other]] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] /

[Save for any [[fees payable]/[and]/[discount to the Issue Price offered] to the [Dealer(s)/distributor(s) in respect of the Notes [as of (or around the Issue Date)] (the

"Distributors")/[specify other]], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue. The [Dealer(s)/Distributor(s)/[specify other]] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

[Not Applicable] [ ]

5. **[Fixed Rate Notes only – YIELD]**

Indication of yield: [ ]

6. **[Floating Rate Notes only – HISTORIC INTEREST RATES]**

Information on past and future performance and volatility of the [BBR] [EURIBOR] interest rates can be obtained from [Reuters] [ ]. Such information can be obtained [free of charge/set out charging arrangements]]

7. **INFORMATION ABOUT THE UNDERLYING**

Information on the past and future performance and volatility of the [Index] [Indices comprised in the Index Basket] [Securities] [Securities comprised in the Securities Basket] can be obtained from [the following display pages on [Bloomberg (source: Bloomberg Financial Markets Service)]] [the following website[•] [(Source: [•])]].Such information can be obtained [free of charge/set out charging arrangements].

8. **[PERFORMANCE OF RATE[S] OF EXCHANGE]**

Information on past and future performance and volatility of the [ ] [Alternative Payment Currency Exchange Rate] can be obtained from [Reuters] [ ]. Such information can be obtained [free of charge/set out charging arrangements]].

**DISTRIBUTION**

9. (i) If syndicated, name[s] and address[es] of Dealers [and underwriting commitments (including, where not all of the issue is underwritten, a statement of the portion not covered)]: [ ]

(ii) Date of subscription agreement: [ ]

(iii) Indication of the overall amount of the underwriting commission and of the placing commission: [[ ] per cent. of the Aggregate Principal Amount [of the Tranche]] [Not Applicable]

10. If non-syndicated, name and address of Dealer: [ ]

11. TEFRA Rules applicable to Bearer Notes: [TEFRA C Rules] [TEFRA D Rules] [TEFRA Not Applicable]

12. Selling restrictions, United States of America: 40-day Distribution Compliance Period: [Applicable] [Not Applicable]

13. Public Offer: [Applicable] [Not Applicable]

[(i) Details of the Public Offer: A public offer of this Tranche of Notes may be made by the Dealers [and [ ] (address: [ ])] ([together with the Dealers,] the "Initial Authorised Offeror[s]") and any other Authorised Offerors published on the Issuer's website [www.hsbc.com/investors/fixed-income-](http://www.hsbc.com/investors/fixed-income-)

[investors/issuance-programmes?page=1&take=20](#) in [Republic of Ireland] [Belgium] [France] [Italy] (the "**Public Offer Jurisdiction**") during the period from and including [ ] until but excluding [ ] (the "**Offer Period**").

- (ii) Conditions attached to the consent to use the Prospectus: [ ] [Not Applicable]
14. Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
15. Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]

#### OPERATIONAL INFORMATION

16. ISIN Code: [ ] [Not Applicable]
17. Common Code: [ ] [Not Applicable]
18. Valoren Number: [ ] [Not Applicable]
19. SEDOL: [ ] [Not Applicable]
20. Other identifier / code: [ ] [Not Applicable]
21. Clearing System: [Euroclear] [Clearstream, Luxembourg] [CREST] [Euroclear France]
22. Delivery: Delivery [against] [free of] payment
23. (i) Principal Paying Agent/Registrar/Issue Agent/Transfer Agent: [HSBC Bank plc] [Names and addresses to be included if relevant agent is not HSBC Bank plc]
- (ii) Additional Paying Agent(s) (if any): [ ] [Not Applicable]
24. Common Depository: [ ] [HSBC Bank plc] [Not Applicable]
25. Calculation Agent: [ ] [HSBC Bank plc] [HSBC Continental Europe]

#### [TERMS AND CONDITIONS OF THE OFFER

26. Offer Price: [Issue Price] [ ]
27. Total amount of the issue/offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer: [ ] [Not Applicable]
28. The time period, including any possible amendments, during which the offer will be open: [ ] [Not Applicable]
29. Conditions to which the offer is subject: [ ] [Not Applicable]
30. Description of the application process: [ ] [Not Applicable]

Part II – Information Relating to the Notes  
Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions)

31. Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:  [Not Applicable]
32. Details of the minimum and/or maximum amount of application:  [Not Applicable]
33. Details of the method and time limits for paying up and delivering of the securities:  [Not Applicable]
34. Manner in and date on which results of the offer are to be made public:  [Not Applicable]
35. Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:  [Not Applicable]
36. Whether tranche(s) have been reserved for certain countries:  [Not Applicable]
37. Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:  [Not Applicable]
38. Amount of any expenses and taxes specifically charged to the subscriber or purchaser:  [Not Applicable]
39. Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:  [Not Applicable]
40. Name and address of any paying agents and depositary agents in each country:  [Not Applicable]
41. Name and address if the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment:  [Not Applicable]

**BENCHMARKS**

42. Details of benchmarks administrators and registration under EU Benchmarks Regulation:  [specify benchmark] is provided by [administrator legal name]. As at the date hereof, [administrator legal name] [appears]/[does not appear] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. [As far as the Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that [administrator legal name] is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).]/[Not Applicable]

**ANNEX**  
**ADDITIONAL PROVISIONS NOT REQUIRED BY THE SECURITIES NOTE RELATING TO THE UNDERLYING**

**[The following [Index] [ETF] disclaimer[s] [is][are] applicable [in respect of the [ ] [Index] [ETF], as agreed between the [Index Sponsor[s]] [ ] and the Issuer]: [ ]].**

## PART III – INFORMATION RELATING TO THE WARRANTS

### SECTION III.1 – DESCRIPTION OF THE WARRANTS

*This section provides details of how an investment in the Warrants works and how payments under the Warrants are calculated, including a number of worked examples.*

#### (1) **Introduction**

HBEU may from time to time issue Warrants. A document known as "**Final Terms**" will give further details of the amounts payable under the Warrants.

In this sub-section (1), the various types of cash payment which may be payable upon exercise of a Warrant (each, a "**Cash Settlement Amount**") are described. All Cash Settlement Amounts payable upon exercise of a Warrant require the performance of indices or securities to be ascertained. In sub-section (2), the various processes used in ascertaining the performance of indices or securities are described.

Unless a Warrant has been terminated earlier, a Warrant will be exercised at the end of its term on the "**Expiry Date**". The Cash Settlement Amount which an investor will receive will be calculated using the Cash Settlement Amount provisions specified in the relevant Final Terms. The relevant Final Terms will specify one of the following Cash Settlement Amount provisions as applying to a particular issue of Warrants:

- Protection Cash Settlement Put Warrant;
- Growth Cash Settlement Call Warrant;
- Capped Growth Cash Settlement Call Warrant;
- Partially Protected Cash Settlement Put Warrant;
- Conditional Growth Cash Settlement Call Warrant;
- Conditional Capped Growth Cash Settlement Call Warrant;
- Digital Cash Settlement Put Warrant; and
- Digital Cash Settlement Call Warrant.

The amount of the Cash Settlement Amount will depend on the performance of the index or basket of indices (the "**Index**" and "**Basket of Indices**", respectively) or security or basket of securities ("**Security**" and "**Basket of Securities**", respectively) to which the Warrant is linked and the relevant Cash Settlement Amount provision. In this section, an "**Underlying**" shall mean an Index or Security, as the case may be, and a "**Basket of Underlyings**" shall mean a Basket of Indices or Basket of Securities, as the case may be.

Further details of the above Cash Settlement Amount provisions and the amounts which may be payable depending on which of the above Cash Settlement Amount provisions is specified in the relevant Final Terms are set out at sub-section (3) below, together with some worked examples.

Warrants may be issued in pairs. If so, in each pair, one of the Warrants will be a 'Put Warrant' and one will be a 'Call Warrant' for the relevant type of cash settlement. Each Warrant in a pair will be exercisable independently of the other Warrant in the pair. A Put Warrant provides protection against a downwards movement of the Underlying(s) during the term of the Warrants. A Call Warrant provides exposure to positive movement of the Underlying(s) during the term of the Warrants. A more detailed description of Put Warrants and Call Warrants is set out at sub-section (3) below.

The following table sets out for each type of Cash Settlement Amount details of where an explanation of the Cash Settlement Amount for each Warrant and a related worked example may be found in this Base Prospectus.



If the Final Terms specify that the following is applicable ...	... an explanation and worked example in this Base Prospectus may be found at:
Protection Cash Settlement Put Warrant	Pages 473 to 476
Growth Cash Settlement Call Warrant	Pages 473 to 476
Capped Growth Cash Settlement Call Warrant	Pages 473 to 476
Partially Protected Cash Settlement Put Warrant	Pages 477 to 480
Conditional Growth Cash Settlement Call Warrant	Pages 477 to 480
Conditional Capped Growth Cash Settlement Call Warrant	Pages 477 to 480
Digital Cash Settlement Put Warrant	Pages 480 to 483
Digital Cash Settlement Call Warrant	Pages 481 to 483

(2) *Ascertaining the performance of the Underlying(s)*

Each Cash Settlement Amount which may be payable in respect of a Warrant is linked to the performance of the Underlying or Basket of Underlyings to which the Warrant is linked. Details of how to ascertain the performance of an Underlying or Basket of Underlyings are set out below, together with worked examples.

(a) *The value of the Underlying(s)*

The calculations which are required to be made to calculate the Cash Settlement Amount, will be based on the level or price (as applicable) of the relevant Underlying(s) (the "**Relevant Level**" or "**Relevant Price**", as the case may be) determined by the Calculation Agent. The Calculation Agent will determine the Relevant Level or Relevant Price, as the case may be, by reference to:

- in the case of an Index-Linked Warrant, the level of the Index quoted on a particular exchange or quotation system or, in the case of a Multiple Exchange Index, as calculated by an index sponsor, at a particular valuation time on a particular valuation date; and
- in the case of an Equity-Linked Warrant, the price of the Security quoted on a particular exchange or quotation system at a particular valuation time on a particular valuation date.

The value of the Relevant Level or Relevant Price, as the case may be, will be determined by reference to either a single date or several dates (the latter are referred to as "**Averaging Dates**"), as set out in the relevant Final Terms.

Consequently, there are two different valuation methods that may be used to ascertain the Relevant Level or Relevant Price, as the case may be. Which valuation method is applicable will depend on whether there are Averaging Dates involved. The following matrix describes which method will be used to ascertain the Relevant Level or Relevant Price, as the case may be, in different circumstances:

Averaging Dates:	are not specified in the relevant Final Terms	Final Index Level or Final Security Price see page 469
Averaging Dates:	are specified in the relevant Final Terms	Average Index Level or Average Security Price see page 469

Details of each valuation method are set out below.

*Final Index Level or Final Security Price valuation method*

If no Averaging Dates are specified in the relevant Final Terms, the Calculation Agent will obtain the level or price (as applicable) of the relevant Underlying on a given date and time (the "**Valuation Date**" and the "**Valuation Time**").

**Final Index Level worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Warrant linked to the FTSE®100 Index.
- No Averaging Dates are specified in the Final Terms.
- The Valuation Date specified in the Final Terms is 30 June 2024.
- The Valuation Time specified in the Final Terms is 5.00 pm (London time).
- The level of the FTSE®100 Index on 30 June 2024 at 5.00 pm (London time) is 6,800.

(1) ***What is the Final Index Level?***

In order to determine the Final Index Level, the Calculation Agent will obtain the level of the FTSE®100 Index on 30 June 2024 at 5.00 pm (London time). In this case, the Final Index Level will be 6,800.

*Average Index Level or Average Security Price valuation method*

If Averaging Dates are specified in the relevant Final Terms, the Calculation Agent will obtain the levels or prices (as applicable) of the relevant Underlying, on those Averaging Dates and calculate the arithmetic average of the levels or prices obtained.

**Average Security Price worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Warrant linked to the ordinary shares of Company A.
- Four Averaging Dates are specified in the Final Terms.
- The Valuation Time specified in the Final Terms is 5.00 pm (London time).
- The price of the ordinary shares of Company A at the Valuation Time on each of the four Averaging Dates are GBP 6,650, GBP 7,050, GBP 6,800 and GBP 6,900.

(1) ***What is the Average Security Price?***

In order to calculate the Average Security Price, the Calculation Agent will obtain the arithmetic average of the price of the ordinary shares of Company A on each of the four Averaging Dates. The Average Security Price is therefore GBP 6,850, being (GBP 6,650 + GBP 7,050 + GBP 6,800 + GBP 6,900) divided by 4.

(b) *The performance of the Underlying(s)*

The calculations also rely on a determination by the Calculation Agent of the appreciation or depreciation in the performance of the Underlying(s) over time. It does so by comparing the Relevant Level or Relevant Price, as the case may be, with an initial index level or security price specified in the relevant Final Terms to ascertain the

**"Relevant Final Performance"** of the relevant Underlying. The Relevant Final Performance is a percentage representing any appreciation or depreciation in the Underlying or Underlying(s) (as applicable) in comparison to the initial level or initial price (as applicable) of the Underlying or Underlying(s) (as applicable).

If a Warrant is linked to a Basket of Underlyings and no Averaging Dates are specified in the relevant Final Terms, the Calculation Agent will determine the Relevant Final Performance as the weighted arithmetic average of the performance of each constituent Underlying on the Valuation Date and at the Valuation Time.

**Relevant Final Performance – Securities Basket worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Warrant linked to an equally weighted basket consisting of the ordinary shares of Company X and the ordinary shares of Company Y.
- The initial security price of the ordinary shares of Company X is GBP 6,100.
- The initial security price of the ordinary shares of Company Y is USD 2,300.
- The Valuation Date specified in the Final Terms is 30 June 2024.
- The Valuation Time specified in the Final Terms is 5.00 pm (London time) in respect of the ordinary shares of Company X and 5.00 pm (New York time) in respect of the ordinary shares of Company Y.
- The price of the ordinary shares of Company X on 30 June 2024 at 5.00 pm (London time) is GBP 6,500.
- The price of the ordinary shares of Company Y on 30 June 2024 at 5.00 pm (New York time) is USD 2,100.

(1) ***What is the performance of each constituent Security?***

In order to calculate the performance of each Security, the Calculation Agent will in respect of each Security divide the price of such Security determined on the Valuation Date at the Valuation Time by the initial security price of such Security. In respect of the ordinary shares of Company X the performance is  $\text{GBP } 6,500 / \text{GBP } 6,100 = 1.0656$  and when expressed as a percentage, 106.56%. In respect of the ordinary shares of Company Y the performance is  $\text{USD } 2,100 / \text{USD } 2,300 = 0.9130$  and when expressed as a percentage, 91.30%.

(2) ***What is the Relevant Final Performance?***

As the Securities are equally weighted the Relevant Final Performance is determined by adding together the performance of each Security and dividing the outcome by 2. This means that the Relevant Final Performance is  $(106.56\% + 91.30\%) / 2 = 197.86\% / 2 = 98.93\%$ .

If a Warrant is linked to a Basket of Underlyings and Averaging Dates are specified in the relevant Final Terms, the Calculation Agent will calculate the Relevant Final Performance as follows.

First, the Calculation Agent will calculate the Average Index Level or Average Security Price, as the case may be, in respect of each constituent Index or Security in the Basket. The process for this is described in paragraph titled "*Average Index Level or Average Security Price valuation method*" on page 469 of this Base Prospectus.

Next, the Calculation Agent will determine the performance of each Index or Security by:

- in the case of an Index-Linked Warrant, dividing the relevant Average Index Level of such Index by the initial level of such index and expressing the outcome as a percentage; and
- in the case of an Equity-Linked Warrant, dividing the relevant Average Security Price of such Security by the initial price of such security and expressing the outcome as a percentage.

Subsequently, the Relevant Final Performance will be calculated as the weighted arithmetic average of the performance of each of the Underlyings.

**Relevant Final Performance – Index Basket with Averaging Dates worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a Warrant linked to a weighted Basket of Indices comprised of the FTSE®100 Index, the Hang Seng Index and the S&P 500® Index.
- The weightings of each Index specified in the relevant Final Terms is as follows:

Weighting	Index
50%	FTSE®100 Index
30%	Hang Seng Index
20%	S&P 500® Index

- The initial index levels of the FTSE®100 Index, the Hang Seng Index and the S&P 500® Index are 6,400, 22,300 and 2,300 respectively.
- Three Averaging Dates are specified in the Final Terms.
- The Valuation Time specified in the Final Terms is 5.00 pm (London time) in respect of the FTSE®100 Index, 5.00 pm (Hong Kong time) in respect of the Hang Seng Index and 5.00 pm (New York time) in respect of the S&P 500® Index.
- The levels of the FTSE®100 Index at 5.00 pm (London time) on the three Averaging Dates are 6,550, 6,575 and 6,525.
- The levels of the Hang Seng Index at 5.00 pm (Hong Kong time) on the three Averaging Dates are 22,000, 22,100 and 22,200.
- The levels of the S&P 500® Index at 5.00 pm (New York time) on the three Averaging Dates are 2,500, 2,520 and 2,495.

(1) ***What is the Average Index Level of each constituent Index?***

In order to calculate the Average Index Level, the Calculation Agent will obtain the arithmetic average of the levels of each Index on each of the Averaging Dates. The Average Index Levels of each Index are therefore as follows:

- FTSE®100 Index: 6,550 (being  $(6,550 + 6,575 + 6,525) \div 3 = 6,550$ )
- Hang Seng Index: 22,100 (being  $(22,000 + 22,100 + 22,200) \div 3 = 22,100$ )
- S&P 500® Index: 2,505 (being  $(2,500 + 2,520 + 2,495) \div 3 = 2,505$ )

(2) ***What is the performance of each constituent Index?***

In order to calculate the performance of each Index, the Calculation Agent will in respect of each Index divide the relevant Average Index Level by the initial index level of such Index. The Relevant Final Performance is expressed as a percentage. In respect of the FTSE®100 Index the performance is  $6,550 / 6,400 = 1.0234$  and when expressed as a percentage 102.34%. In respect of the Hang Seng Index the performance is  $22,100 / 22,300 = 0.9910$  and when expressed as a percentage 99.10%. In respect of the S&P 500® Index the performance is  $2,505 / 2,300 = 1.0891$  and when expressed as a percentage 108.91%.

(3) ***What is the Relevant Final Performance?***

The Relevant Final Performance is the weighted average of the Indices and will be calculated as follows:

- FTSE@100 Index:  $102.34\% \times 50\% = 51.17\%$
- Hang Seng Index:  $99.10\% \times 30\% = 29.73\%$
- S&P 500® Index:  $108.91\% \times 20\% = 21.78\%$

The Relevant Final Performance is therefore  $51.17\% + 29.73\% + 21.78\% = 102.68\%$

(3) ***Cash Settlement Amount***

The calculation of the Cash Settlement Amount in respect of each Warrant depends on the method specified for determining the Cash Settlement Amount in the relevant Final Terms. An investor in the Warrants should refer to the corresponding paragraphs below to understand how the Cash Settlement Amount is calculated for any particular Warrant.

Warrants may be issued in pairs. If so, in each pair, one of the Warrants will be a 'Put Warrant' and one will be a 'Call Warrant' for the relevant type of cash settlement. Each Warrant in a pair will be exercisable independently of the other Warrant in the pair.

A Put Warrant provides protection against a downwards movement of the Underlying or Underlyings (as applicable) during the term of the Warrants.

A Call Warrant provides exposure to positive movement of the Underlying or Underlyings (as applicable) during the term of the Warrants.

Together, a Put Warrant and Call Warrant provide investors protection against depreciation of the Underlying or Underlyings (as applicable) and exposure to the appreciation of the Underlying or Underlyings (as applicable) subject to a cap (if applicable) and multiplied by a participation (if applicable). In all pair combinations, if both Warrants are held by the same investor and exercised by them at the same time, then the sum of the Cash Settlement Amounts for both Warrants received by that investor will be a minimum of 100%, or a percentage equal to the partial protection level as specified in the relevant Final Terms, of the face value (as specified in the relevant Final Terms relating to both Warrants) (the "**Face Value**") (not, for the avoidance of doubt, 100% or a percentage equal to the partial protection level as specified in the relevant Final Terms of the combined Face Values of both Warrants in a pair).

The pair combinations of Warrants are:

- Protection Cash Settlement Put Warrant and Growth Cash Settlement Call Warrant
  - Protection Cash Settlement Put Warrant and Capped Growth Cash Settlement Call Warrant
  - Partially Protected Cash Settlement Put Warrant and Conditional Growth Cash Settlement Call Warrant
  - Partially Protected Cash Settlement Put Warrant and Conditional Capped Growth Cash Settlement Call Warrant
  - Digital Cash Settlement Put Warrant and Digital Cash Settlement Call Warrant
- (a) *Warrants specifying Protection Cash Settlement Put Warrant, Growth Cash Settlement Call Warrant or Capped Growth Cash Settlement Call Warrant*

A Warrant specifying "Protection Cash Settlement Put Warrant" may be paired with either a Warrant specifying "Growth Cash Settlement Call Warrant" or a Warrant specifying "Capped Growth Cash Settlement Call Warrant".

Overview of Warrants specifying Protection Cash Settlement Put Warrant, Growth Cash Settlement Call Warrant or Capped Growth Cash Settlement Call Warrant

When a pair of Warrants consisting of a Protection Cash Settlement Put Warrants and a Growth Cash Settlement Call Warrants are exercised together they provide the investor with protection on its investment together with a potential upside (a specified participation factor expressing an enhanced return following an appreciation of the Underlying or Underlyings (as applicable) not subject to a maximum cap) depending on the appreciation or depreciation of the Underlying or Basket of Underlyings.

When a pair of Warrants consisting of a Protection Cash Settlement Put Warrants and a Capped Growth Cash Settlement Call Warrants are exercised together they provide the investor with protection on its investment together with a potential upside (a specified participation factor expressing an enhanced return following an appreciation of the Underlying or Underlyings (as applicable) subject to a maximum cap) depending on the appreciation or depreciation of the Underlying or Basket of Underlyings.

Accordingly, the Cash Settlement Amount payable to the investor will depend on:

- the performance of the relevant Underlying or Basket of Underlyings;
- the participation factor specified; and
- the maximum cap specified (if applicable).

Calculation of the Cash Settlement Amount

(i) *Protection Cash Settlement Put Warrant*

If "Protection Cash Settlement Put Warrant" is stated to be applicable in the relevant Final Terms, then the Cash Settlement Amount will be calculated by multiplying the face value of the Warrant ("**Face Value**") by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]]$$

(ii) *Growth Cash Settlement Call Warrant*

If "Growth Cash Settlement Call Warrant" is stated to be applicable in the relevant Final Terms, then the Cash Settlement Amount will be calculated by multiplying the Face Value by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]] + \text{Participation} \times \text{MAX} [0; \text{Relevant Final Performance} - 100\%]$$

(iii) *Capped Growth Cash Settlement Call Warrant*

If "Capped Growth Cash Settlement Call Warrant" is stated to be applicable in the relevant Final Terms, then the Cash Settlement Amount will be calculated by multiplying the Face Value by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]] + \text{MIN} [\text{Cap}; \text{Participation} \times \text{MAX} [0; \text{Relevant Final Performance} - 100\%]]$$

**Protection Cash Settlement Put Warrant, Growth Cash Settlement Call Warrant and Capped Growth Cash Settlement Call Warrant:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a pair of Warrants denominated in GBP linked to the FTSE®100 Index (the "**Index**"). The Final Terms of one (the "**Put Warrant**") specify Protection Cash Settlement Put Warrant and the Final Terms of the other Warrant specify either Growth Cash Settlement Call Warrant or Capped Growth Cash Settlement Call Warrant.
- The Face Value of each Warrant is GBP 1,000.

- The initial index level set out in the relevant Final Terms is 6,450.
- The Relevant Level of the FTSE®100 Index is 6,800, as determined by the Calculation Agent using the "Final Index Level" valuation method.
- The Participation (being a percentage that expresses the increase in the Face Value of the Warrant if there is an appreciation of the Index) is 120%.
- The Cap (being a percentage that expresses the maximum appreciation of the Index that will be considered when determining the Cash Settlement Amount) is 10%.

(1) ***What is the Relevant Final Performance?***

To determine the Relevant Final Performance, the Relevant Level (6,800) is divided by the initial index level (6,450). This is equal to 1.0543 and, when expressed as a percentage, is 105.43%. Therefore the Relevant Final Performance is 105.43%.

(2) ***Calculating the formula for Protection Cash Settlement Put Warrant***

When working out the following formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]]$$

(a) ***What is MAX [0; 100% - Relevant Final Performance]?***

0 is greater than 100% - Relevant Final Performance (minus 5.43%, being 100% - 105.43%), and so 0 is used rather than minus 5.43%.

(b) ***What is MIN [90%; MAX [0; 100% - Relevant Final Performance]]?***

0 is less than 90%, and so 0 is used rather than 90%.

(c) ***Re-inserting the variable***

Once the variable is re-inserted into the formula, the calculation is  $1/90\% \times 0$ , which is equal to 0.

(3) ***Cash Settlement Amount for Protection Cash Settlement Put Warrant***

The Cash Settlement Amount per Put Warrant is:

GBP	1000	x	(The Face Value of the Warrant)
	0%		(The percentage ascertained from the formula)
GBP	0		<b>The Cash Settlement Amount per Put Warrant</b>

(4) ***Calculating the formula for Growth Cash Settlement Call Warrant (if applicable)***

For the purposes of this paragraph (4), it is assumed that the investor also purchases a Warrant denominated in GBP linked to the FTSE®100 Index which specifies Growth Cash Settlement Call Warrant ("**Call Warrant**").

An investor will be entitled to an amount equal to the Face Value of the Warrant multiplied by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} \left[ \begin{array}{l} 90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%] \\ + \text{Participation} \times \text{MAX} [0; \text{Relevant Final Performance} - 100\%] \end{array} \right]$$

When working out the above formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

(a) *What is MAX [0; Relevant Final Performance - 10%]?*  
The Relevant Final Performance - 10% is 95.43% (being 105.43% - 10%) which is greater than 0, and so 95.43% is used rather than 0%.

(b) *What is MIN [90%; MAX [0; Relevant Final Performance - 10%]]?*  
90% is less than 95.43%, and so 90%, rather than 95.43%, is multiplied by 1/90% in the first part of the formula.

(c) *What is MAX [0; Relevant Final Performance - 100%]?*  
The Relevant Final Performance - 100% is 5.43% (being 105.43% - 100%) which is greater than 0, and so 5.43% is used in the fourth part of the formula rather than 0.

(d) *Re-inserting the variables*  
Once these variables are re-inserted into the formula, the calculation is  $1/90\% \times 90\% + 120\% \times 5.43\%$ , which is equal to 106.52%.

(e) *Cash Settlement Amount for Growth Cash Settlement Call Warrant*

The Cash Settlement Amount per Call Warrant will be:

GBP	1,000.00	x	(The Face Value of the Warrant)
	106.52%		(The percentage ascertained from the formula)
<b>GBP</b>	<b>1,065.20</b>		<b>The Cash Settlement Amount per Call Warrant</b>

(f) *Total amount which the investor will receive upon exercising a Warrant specifying "Protection Cash Settlement Put Warrant" and a Warrant specifying "Growth Cash Settlement Call Warrant"*

The total amount which the investor will receive upon exercising this pair of Warrants will be:

GBP	0	(The Cash Settlement Amount per Put Warrant)
+	1,065.20	(The Cash Settlement Amount per Call Warrant)
<b>GBP</b>	<b>1,065.20</b>	<b>The total amount received for this pair of Warrants</b>

(5) *Calculating the formula for Capped Growth Cash Settlement Call Warrant (if applicable)*

For the purposes of this paragraph (5), it is assumed that the investor purchases in addition to the Put Warrant a Warrant denominated in GBP linked to the FTSE®100 Index which specifies Capped Growth Cash Settlement Call Warrant ("**Capped Call Warrant**").

An investor will be entitled on exercise to an amount equal to the Face Value of the Warrant multiplied by the result of the following formula:

$$1/90\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]] + \text{MIN} [\text{Cap}; \text{Participation} \times \text{MAX} [0; \text{Relevant Final Performance} - 10\%]]$$

When working out the above formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

(a) *What is MAX [0; Relevant Final Performance - 10%]?*

The Relevant Final Performance - 10% is 95.43% (being 105.43% - 10%) which is greater than 0, and so 95.43% is used rather than 0.



(b)	<i>What is MIN [90%; MAX [0; Relevant Final Performance - 10%]]?</i>		
	90% is less than 95.43%, and so 90%, rather than 95.43%, is multiplied by 1/90% in the first part of the formula.		
(c)	<i>What is MAX [0; Relevant Final Performance - 100%]?</i>		
	The Relevant Final Performance - 100% is 5.43% (being 105.43% - 100%) which is greater than 0%, and so 5.43% is used rather than 0%.		
(d)	<i>What is MIN [Cap; Participation × MAX [0; Relevant Final Performance - 100%]]?</i>		
	The Cap (10%) is greater than the Participation (120%) multiplied by the Relevant Final Performance - 100% (5.43%) (being 6.52%), so 6.52% will be used rather than the Cap (being 10%) in the second part of the formula.		
(e)	<i>Re-inserting the variables</i>		
	Once these variables are re-inserted into the formula, the calculation is $1/90\% \times 90\% + 6.52\%$ , which is equal to 106.52%.		
(f)	<i>Cash Settlement Amount for Capped Growth Cash Settlement Call Warrant</i>		
	The Cash Settlement Amount per Capped Call Warrant will be:		
	GBP	1,000.00	x (The Face Value of the Warrant)
		106.52%	(The percentage ascertained from the formula)
	<b>GBP</b>	<b>1,065.20</b>	<b>The Cash Settlement Amount per Capped Call Warrant</b>
(g)	<i>Total amount which the investor will receive upon exercising a Warrant specifying "Protection Cash Settlement Put Warrant" and a Warrant specifying "Capped Growth Cash Settlement Call Warrant"</i>		
	The total amount which the investor will receive upon exercising this pair of Warrants will be:		
	GBP	0	(The Cash Settlement Amount for the Put Warrant)
	+	1,065.20	(The Cash Settlement Amount for the Capped Call Warrant)
	<b>GBP</b>	<b>1,065.20</b>	<b>The total amount received for this pair of Warrants</b>

(b) *Warrants specifying Partially Protected Cash Settlement Put Warrant, Conditional Growth Cash Settlement Call Warrant or Conditional Capped Growth Cash Settlement Call Warrant*

A Warrant specifying "Partially Protected Cash Settlement Put Warrant" may be paired with either a Warrant specifying "Conditional Growth Cash Settlement Call Warrant" or a Warrant specifying "Conditional Capped Growth Cash Settlement Call Warrant".

Overview of Warrants specifying Partially Protected Cash Settlement Put Warrant, Conditional Growth Cash Settlement Call Warrant or Conditional Capped Growth Cash Settlement Call Warrant

When a pair of Warrants consisting of a Partially Protected Cash Settlement Put Warrants and a Conditional Growth Cash Settlement Call Warrants are exercised together they provide the investor with a potential upside (a specified participation factor expressing an enhanced return following an appreciation of the Underlying or Underlyings (as applicable) not subject to a maximum cap) or downside (subject to a protection level which is a fixed percentage expressing the maximum amount of depreciation that is taken into account) depending on the appreciation or depreciation of the Underlying or Basket of Underlyings.

When a pair of Warrants consisting of a Partially Protected Cash Settlement Put Warrants and a Conditional Capped Growth Cash Settlement Call Warrants are exercised together they provide the investor with a potential upside (a specified participation factor expressing an enhanced return following an appreciation of the Underlying

or Underlyings (as applicable) subject to a maximum cap) or downside (subject to a protection level which is a fixed percentage expressing the maximum amount of depreciation that is taken into account) depending on the appreciation or depreciation of the Underlying or Basket of Underlyings.

Accordingly, the Cash Settlement Amount payable to the investor will depend on:

- the performance of the relevant Underlying or Basket of Underlyings;
- the protection level specified;
- the participation factor specified; and
- the maximum cap specified (if applicable).

*Calculation of the Cash Settlement Amount*

(i) *Partially Protected Cash Settlement Put Warrant*

If "Partially Protected Cash Settlement Put Warrant" is stated to be applicable in the relevant Final Terms, then the Cash Settlement Amount will be calculated by multiplying the Face Value of the Warrant by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]] - \text{MIN} [100\% - \text{Protection Level}; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]]$$

(ii) *Conditional Growth Cash Settlement Call Warrant*

If "Conditional Growth Cash Settlement Call Warrant" is stated to be applicable in the relevant Final Terms, then the Cash Settlement Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than 100%, then an investor will be entitled to an amount equal to the Face Value multiplied by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]] + \text{Participation} \times [\text{Relevant Final Performance} - 100\%]$$

- If the Relevant Final Performance is less than 100%, then an investor will be entitled to an amount equal to the Face Value multiplied by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]]$$

(iii) *Conditional Capped Growth Cash Settlement Call Warrant*

If "Conditional Capped Growth Cash Settlement Call Warrant" is stated to be applicable in the relevant Final Terms, then the Cash Settlement Amount will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than 100%, then an investor will be entitled to an amount equal to the Face Value multiplied by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]] + \text{MIN} [\text{Cap}; \text{Participation} \times [\text{Relevant Final Performance} - 100\%]]$$

- If the Relevant Final Performance is less than 100%, then an investor will be entitled to an amount equal to the Face Value multiplied by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]]$$

Partially Protected Cash Settlement Put Warrant, Conditional Growth Cash Settlement Call Warrant and Conditional Capped Growth Cash Settlement Call Warrant worked example:

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

- An investor purchases a pair of Warrants denominated in GBP linked to the FTSE®100 Index and S&P 500® Index (together, the "**Basket**"). The Indices in the Basket are equally weighted. The Final Terms of one (the "**Put Warrant**") specify Partially Protected Cash Settlement Put Warrant and the Final Terms of the other Warrant specify either Conditional Growth Cash Settlement Amount Call Warrant or Conditional Growth Capped Cash Settlement Call Warrant.
- The Face Value of each Warrant is GBP 1,000.
- The initial index level of the FTSE®100 Index set out in the relevant Final Terms is 6,700 and the initial index level of the S&P 500® Index set out in the relevant Final Terms is 2,300.
- The Relevant Level of the FTSE®100 Index and of the S&P 500® Index are 7,250 and 1,750, respectively, as determined by the Calculation Agent using the "Final Index Level" valuation method.
- The Participation (being a percentage that expresses the increase in the Face Value of the Warrant if there is an appreciation of the Index) is 120%.
- The Cap (being a percentage that expresses the maximum appreciation of the Index that will be considered when determining the Cash Settlement Amount) is 10%.
- The Protection Level (being a percentage that expresses the maximum amount of depreciation that is taken into account) is 85%.

(1) ***What is the Relevant Final Performance?***

To determine the Relevant Final Performance, the Relevant Level in respect of each Index is divided by the relevant initial index level. In respect of the FTSE®100 Index the performance is  $7,250 / 6,700 = 1.0821$  and when expressed as a percentage 108.21%. In respect of the S&P 500® Index the performance is  $1,750 / 2,300 = 0.7609$  and when expressed as a percentage 76.09%. The Relevant Final Performance is the weighted average of the performances of the Indices and will be calculated as  $(108.21\% + 76.09\%) / 2 = 184.30\% / 2 = 92.15\%$ . Therefore the Relevant Final Performance is 92.15%.

(2) ***Calculating the formula for Partially Protected Cash Settlement Put Warrant***

When working out the following formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]] - \text{MIN} [100\% - \text{Protection Level}; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]]$$

(a) ***What is MAX [0; 100% - Relevant Final Performance]?***

100% - the Relevant Final Performance is 7.85% (being 100% - 92.15%) which is greater than 0, and so 7.85% is used in both parts of the formula rather than 0.

(b) ***What is MIN [90%; MAX [0; 100% - Relevant Final Performance]]?***

7.85% is less than 90% and so 7.85% is used in the first part of the formula rather than 90%.

(c) ***What is 100% - Protection Level?***

100% - the Protection Level (85%) is 15%.

(d) *What is MIN [100% - Protection Level, MAX [0; 100% - Relevant Final Performance]]?*

7.85% is less than 15%, so 7.85% is used in the second part of the formula rather than 15%.

(e) *Re-inserting the variables*

Once the variables are re-inserted into the formula, the calculation is  $1/90\% \times 7.85\% - 7.85\%$ , which is equal to 0.872%.

(3) ***Cash Settlement Amount for Partially Protected Cash Settlement Put Warrant***

The Cash Settlement Amount per Put Warrant is:

GBP	1,000.00	x	(The Face Value of the Warrant)
	0.872%		(The percentage ascertained from the formula)
<b>GBP</b>	<b>8.72</b>		<b>The Cash Settlement Amount per Put Warrant</b>

(4) ***Calculating the formula for Conditional Growth Cash Settlement Call Warrant (if applicable)***

For the purposes of this paragraph (4), it is assumed that the investor also purchases a Warrant denominated in GBP linked to an equally weighted basket comprised of the FTSE®100 Index and S&P 500® Index which specifies Conditional Growth Cash Settlement Call Warrant (the "**Call Warrant**").

(a) *Is the Relevant Final Performance equal to or greater than 100%?*

The Relevant Final Performance (92.15%) is not equal to or greater than 100%

Therefore, an investor will be entitled on exercise to an amount equal to the Face Value of the Call Warrant multiplied by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]]$$

When working out the above formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

(b) *What is MAX [0; Relevant Final Performance - 10%]*

Relevant Final Performance - 10% is 82.15% (being 92.15% - 10%) which is greater than 0, and so 82.15% is used rather than 0.

(c) *What is MIN [90%; MAX [0; Relevant Final Performance - 10%]]?*

82.15% is less than 90%, and so 82.15%, rather than 90%, is used in the second part of the formula.

(d) *Re-inserting the variable*

Once the variable is re-inserted into the formula, the calculation is  $1/90\% \times 82.15\%$ , which is equal to 91.278%.

(e) ***Cash Settlement Amount for Conditional Growth Cash Settlement Call Warrant***

The Cash Settlement Amount per Call Warrant will be:

GBP	1,000.00	x	(The Face Value of the Warrant)
	91.278%		(The percentage ascertained from the formula)
<b>GBP</b>	<b>912.78</b>		<b>The Cash Settlement Amount per Call Warrant</b>

(f) *Total amount which the investor will receive upon exercising a Warrant specifying "Partially Protected Cash Settlement Put Warrant" and a Warrant specifying "Conditional Growth Cash Settlement Call Warrant"*

The total amount which the investor will receive upon exercising this pair of Warrants will be:

GBP	8.72	(The Cash Settlement Amount for the Put Warrant)
+	912.78	(The Cash Settlement Amount for the Call Warrant)
<b>GBP</b>	<b>921.50</b>	<b>The total amount received for this pair of Warrants (which equals the performance of the Warrants if the Warrants are held in a pair)</b>

(5) *Calculating the formula for Conditional Capped Growth Cash Settlement Call Warrant (if applicable)*

If, in addition to the Put Warrant, the investor purchases a Warrant denominated in GBP linked to the FTSE®100 Index and S&P 500® Index which specifies Conditional Capped Growth Cash Settlement Call Warrant (the "**Capped Call Warrant**") the calculations for determining the Cash Settlement Amount for the Capped Call Warrant will be as for the Call Warrant, save that if there is any appreciation of the basket of Indices (as opposed to the depreciation demonstrated in this example), the maximum appreciation that will be considered when determining the Cash Settlement Amount for the Capped Call Warrant will be the Cap (i.e. in this example, 10%).

(c) *Warrants specifying Digital Cash Settlement Put Warrant and Digital Cash Settlement Call Warrant*

A Warrant specifying "Digital Cash Settlement Put Warrant" will be paired with a Warrant specifying "Digital Cash Settlement Call Warrant".

Overview of Warrants specifying Digital Cash Settlement Put Warrant and Digital Cash Settlement Call Warrant

When a pair of Warrants consisting of a Digital Cash Settlement Call Warrant and a Digital Cash Settlement Cash Settlement Put Warrant are exercised together they provide the investor either with an upside (a so-called digital amount) which is a fixed percentage increase expressing an enhanced return following an appreciation of the Underlying or Underlyings (as applicable) or a downside (subject to a protection level which is a fixed percentage expressing the maximum amount of depreciation of the Underlying or Underlyings (as applicable) that is taken into account) depending on the appreciation or depreciation of the Underlying or Basket of Underlyings.

Accordingly, the Cash Settlement Amount payable to the investor will depend on:

- the performance of the relevant Underlying or Basket of Underlyings;
- the protection level specified; and
- the digital amount specified.

*Calculation of the Cash Settlement Amount*

(i) *Digital Cash Settlement Put Warrant*

If "Digital Cash Settlement Put Warrant" is stated to be applicable in the relevant Final Terms, then the Cash Settlement Amount will be calculated by multiplying the face value of the Warrant ('Face Value') by the result of the following formula:

$$\frac{1}{90} \% \times \text{MIN} [90\%; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]] - \text{MIN} [100\% - \text{Protection Level}; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]]$$

(ii) *Digital Cash Settlement Call Warrant*

If "Digital Cash Settlement Call Warrant" is stated to be applicable in the relevant Final Terms, then an investor will be entitled upon settlement to the Cash Settlement Amount which will be calculated as follows:

- If the Relevant Final Performance is equal to or greater than 100%, then an investor will be entitled to an amount equal to the Face Value multiplied by the result of the following formula:

$$1/90\% \times \text{MIN} [90\%; \text{MAX} [0; [\text{Relevant Final Performance}-10\%]] + \text{Digital Amount}$$

- If the Relevant Final Performance is less than 100%, then an investor will be entitled to an amount equal to the Face Value multiplied by the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance}-10\%]]$$

**Digital Cash Settlement Put Warrant and Digital Cash Settlement Call Warrant worked example:**

*The hypothetical scenario*

For the purposes of this example, it is assumed that:

An investor purchases a Warrant denominated in GBP linked to the ordinary shares of Company Z which specifies Digital Cash Settlement Put Warrant (the "**Put Warrant**") and a Warrant denominated in GBP linked to the ordinary shares of Company Z which specifies Digital Cash Settlement Call Warrant (the "**Call Warrant**").

The Face Value of each Warrant is GBP 1,000.

The initial security price set out in the relevant Final Terms against which the performance of the ordinary shares of Company Z will be measured is GBP 6,500.

There are four Averaging Dates and the prices of the Security on these dates are GBP 6,650, GBP 7,050, GBP 6,800 and GBP 6,900.

The Relevant Price of the ordinary shares of Company Z is GBP 6,850 (being (GBP 6,650 + GBP 7,050 + GBP 6,800 + GBP 6,900) divided by 4), as determined by the Calculation Agent using the "Average Security Price" valuation method.

The Protection Level (being a percentage that expresses the maximum amount of depreciation of the Security that is taken into account) is 85%.

The Digital Amount (being a fixed percentage increase which expresses an enhanced return following an appreciation of the Security) is 7%.

(1) ***What is the Relevant Final Performance?***

To determine the Relevant Final Performance, the Relevant Price (GBP 6,850) is divided by the initial security price (GBP 6,500). This is equal to 1.10 and, when expressed as a percentage, is 110%. Therefore the Relevant Final Performance is 110%.

(2) ***Calculating the formula for Digital Cash Settlement Put Warrant***

When working out the following formula, the first step is to determine the variables in the formula described using "MIN" and "MAX", which mean the lower of and the greater of, respectively.

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]] - \text{MIN} [100\% - \text{Protection Level}; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]]$$

- (a) *What is MAX [0; 100% - Relevant Final Performance]?*
- 0 is greater than 100% - Relevant Final Performance which is minus 10% (being 100% - 110%), and so 0 is used in the second and third parts of the formula rather than minus 10%.
- (b) *What is MIN [90%; MAX [0; 100% - Relevant Final Performance]]?*
- 0 is less than 90%, and so 0 is multiplied by 1/90% in the first part of the formula, rather than 90%.
- (c) *What is MIN [100% - Protection Level; MAX [0; 100% - Relevant Final Performance]]?*
- 100% - 85% (the Protection Level) is 15%.
- 0 is less than 15%, so 0 is used in the third part of the formula rather than 15%.
- (d) *Re-inserting the variables*
- Once these variables are re-inserted into the formula, the calculation is  $1/90\% \times 0 - 0$ , which is equal to 0.
- (3) ***Cash Settlement Amount for Digital Cash Settlement Put Warrant***
- The Cash Settlement Amount per Put Warrant is:
- |            |          |   |                                                   |
|------------|----------|---|---------------------------------------------------|
| GBP        | 1,000    | x | (The Face Value of the Put Warrant)               |
|            | 0%       |   | (The percentage ascertained from the formula)     |
| <b>GBP</b> | <b>0</b> |   | <b>The Cash Settlement Amount per Put Warrant</b> |
- (4) ***Calculating the formula for Digital Cash Settlement Call Warrant***
- (a) *Is the Relevant Final Performance equal to or greater than 100%?*
- The Relevant Final Performance (110%) is greater than 100%.
- Therefore, an investor will be entitled on exercise to an amount equal to the Face Value of the Call Warrant multiplied by the result of the following formula:
- $$\frac{1}{90} \% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]] + \text{Digital Amount}$$
- When working out the above formula, the first step is to determine the variables in the formula described using "MIN", which means the lower of.
- (b) *What is MAX [0; Relevant Final Performance - 10%]?*
- The Relevant Final Performance - 10% is 100% (being 110% - 10%), so 100% is used in the second part of the formula.
- (c) *What is MIN [90%; [Relevant Final Performance - 10%]]?*
- 90% is less than 100%, and so 90% is multiplied by 1/90% in the first part of the formula, rather than 100%.
- (d) *Re-inserting the variables*
- Once these variables are re-inserted into the formula, the calculation is  $1/90\% \times 90\% + 7\%$ , which is equal to 107%.

(5) ***Cash Settlement Amount for Digital Cash Settlement Call Warrant***

The Cash Settlement Amount per Call Warrant is:

GBP	1,000	x	(The Face Value of the Call Warrant)
	107%		(The percentage ascertained from the formula)
<b>GBP</b>	<b>1,070</b>		<b>The Cash Settlement Amount per Call Warrant</b>

(6) ***Total Cash Settlement Amount***

The total amount which the investor will receive upon exercising this pair of Warrants will be:

GBP	0		(The Cash Settlement Amount for the Put Warrant)
+	1,070		(The Cash Settlement Amount for the Call Warrant)
<b>GBP</b>	<b>1,070</b>		<b>The total amount received for this pair of Warrants</b>

**Please note: The worked examples set out in this "Section III.1 – Description of the Warrants" are produced for illustrative purposes only.** The analysis is based on simplifying assumptions and hypothetical figures, and does not reflect a complete analysis of all possible gain and loss scenarios that may arise under any actual investment in the Warrants. No representation or warranty is made by the Issuer or any of its affiliates that any scenario shown above can be duplicated under any actual investment in Warrants. Actual results may vary from the results shown above, and variations may be material. The mark-to-market value of the Warrants can fluctuate either upward or downward due to changes in prevailing market conditions. Accordingly, if an investment in Warrants is unwound, repurchased or otherwise exercised whether at or prior to its stated expiry, investors in such Warrants may sustain a loss which in a worst case scenario may be equal to their invested amount.



## **SECTION III.2 – FORM OF WARRANTS AND SUMMARY OF PROVISIONS RELATING TO THE WARRANTS WHILE IN GLOBAL FORM**

Warrants may, subject to all applicable legal and regulatory requirements, be issued in Tranches or Series and will (as specified in the relevant Final Terms) either (i) be offered in reliance on Regulation S under the Securities Act ("**Regulation S**") in uncertificated registered form ("**Uncertificated Registered Warrants**"), or (ii) be in registered form ("**Registered Warrants**") offered in reliance on Regulation S, and represented by a Regulation S global registered warrant (the "**Regulation S Global Registered Warrant**").

### ***Regulation S Global Registered Warrants***

A Tranche of Registered Warrants will be offered and sold pursuant to Regulation S and will be issued in the form of Regulation S Global Registered Warrants. The Issuer will deliver a Regulation S Global Registered Warrant subject to the Master Warrant Issuance Agreement (as defined herein) in accordance with its terms.

The Regulation S Global Registered Warrant will be deposited on or about the issue date for the relevant Tranche with, and registered in the name of the common depositary for, Euroclear and Clearstream, Luxembourg. A beneficial interest in the Regulation S Global Registered Warrant may at all times be held only through Euroclear and Clearstream, Luxembourg. In the circumstances described below under "*Exchange and Transfer of Regulation S Global Registered Warrants for Regulation S Definitive Registered Warrants*", interests in any Regulation S Global Registered Warrant will be exchangeable for Regulation S Definitive Registered Warrants.

Each Regulation S Global Registered Warrant will have an ISIN number.

### ***Owner of Regulation S Global Registered Warrants and Payments***

Subject to certain provisions of the Master Warrant Issuance Agreement relating to directions, sanctions and consents of Holders of Registered Warrants and to meetings of Holders of Warrants, so long as Euroclear, Clearstream, Luxembourg, or the nominee of their common depositary, is the registered owner or holder of a Regulation S Global Registered Warrant, Euroclear, Clearstream, Luxembourg or such nominee, as the case may be, will be considered the sole owner or holder of the Warrants represented by such Regulation S Global Registered Warrant for all purposes under the Master Warrant Issuance Agreement and the Warrants. Payments on Regulation S Global Registered Warrants will be made to Euroclear, Clearstream, Luxembourg or such nominee, as the case may be, as the registered holder thereof. None of the Issuer, the Warrant Registrar, or any Warrant Agent or any affiliate of any of the above or any person by whom any of the above is controlled for the purposes of the Securities Act will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Regulation S Global Registered Warrants or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Each such payment in respect of a Regulation S Global Registered Warrant will be made to the person shown as the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the Register at the close of business (in the relevant clearing system) on the business day on which each clearing system for which the Regulation S Global Registered Warrant is being held is open for business which is the business day of each such clearing system before the due date for such payment.

### ***Exchange and Transfer of Regulation S Global Registered Warrants for Regulation S Definitive Registered Warrants***

Beneficial interests in a Regulation S Global Registered Warrant will be exchangeable, in whole but not in part, for Regulation S Definitive Registered Warrants: (i) if Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention permanently to cease business or in fact does so; or (ii) if the Issuer, at its option, elects to terminate the book entry system through Euroclear and Clearstream, Luxembourg; or (iii) at the option of the Issuer, if the Issuer would suffer a material disadvantage in respect of the Warrants as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction which would not be suffered were the Warrants in definitive form; or (iv) at the option of the Issuer, if the Issuer, any Warrant Agent or the Warrant Registrar, by reason of any change in, or amendment to, the laws of the United Kingdom, is or will be required to make any deduction or withholding from any payment under the Warrants which would not be required if such Warrants were in definitive form.

In such circumstances, (a) the Warrant Registrar will be required to notify all Holders of interests in the relevant Regulation S Global Registered Warrants registered in the name of Euroclear, Clearstream, Luxembourg, or the nominee of their common depositary, as the case may be, of the availability of Regulation S Definitive Registered

Warrants and (b) the Issuer will, at the cost of the Issuer, cause sufficient Regulation S Definitive Registered Warrants to be executed and delivered to the Warrant Registrar for completion, authentication and dispatch to the relevant Holders. A person having an interest in the relevant Regulation S Global Registered Warrant must provide the Warrant Registrar with a written order containing instructions and such other information as the Issuer and the Warrant Registrar may require to complete, execute and deliver the relevant Regulation S Definitive Registered Warrant.

The holder of a Registered Warrant may transfer such Registered Warrant in accordance with the provisions of Condition 2 (*Form and Transfer*) of the Terms and Conditions of the Warrants.

The holder of a Regulation S Definitive Registered Warrant may transfer such Warrant by surrendering it at the specified office of the Warrant Registrar or any Warrant Transfer Agent, together with the completed form of transfer thereon.

The Warrant Registrar will not register the transfer of or exchange of interests in a Regulation S Global Registered Warrant for Regulation S Definitive Registered Warrants for a period of 15 calendar days preceding the due date for any payment in respect of the Warrants.

### **SECTION III.3 – PURCHASE AND SALE OF WARRANTS**

*This section sets out details of the arrangements between the Issuer and the Manager(s) as to the offer and sale of Warrants and summarises selling restrictions that apply to the offer and sale of Warrants in various jurisdictions.*

#### **General**

- (1) Each Manager has, in a Master Warrant Issuance Agreement, agreed with the Issuer a basis upon which it may from time to time agree either as principal or agent of the Issuer to subscribe for or purchase, to underwrite or, as the case may be, to procure subscribers or purchasers for Warrants. When entering into any such agreement to subscribe for or purchase, to underwrite, or as the case may be, to procure subscribers for or purchasers for any particular Series of Warrants, the Issuer and the relevant Manager(s) will agree details relating to the form of such Warrants and the Conditions relating to such Warrants, the price at which such Warrants will be purchased by the relevant Manager(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription or purchase. The Master Warrant Issuance Agreement contains provisions for the Issuer to appoint other Managers from time to time either generally in respect of the Programme or in relation to a particular Tranche of Warrants.
- (2) No action has been or will be taken in any country or jurisdiction by the Issuer or the relevant Manager(s) that would permit a public offering of Warrants, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required other than in the Public Offer Jurisdictions. Persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the relevant Manager(s) to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Warrants or have in their possession or distribute this Base Prospectus or any Final Terms or related offering material, in all cases at their own expense.

#### **Dubai International Financial Centre**

The Warrants have not been and may not be offered to any person in the Dubai International Financial Centre unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "DFSA") rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

## European Economic Area

### *Prohibition of Sales to EEA Retail Investors*

Unless the Final Terms of any Warrants specifies the "Prohibition of Sale to EEA Retail Investors" as "Not Applicable", each Manager has represented and agreed, and each further Manager 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 Warrants which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
  - (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"); and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe the Warrants.

### *Public Offer Selling Restriction Under the EU Prospectus Regulation*

In relation to any Warrants if the Final Terms in respect of such Warrants specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Warrants which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in a Member State of the European Economic Area (an "**EEA Member State**") except that it may make an offer of such Warrants to the public in that EEA Member State:

- (a) *Approved prospectus*: if the Final Terms in relation to the Warrants specify that an offer of those Warrants may be made other than pursuant to Article 1(4) of the EU Prospectus Regulation in that EEA Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Warrants which has been approved by the competent authority in that EEA Member State or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, **provided that** any such prospectus which is not a drawdown prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the EU Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (c) *Fewer than 150 offerees*: at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or
- (d) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation.

**provided that** no such offer of Warrants referred to in paragraphs (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Warrants to the public**" in relation to any Warrants in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe for the Warrants and the expression, "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended).

#### **Selling Restrictions Addressing Additional Belgian Securities Laws**

Warrants are not intended to be sold to Belgian Consumers (as defined below). Accordingly, each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Warrants to Belgian Consumers, and has not distributed or caused to be distributed and will not distribute or cause to be distributed, the Base Prospectus, the relevant Final Terms or any other offering material relating to Warrants to Belgian Consumers.

For these purposes, a "**Belgian Consumer**" has the meaning provided by the Belgian Code of Economic Law, as amended from time to time (*Wetboek van 28 februari 2013 van economisch recht/Code du 28 février 2013 de droit économique*), being any natural person resident or located in Belgium and acting for purposes which are outside his/her trade, business or profession.

#### **Selling Restrictions Addressing Additional French Securities Laws**

(a) *Offer to the public in France not exempted from the obligation to publish a prospectus:*

An offer of Warrants to the public in France which is not exempted from the obligation to publish a prospectus set out in Article 3.1 of Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") and the distributions or causing to be distributed to the public in France of this Base Prospectus, any relevant Final Terms or any other offering material relating to such an offer of Warrants, will only be made in the period beginning on the date of publication of the Base Prospectus which has been approved by the competent authority of a Member State of the EEA and notified to the *Autorité des marchés financiers* ("**AMF**") in France, and ending at the latest on the date which is 12 months after the date of the approval of this Base Prospectus, all in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF, or

(b) *Offer to the public in France exempted from the obligation to publish a prospectus:*

Warrants may not be offered or sold, directly or indirectly, to the public in France, nor may this Base Prospectus, any relevant Final Terms or any other offering material relating to the offer of Warrants be distributed or caused to be distributed in France other than (i) to qualified investors (*investisseurs qualifiés*) as referred to in Article L.411-2 1° of the French *Code monétaire et financier* and defined in Article 2(e) of the EU Prospectus Regulation, or otherwise (ii) in compliance with all applicable French laws and regulations.

#### **Selling Restrictions Addressing Additional Republic of Italy Securities Laws**

The offering of the Warrants has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly no Warrants may be offered, sold or delivered, and no copies of this Base Prospectus and any other document relating to the Warrants may be distributed, in the Republic of Italy except:

- (1) to "**qualified investors**", as defined in Regulation (EU) 2017/1129 of 14 June 2017 (as amended, the "**EU Prospectus Regulation**");
- (2) that Warrants may be offered, sold or delivered, or copies of any prospectus relating to such Warrants may be distributed, in an offer to the public in the period commencing on the date of publication of such prospectus, **provided that** such prospectus has been approved in another Member State and notified to CONSOB, all in accordance with the EU Prospectus Regulation, Legislative Decree No. 58 of 24 February 1998, as amended (the "**Decree No. 58**") and CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**"), and ending on the date which is 12 months after the date of approval of such prospectus; and
- (3) in any other circumstances where an express exemption from compliance with the solicitation restrictions applies, as provided under the EU Prospectus Regulation, Decree No. 58 or Regulation No. 11971.

Any such offer, sale or delivery of the Warrants or distribution of copies of this Base Prospectus or any other document relating to the Warrants in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 20307 of 15 February 2018, as amended and any other applicable laws and regulations;
- (b) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016 and on 2 November 2020); and
- (c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

***Provisions relating to the secondary market in Italy***

Investors should also note that, in any subsequent distribution of the Warrants in the Republic of Italy the EU Prospectus Regulation and Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, Article 100-bis of Decree No. 58 provides that where the Warrants are placed solely with "qualified investors" and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Warrants who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Warrants were purchased, unless an exemption provided for under the EU Prospectus Regulation or Decree No. 58 applies.

***Selling Restrictions Addressing Additional Norway Securities Laws***

Warrants denominated in Norwegian Krone (NOK) may not be offered or sold, directly or indirectly, within the Kingdom of Norway or to or for the benefit of Norwegian purchasers. Each purchaser of Warrants denominated in Norwegian Krone (NOK) will be deemed to have acknowledged, represented and agreed that such Warrants may not be offered or resold within the Kingdom of Norway or to or for the benefit of Norwegian purchasers.

***Selling Restrictions Addressing Additional Kingdom of Spain Securities Laws***

Neither the Warrants nor this Base Prospectus have been registered with the Spanish Securities Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Warrants may not be offered, sold or distributed, nor may any subsequent resale of Warrants be carried out in Spain, except in circumstances which do not require the registration of a prospectus in Spain or without complying with all legal and regulatory requirements under Spanish securities laws.

The Warrants may only be offered or sold in Spain by institutions authorised under Spanish Law 6/2023, of 17 March, on the Securities Markets and the Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) (the "**Spanish Securities Markets and Investment Services Law**"), Royal Decree 217/2008 of 15 February on the legal regime applicable to investment services companies (*Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*) as amended and restated or replaced from time to time and related legislation to provide investment services in Spain and in accordance with the provisions of the Spanish Securities Markets and Investment Services Law and further developing legislation.

**Gibraltar**

An invitation or inducement to enter or offer to enter into an agreement the making or performance of which by either party constitutes the carrying on of a regulated activity (within the meaning of section 12 of the Financial Services Act 2019 of Gibraltar (the "**FSA19**")) may only be communicated or caused to be communicated in connection with the issue or sale of Warrants in circumstances in which section 12(1) of the FSA19 does not apply or would not, if it was not an authorised person, apply to HBEU (in case of Warrants issued by HBEU).

All applicable provisions of the FSA19 must be complied with in respect of anything done in connection with the Warrants in, from or otherwise involving Gibraltar.

The Warrants are not intended to be offered, sold or otherwise made available to any retail investor in Gibraltar where the issuance or marketing of such Warrants are subject to the supervision of the Gibraltar Financial Services Commission (the "**GFSC**") and to the Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of section 6 of the European Union (Withdrawal) Act 2019 of Gibraltar (the "**Gibraltar PRIIPS Regulations**"). Consequently, the requirements of the Gibraltar PRIIPS Regulations in respect of Packaged Retail Investment Products have not been met and therefore offering or selling the Warrants in, from or into Gibraltar may not be permitted without complying with the requirements set out in the Gibraltar PRIIPS Regulations and other applicable laws and regulations in Gibraltar.

### **Guernsey**

The Warrants may only be offered or sold in, or from within the Bailiwick of Guernsey either (i) to or by persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 or (ii) to persons licensed under the Banking Supervision (Bailiwick of Guernsey) Law, 2020 or (iii) to persons licensed under the Insurance Business (Bailiwick of Guernsey) Law, 2002 or (iv) to persons licensed under the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or (v) to licensees under the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020.

This Base Prospectus has not been registered with the Guernsey Financial Services Commission and it is not intended that this Base Prospectus will be registered with the Guernsey Financial Services Commission under the Prospectus Rules and Guidance, 2021 on the basis that an offer will be in respect of Warrants to be listed on Euronext Dublin.

Where the Warrants are not to be so listed and traded, the offer will not be made to the public in Guernsey. Therefore, the number of persons in Guernsey to whom an offer for Warrants that are not listed on Euronext Dublin is so communicated must not exceed fifty.

### **Hong Kong**

Warrants (except for Warrants which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) may not be offered or sold in Hong Kong by means of any document other than (a) to "professional investors" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMPO)**") or which do not constitute an offer to the public within the meaning of the C(WUMPO).

No advertisement, invitation or document relating to the Warrants, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) may be issued or held in the possession of the Issuer or any Manager or any other offeror nominated by the Issuer for the purpose of such issue of Warrants, whether in Hong Kong or elsewhere, other than with respect to Warrants which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

### **Isle of Man**

Each Manager appointed under the Programme (other than the Issuer) will be required to represent and agree that it shall only offer or sell Warrants in or from the Isle of Man if it holds an appropriate financial services licence issued by the Isle of Man Financial Services Authority (the "**FSA**") under section 7 of the Isle of Man Financial Services Act 2008 (the "**FS Act**") or, where it does not hold such a licence, it shall only offer or sell Warrants to an "Isle of Man person" (within the meaning of the Isle of Man Regulated Activities Order 2011, as amended (the "**Order**")) where it is an "overseas person" (within the meaning of the Order) who is authorised to offer and sell the Warrants by a regulator outside the Isle of Man and either (i) the offer or sale of the Warrants is the direct result of an approach made to such Manager by or on behalf of the Isle of Man person which has not been solicited by such Manager (otherwise than by means of an advertisement which is neither targeted at Isle of Man persons nor disseminated by a medium which is targeted at Isle of Man persons); or (ii) the Isle of Man person: (A) holds a licence issued by the FSA under section 7 of the FS Act to carry on a regulated activity; or (B) is a person falling within exclusion 2(r) contained in Schedule 1 to the Order; or (C) is a person whose ordinary business activities involve him in acquiring, holding, managing or disposing of shares or debentures (as principal or agent), for the purposes of his business.

## Japan

The Warrants have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**"), and, accordingly, Warrants may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

## Jersey

No consent under Article 8(2) of the Control of Borrowing (Jersey) Order 1958 has been obtained in relation to the circulation in Jersey of any offer of Warrants and any such offer must be addressed exclusively to a restricted circle of persons in Jersey. For these purposes an offer is not addressed exclusively to a restricted circle of persons unless (i) the offer is addressed to an identifiable category of persons to whom it is directly communicated by the offeror or the offeror's appointed agent, (ii) the members of that category are the only persons who may accept the offer and they are in possession of sufficient information to be able to make a reasonable evaluation of the offer and (iii) the number of persons in Jersey to whom the offer is so communicated does not exceed fifty.

## Kingdom of Bahrain

The Warrants have not been and may not be offered or sold except that the Warrants may be marketed on a private placement basis to persons in the Kingdom of Bahrain who are "**accredited investors**" for an offer outside Bahrain.

For this purpose, an "**accredited investor**" means:

- (a) an individual holding financial assets (either singly or jointly with a spouse) of U.S.\$1,000,000 or more excluding that person's principal place of residence; or
- (b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000; or
- (c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund).

## Mainland China

### *PRC Underlying*

Except as permitted by applicable laws and regulations in mainland China, (i) Warrants linked to mainland China underlyings (including those underlying an underlying index) may not be offered or sold, directly or indirectly, in mainland China, or offered or sold to any Domestic Investor, or to any person using funds to purchase Warrants sourced from any Domestic Investor and (ii) the Warrants (other than the Warrants in sub-paragraph (i)) may not be offered or sold, directly or indirectly, in mainland China, or offered or sold to any Domestic Investor, in each case, where "**Domestic Investor**" means:

- (a) a PRC Citizen; and/or
- (b) a PRC Entity.

"**PRC Citizen**" means any person who (a) holds a PRC Identity Document and (b) does not hold any Non-PRC Permanent Residency Document.

"**PRC Identity Document**" means any of mainland China residency household register, mainland China resident identity card, PRC passport and Exit-entry Permit for Travelling to and from Hong Kong and Macao (EEP). For the avoidance of doubt, a PRC Identity Document does not include an Entry Permit for Travelling to Hong Kong and Macao (commonly known as one-way permit).

**"Non-PRC Permanent Residency Document"** means any permanent resident card, permanent resident visa or any other equivalent government issued permanent residency document, in each case, of a country or region outside mainland China.

**"PRC Entity"** means any legal entity incorporated, organised, registered and/or otherwise established in mainland China. For the avoidance of doubt, a PRC Entity does not include a branch or a subsidiary of any entity specified in the preceding sentence, which is lawfully registered in any country or region outside mainland China.

In respect of any Warrants, this Base Prospectus or any information obtained by reference herein relating to the Warrants does not constitute an offer to sell or the solicitation of an offer to buy any securities in mainland China to any person to whom it is unlawful to make the offer or solicitation in mainland China. This Base Prospectus, any information contained herein or the Warrants have not been, or will not be, submitted to, approved by, verified by or registered with any relevant governmental authorities in mainland China and thus may not be supplied to the public in mainland China or used in connection with any offer for the subscription or sale of the Warrants in mainland China. The Issuer does not represent that this Base Prospectus may be lawfully distributed, or that any Warrants may be lawfully offered, in compliance with any applicable registration or other requirements in mainland China, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of any Warrants or distribution of this Base Prospectus in mainland China.

### **Peru**

The content of this Base Prospectus and the Warrants issued and traded hereunder, have not been reviewed nor authorised by the Capital Markets Superintendence (*Superintendencia del Mercado de Valores*, the "**SMV**") nor the Private Pension Funds, Banking and Insurance Superintendence (*Superintendencia de Banca, Seguros y AFP*, the "**SBS**"). Therefore, investors will not benefit from protection of any of the aforementioned regulatory authorities.

The Warrants have not been and will not be registered with the Capital Markets Public Registry of the SMV nor the Lima Stock Exchange Registry ("**RBVL**") for their public offering in Peru under the Peruvian Capital Markets Law (Law N°861/ Supreme Decree N°020-2023-EF) and the decrees and regulations thereunder.

Consequently, Warrants may not be offered or sold, directly or indirectly, nor this Base Prospectus, any relevant Final Terms or any other offering material relating to the Warrants be distributed or caused to be distributed to the general public in Peru, unless the offering or selling of Warrants comply with the Private Offer Exemptions (as defined below).

**"Private Offer Exemptions"** means an offer of Warrants, where no Mass-marketing is used, and made:

- (i) exclusively to institutional investors; or
- (ii) where the minimum investment amount is greater than or equal to approximately USD 160,000 (either in a single transaction or in aggregate).

**"Mass-marketing"** means a marketing strategy utilising mass distribution and mass media to offer, negotiate or distribute securities to the whole market. Mass media includes newspapers, magazines, radio, television, mail, meetings, social network, internet servers located in Peru, and other media or technology platforms.

### **Republic of Ireland**

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

- (a) it has not and will not underwrite the issue of, or place the Warrants otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended), and any codes of conduct or rules issued in connection therewith and any conditions, requirements or enactments, imposed or approved by the Central Bank of Ireland, and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it has not and will not underwrite the issue of, or place, the Warrants, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2018 (as amended) and any codes of practice made



under Section 117(1) of the Irish Central Bank Act 1989 (as amended) or any regulations made pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);

- (c) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Warrants, otherwise than in conformity with the provisions of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 or any delegated or implementing acts relating thereto, the European Union (Prospectus) Regulations 2019 of Ireland, the Companies Act 2014 (as amended) and any rules issued under Section 1363 of the Companies Act 2014 (as amended) by the Central Bank of Ireland; and
- (d) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Warrants, otherwise than in conformity with the provisions of the European Union (Market Abuse) Regulations 2016 (as amended), Regulation (EU) No 596/2014 of the European Parliament of the Council of 16 April 2014 on market abuse (as amended) and any rules issued under Section 1370 of the Companies Act 2014 (as amended) by the Central Bank of Ireland.

### **Russia**

The Warrants have not been and will not be offered, transferred or sold as part of their initial distribution or at any time thereafter to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation unless and to the extent otherwise permitted under Russian law.

### **Singapore**

This Base Prospectus has not been registered and will not be registered as a prospectus with the Monetary Authority of Singapore. The Warrants may not be offered or sold, nor may the Warrants be the subject of an invitation for subscription or purchase, whether directly or indirectly, nor may this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Warrants be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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

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

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

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

## Switzerland

**The Warrants are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority ("FINMA") and investors in the Warrants will not benefit from supervision by FINMA. Warrants issued under the Programme do not constitute participations in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA"), as amended. Warrants issued under the Programme are neither issued nor guaranteed by a Swiss financial intermediary. Investors are exposed to the credit risk of the Issuer.**

The Warrants may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance ("**FinSO**"), and no application has or will be made to admit the Warrants to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Warrants constitutes a prospectus pursuant to FinSA. Consequently, this Base Prospectus and any other offering or marketing material relating to the Warrants may only be publicly distributed or otherwise made publicly available in Switzerland:

1. if such offer is strictly limited to investors that qualify as professional clients ("**Professional Clients**", as set out below) according to Article 4 para. 3 FinSA and Article 5 para. 1 FinSO. Accordingly, the Warrants may only be distributed or offered, and the Base Prospectus or any other marketing material relating to the Warrants may be made available to Professional Clients in Switzerland; in this case, the offering of the Warrants in, into or from Switzerland is exempt from the requirement to prepare and publish a prospectus under FinSA; or
2. if such offer constitutes an exempt offer pursuant to specific provisions regarding exempt offers pursuant to Article 36 FinSA which (a) is addressed to less than 500 investors, (b) is only addressed to investors that purchase financial instruments in an amount of at least CHF 100,000 (or equivalent in other currencies), (c) has a minimum denomination of CHF 100,000 (or equivalent in other currencies), or (d) does not exceed the value of CHF 8 million (or equivalent in other currencies) calculated over a period of 12 months; in this case, the offering of the Warrants in, into or from Switzerland is exempt from the requirement to prepare and publish a prospectus under FinSA.

Professional Clients in terms of FinSA specifically include:

- (a) Swiss regulated financial intermediaries such as banks, securities firms, fund management companies, asset managers of collective assets, portfolio managers, or trustees;
- (b) Swiss regulated insurance companies;
- (c) foreign entities which are subject to a prudential supervision under the laws of their incorporation of jurisdiction equivalent to that applicable to entities listed under paragraphs (a) and (b) above;
- (d) central banks;
- (e) public entities with professional treasury operations;
- (f) occupational pension schemes and other institutions whose purpose is to serve occupational pensions with professional treasury operations;
- (g) companies with professional treasury operations;
- (h) large companies; and
- (i) private investment structures with professional treasury operations created for high-net-worth private (retail) clients.

In addition, high-net-worth private (retail) clients and private investment structures created for them may declare that they wish to be treated as Professional Clients in accordance with Article 5 FinSA (opting out).

Notwithstanding the fact that this offer does not trigger the requirement to establish a prospectus under FinSA, in the case of offerings of Warrants that constitute debt instruments with a "derivative character" that will be made to private (retail) clients in, into or from Switzerland (as such expressions are understood under FinSA and FinSO),

a key information document (KID) prepared in accordance with FinSA and FinSO or in accordance with Regulation (EU) No 1286/2014 of the European Parliament and of the Council of November 26, 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) must be made available.

### **Taiwan**

The Warrants have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or other regulatory authority or agency of Taiwan pursuant to relevant securities laws and regulations of Taiwan, the Warrants may not be issued, offered or sold within Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or other regulatory authority or agency of Taiwan. No person or entity in Taiwan has been authorised to offer or sell Warrants in Taiwan.

Warrants may be made available to Taiwan investors outside Taiwan for purchase by such investors either directly or through such financial institutions as may be authorised under the laws of Taiwan and only pursuant to the relevant laws, regulations and self-regulatory guidelines as may be applicable to them.

### **United Arab Emirates (excluding the Dubai International Financial Centre)**

The Warrants have not been and may not be offered, sold or publicly promoted or advertised in the United Arab Emirates (the "UAE") other than in compliance with any laws applicable in the UAE governing the issue, offering and sale of securities.

### **United Kingdom**

**Prohibition of sales to UK Retail Investors:** Unless the Final Terms in respect of any Warrants specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Manager has represented and agreed, and each further Manager 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 Warrants which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("**EUWA**");
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive 2016/97/EU, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe for the Warrants.

**Public Offer Selling Restriction Under the UK Prospectus Regulation:** In relation to any Warrants if the Final Terms in respect of such Warrants specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Warrants which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Warrants to the public in the United Kingdom:

- (A) *Qualified investors:* at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

- (B) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or
- (C) *Other exempt offers*: at any time in any other circumstances falling within section 86 of the FSMA,

**provided that** no such offer of Warrants referred to in (A) to (C) above shall require the Issuer or any Manager to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Warrants to the public**" in relation to any Warrants means the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe for the Warrants and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

#### ***Selling Restrictions Addressing Additional United Kingdom Securities Laws***

- (a) An invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA**") may only be communicated or caused to be communicated in connection with the issue or sale of Warrants in circumstances in which Section 21(1) of the FSMA would not, if it was not an authorised person, apply to the Issuer.
- (b) All applicable provisions of the FSMA must be complied with in respect of anything done in connection with the Warrants in, from or otherwise involving the United Kingdom.

#### **United States of America**

The Warrants 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 (as defined in Regulation S) except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, unless the relevant Final Terms specifies otherwise, Warrants may not be offered or sold to, or for the account or benefit of U.S. Persons (as defined in the U.S. Commodity Futures Trading Commission regulation 23.23(a)(23)) at any time.

Each Manager has agreed that, except as permitted by the Master Warrant Issuance Agreement:

- (1) if "40-day Distribution Compliance Period" is specified as not applicable in the relevant Final Terms, (a) it will not offer, sell or deliver Warrants at any time (whether as part of their distribution at any time or otherwise) within the United States or to, or for the account or benefit of, U.S. persons and (b) it will send to each dealer to which it sells Warrants a confirmation or other notice setting forth the restrictions on offers and sales of the Warrants within the United States or to, or for the account or benefit of, U.S. persons; and
- (2) otherwise, (a) it will not offer, sell or deliver Warrants, (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of the Series of which such Warrants are a part, as certified to the Principal Warrant Agent or the Issuer by such Manager (or, in the case of a sale of a Series of Warrants to or through more than one Manager, by each of such Managers as to the Warrants of such Series purchased by or through it, in which case the Principal Warrant Agent or the Issuer shall notify each such Manager when all such Managers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, other than pursuant to Rule 144A, and (b) it will send to each dealer to which it sells Warrants during the periods referred to in (a)(i) and (ii) above a confirmation or other notice setting forth the restrictions on offers and sales of the Warrants within the United States or to, or for the account or benefit of, U.S. persons.

In addition:

- (1) if "40-day Distribution Compliance Period" is specified as not applicable in the relevant Final Terms, an offer or sale of Warrants at any time within the United States by any dealer (whether or not participating in the offering of such Warrants) may violate the registration requirements of the Securities Act; and
- (2) otherwise, until 40 days after the commencement of the offering of any Tranche of Warrants, an offer or sale of Warrants of such Tranche within the United States by any dealer (whether or not participating in the offering of such Warrants) may violate the registration requirements of the Securities Act.

**Uruguay**

Neither the Warrants nor the Issuer are registered with the Superintendency of Financial Services of the Central Bank of Uruguay allowing the Warrants to be publicly offered in Uruguay, since the placement qualifies as a private placement under section 2 of Uruguayan law 18.627.

#### SECTION III.4 – TERMS AND CONDITIONS OF THE WARRANTS

*The following are the terms and conditions of the Warrants (the "Conditions") which apply to all Warrants issued by HBEU and which are completed by the Final Terms for each issue of Warrants. HBCE does not intend to issue Warrants.*

The Warrants are issued by HSBC Bank plc (the "**Issuer**") pursuant to a programme for the issuance of notes and warrants (the "**Programme**") established by the Issuer. The Warrants also have the benefit of a warrant agency agreement dated 24 February 1999 as most recently amended and restated on or about 26 May 2022 (as further modified and/or amended from time to time, the "**Warrant Agency Agreement**") made between, among others, the Issuer, HSBC Bank plc and HSBC Continental Europe (formerly known as HSBC France) as calculation agents (HSBC Bank plc or, as the case may be, HSBC Continental Europe being the "**Calculation Agent**" with respect to the Warrants, which expression shall include any successor or other Calculation Agent appointed pursuant to the Warrant Agency Agreement, as specified in the relevant Final Terms), HSBC Bank plc as principal warrant agent (the "**Principal Warrant Agent**", which expression includes any successor or other principal warrant agent appointed pursuant to the Warrant Agency Agreement, as specified in the relevant Final Terms, and together with any successor or other warrant agent appointed pursuant to the Warrant Agency Agreement or the Computershare Agency Agreement (as defined below), as specified in the relevant Final Terms, the "**Warrant Agents**"), HSBC Bank plc as authentication agent (the "**Authentication Agent**", which expression includes any successor or other authentication agent appointed pursuant to the Warrant Agency Agreement, as specified in the relevant Final Terms), HSBC Bank USA, National Association as warrant transfer agent (the "**Warrant Transfer Agent**", which expression shall include any successor or other warrant transfer agent appointed pursuant to the Warrant Agency Agreement, as specified in the relevant Final Terms), HSBC Bank USA, National Association as warrant registrar (the "**Warrant Registrar**", which expression shall include any successor or other warrant registrar appointed pursuant to the Warrant Agency Agreement, as specified in the relevant Final Terms) and the other parties specified therein.

In addition, the Issuer has entered into an agreement with Computershare Investor Services PLC dated 23 April 2010 (such agreement, as amended and/or supplemented and/or restated from time to time, the "**Computershare Agency Agreement**") appointing the latter as registrar and paying agent (the "**CREST Registrar**", which expression shall include any successor registrar and paying agent) with respect to Uncertificated Registered Warrants (as defined below) and has entered into a deed of covenant dated 27 May 2021 (such deed, as amended and/or supplemented and/or restated from time to time, the "**Warrant Deed of Covenant**") for the purposes of constituting Uncertificated Registered Warrants.

As used herein, the expression "**Warrant Agents**" shall include the Principal Warrant Agent and any other warrant agents appointed pursuant to the Warrant Agency Agreement or the Computershare Agency Agreement. The Warrants also have the benefit of a master warrant issuance agreement dated 24 February 1999 as most recently amended and restated on or about 25 May 2023 (as further modified and/or amended from time to time, the "**Master Warrant Issuance Agreement**") and made between, among others, the Issuer, HSBC Bank plc and HSBC Continental Europe as Managers (each a "**Manager**" and together the "**Managers**", which expression shall include any additional or successor Manager) and The Hongkong and Shanghai Banking Corporation Limited (which entity shall not be a manager for the purposes of the Warrants).

Copies of the Warrant Agency Agreement, the Computershare Agency Agreement and the Warrant Deed of Covenant are available for inspection by Holders (as defined below) of Warrants, and copies of the relevant Final Terms, this Base Prospectus and any supplemental base prospectus may be obtained in each case during normal business hours at the specified offices of the Principal Warrant Agent and the CREST Registrar, respectively. The Warrant holders (as defined in Condition 2 (*Form and Transfer*)) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions (including the form of Exercise Notice referred to in Condition 5 (*Exercise Procedure*)) of the Warrant Agency Agreement, the Computershare Agency Agreement and the Warrant Deed of Covenant.

All Warrants will be issued in series (each, a "**Series**") and each Series may comprise one or more tranches (each, a "**Tranche**") of Warrants issued on different issue dates. Each Tranche will be the subject of final terms (each, the "**Final Terms**"). In the case of a Tranche of Warrants in relation to which application has not been made to admit to trading on the regulated market of the Euronext Dublin or the Electronic Bond Market, being the regulated market of the Borsa Italiana S.p.A. ("**MOT**"), copies of the relevant Final Terms will only be available to a Holder (as defined in Condition 2 (*Form and Transfer*)) of such Warrants. Other than the issue date and the issue price, the Warrants of each Series will have identical terms and conditions. The Warrants of each Tranche will have identical terms and conditions.

Words and expressions defined in the Warrant Agency Agreement or the Computershare Agency Agreement or used in the relevant Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between any of the Warrant Agency Agreement, the Computershare Agency Agreement and the relevant Final Terms, the relevant Final Terms will prevail.

1. **Definitions**

"**Additional Disruption Event**" means such of Change in Law, Hedging Disruption, Increased Costs of Hedging and/or Insolvency Filing, as are specified as such in the relevant Final Terms;

"**Administrator/Benchmark Event**" means, in relation to any Series of Warrants and an Applicable Benchmark, an event or circumstance which has the effect that the Issuer or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use such Applicable Benchmark to perform its or their obligations under the Warrants;

"**Affected Relevant Benchmark**" means, in relation to any Series of Warrants, the Relevant Benchmark affected by a Benchmark Trigger Event;

"**Alternative Exchange**" means, in relation to any Securities, an exchange or quotation system on which the Securities are re-listed, re-traded or re-quoted and which is located in the same country as the Exchange (or, where the Exchange is within the European Union or the United Kingdom, in any member state of the European Union or the United Kingdom), unless (in any such case) the Calculation Agent determines that the listing, trading or quotation on such exchange or quotation system will materially alter the risk profile of the Warrants (in which case such exchange or quotation system shall not constitute an "**Alternative Exchange**");

"**Alternative Payment Cross Currency Rate**" means, for any Alternative Payment Currency Fixing Date, the currency exchange rate between the Cross Currency and the Alternative Payment Currency as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time and as observed by the Calculation Agent;

"**Alternative Payment Currency**" means the currency, which may be Offshore RMB, specified as such in the relevant Final Terms or, if no such currency is specified, USD;

"**Alternative Payment Currency Equivalent**" means the relevant amount in the Settlement Currency determined by the Calculation Agent converted in to the relevant Alternative Payment Currency using the Alternative Payment Currency Exchange Rate for the relevant Alternative Payment Currency Fixing Date;

"**Alternative Payment Currency Exchange Rate**" means

- (i) the rate of exchange between the Settlement Currency and Alternative Payment Currency (expressed as the number of units of Alternative Payment Currency per one unit of Settlement Currency or the number of units of Settlement Currency per one unit of Alternative Payment Currency (as applicable)) published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time on the Alternative Payment Currency Fixing Date and as observed by the Calculation Agent;
- (ii) if Cross Currency Exchange Rate is specified as applicable in the relevant Final Terms, the rate of exchange determined in accordance with, or derived from the Alternative Payment Cross Currency Rate and the Settlement Currency Exchange Rate, as determined by the Calculation Agent; or
- (iii) such other rate as may be specified in the relevant Final Terms.

The Calculation Agent shall round such rate to the closest four (4) decimal places, 0.00005 being rounded up. If on an Alternative Payment Currency Fixing Date a Relevant Rate is not available for any reason as determined by the Calculation Agent, the Calculation Agent will determine the Alternative Payment Currency Exchange Rate in accordance with sub-paragraph (X)(A) or (X)(B), as applicable, of Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*) or, if Price Source Disruption is specified as not applicable in the relevant Final Terms, in its discretion;

**"Alternative Payment Currency Fixing Date"** means:

- (i) the date specified as such in the Final Terms;
- (ii) if "Condition 1" is specified as applicable in the relevant Final Terms, the Cash Settlement Date or other date on which the relevant payment falls due (as appropriate); or
- (iii) otherwise, the fifth day (or such other number of days specified in the relevant Final Terms) prior to the Cash Settlement Date or other date on which the relevant payment falls due (as appropriate).

If such date falls on a day that is a Saturday or Sunday or on which commercial banks are not open for general business and dealings in foreign exchange in the jurisdiction or place specified in the relevant Final Terms, or if no such jurisdiction or place is specified in the relevant Final Terms, the Settlement Currency Jurisdiction, the Alternative Payment Currency Jurisdiction and, if Cross Currency Exchange Rate is specified as applicable in the relevant Final Terms, the Cross Currency Jurisdiction (a "**closed day**"), then:

- (x) if "Condition 1" is specified as applicable in the relevant Final Terms, the Alternative Payment Currency Fixing Date shall be the immediately following calendar day that is not a closed day; and
- (y) otherwise, the Alternative Payment Currency Fixing Date shall be the immediately preceding calendar day that is not a closed day;

**"Alternative Payment Currency Fixing Page"** means the Reuters or other screen page specified as such in the relevant Final Terms or any successor page thereof or, if such page is not specified in the relevant Final Terms or there is no successor page, the Calculation Agent will determine the relevant Alternative Payment Currency Exchange Rate by reference to the spot rate prevailing in the international exchange market;

**"Alternative Payment Currency Fixing Time"** means (i) the time and place specified as such in the relevant Final Terms or, such other time and place as the Calculation Agent determines in the case of a successor page to the Alternative Payment Currency Fixing Page specified in the relevant Final Terms or (ii) if no such time and place is specified in the Final Terms, such time and place as the Calculation Agent determines;

**"Alternative Payment Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms or, if the Alternative Payment Currency is USD, the United States of America;

**"Alternative Pre-nominated Index"** means, in respect of a Relevant Benchmark, the first of the indices, benchmarks or other price sources specified in the relevant Final Terms as an "Alternative Pre-nominated Index" and which is not subject to a Benchmark Trigger Event;

**"Average Index Level"** means, in respect of an Index and the determination of the Cash Settlement Amount, the arithmetic average of the Averaging Index Levels relating to such determination of the Cash Settlement Amount, as determined by the Calculation Agent, rounded up to four decimal places (with 0.00005 being rounded up);

**"Average Security Price"** means, in respect of a Security and the determination of the Cash Settlement Amount, the arithmetic average of the Averaging Security Prices relating to such determination of the Cash Settlement Amount, as determined by the Calculation Agent, rounded up to four decimal places (with 0.00005 being rounded up);

**"Averaging Date"** means:

- (i) in respect of a Warrant relating to a single Index or Security, each date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Warrant relating to an Index Basket or a Securities Basket, each date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect



of any Index comprising the Index Basket or Security comprising the Securities Basket, the Averaging Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 17 (*Consequences of Disrupted Days*);

"**Averaging Index Level**" means (a) with respect to an Index and an Averaging Date, the level of the relevant Index as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such Averaging Date or (b) with respect to a Multiple Exchange Index and an Averaging Date, the official closing level of such Multiple Exchange Index on such Averaging Date as calculated and published by the Index Sponsor, in each case, as rounded up to four decimal places (with 0.00005 being rounded up);

"**Averaging Security Price**" means with respect to a Security and an Averaging Date, the price of the relevant Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such Averaging Date, as rounded up to four decimal places (with 0.00005 being rounded up);

"**Basket**" means, in respect of a Warrant, a basket composed of each Index or each Security (as the case may be) specified in the relevant Final Terms in the relative proportions indicated in the Final Terms;

"**Benchmark Trigger Event**" means:

- (i) in respect of a Series of Warrants that references a Relevant Benchmark that is an interest rate, yield, cost of funds or similar rate:
  - (A) an Index Cessation Event; or
  - (B) an Administrator/Benchmark Event; and
- (ii) in respect of any other Series of Warrants, an Administrator/Benchmark Event;

"**Business Centre**" means the city or cities specified as such in the relevant Final Terms;

"**Business Day**" means:

- (i) in relation to a Warrant in respect of which amounts are payable in Euro, a Euro Business Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Business Centre and on which the relevant Clearing System is open for business; or
- (ii) in relation to any other Warrant, a day on which commercial banks and foreign exchange markets settle payments generally in each Business Centre and on which the relevant Clearing System is open for business;

"**Cap**" means the percentage specified as such in the relevant Final Terms;

"**Cash Settlement Amount**" has the meaning given to it in Condition 7 (*Cash Settlement Amount*);

"**Cash Settlement Date**" means the date specified as such in the relevant Final Terms or if such day is not a Business Day, the following Business Day or, if later, 5 Business Days following the Exercise Date;

"**Change in Law**" means, in relation to any Warrants, on or after the Issue Date, (A) due to the adoption of or any change in any applicable law or regulation (including without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it will, or there is a substantial likelihood that it will, with the passing of time, or it has become illegal for the Issuer or any of its designated affiliates to hold, acquire or dispose of or realise, recover or remit the proceeds of the sale or disposal of, Securities, Component Securities or other components comprised in an Index relating to such Warrants or any transaction(s) or asset(s) it deems necessary to hedge the equity price risk or any other relevant price risk including, without limitation, any currency risk, of the Issuer issuing and performing its obligations with

respect to the Warrants or (y) it has become illegal for the Issuer or any of its designated affiliates to hold, acquire, purchase, sell or maintain one or more (i) positions or contracts in respect of any securities, options, futures, derivatives or foreign exchange in relation to such Warrants, or in relation to the Issuer's hedging activities in connection with the Warrants or in relation to the hedging activities of the Issuer or any of its designated affiliates in connection with the Warrants, (ii) stock loan transactions in relation to such Warrants or (iii) other instruments or arrangements (howsoever described) held by the Issuer or any of its designated affiliates in order to hedge, individually or on a portfolio basis, such Warrants or (z) the Issuer or any of its designated affiliates will incur a materially increased cost in performing its obligations under the Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

**"Clearing System"** means, in relation to a Series of Warrants, Euroclear, Clearstream, Luxembourg and/or CREST in which Warrants of the relevant Series are for the time being held, or in relation to an individual Warrant, in which that Warrant is for the time being is held, in each case as specified in the relevant Final Terms;

**"Clearing System Business Day"** means, in relation to any Securities, any day on which the principal domestic clearing system customarily used for settling trades in such Securities is (or, but for the occurrence of an event beyond the control of the Issuer as a result of which such clearing system cannot clear the transfer of such securities, would have been) open for the acceptance and execution of settlement instructions;

**"Clearing System Currency Eligibility Event"** means the relevant Clearing System(s) ceases to accept payments in the Settlement Currency;

**"Clearstream, Luxembourg"** means Clearstream Banking S.A.;

**"Component Security"** means, with respect to an Index, each component security of that Index;

**"Conversion"** means, in respect of any Securities, any irreversible conversion by the Underlying Company of such Securities into other securities;

**"CREST"** means Euroclear UK & International Limited (formerly known as Euroclear UK & Ireland Limited);

**"Cross Currency"** means the currency specified as such in the relevant Final Terms, or if such currency is not specified in the relevant Final Terms, the Cross Currency shall mean USD;

**"Cross Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms;

**"Deferral Period"** has the meaning ascribed thereto in Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*);

**"Delisting"** means (a) that the Exchange announces that, pursuant to the rules of such Exchange, the Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an Alternative Exchange or (b) that the Calculation Agent determines that listing or trading of Securities on the Exchange (or an Alternative Exchange) has not commenced and will not commence in the foreseeable future prior to the Expiry Date of the Warrants.

**"Deposit Agreement"** means, in relation to each Depository Receipt, the agreement(s) or other instrument(s) constituting such Depository Receipt, as from time to time amended or supplemented;

**"Depository"** means, in relation to a Depository Receipt, the issuer of such Depository Receipt as appointed under the Deposit Agreement, including its successors from time to time;

**"Depository Receipt(s)"** means any Security specified as such in the relevant Final Terms **provided that** if the relevant Deposit Agreement is terminated at any time, any reference to any Depository Receipt(s) shall thereafter be construed as a reference to the relevant Underlying Securities or relevant Replacement DRs, as applicable and as determined by the Calculation Agent pursuant to Condition 21 (*Events relating to DR-Linked Warrants*);

**"Digital Amount"** means the percentage specified as such in the relevant Final Terms;

**"Disrupted Day"** means:

- (i) in respect of an Index (a) any Scheduled Trading Day in respect of such Index on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Index has occurred; (b) if the Warrants are Multiple Exchange Index-Linked Warrants, any Scheduled Trading Day in respect of such Index on which (i) the Index Sponsor fails to publish the level of such Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred; or
- (ii) in respect of a Security, any Scheduled Trading Day in respect of such Security on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Security has occurred;

**"DR-Linked Warrants"** means a Series of Equity-Linked Warrants which relate to one or more Securities which are Depository Receipts;

**"Early Closure"** means (a) the closure on any Exchange Business Day of the relevant Exchange (in the case of Equity-Linked Warrants) or any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Warrants) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or (b) if the Warrants are Multiple Exchange Index-Linked Warrants, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"EMU Event"** means the occurrence of any of the following, as determined by the Calculation Agent:

- (i) the redenomination of any security into euro;
- (ii) the change by any organised market, exchange or clearing, payment or settlement system in the unit of account of its operating procedures to the euro;
- (iii) any change in the currency of denomination of any Index or any Security; or
- (iv) any change in the currency in which some or all of the securities or other property comprising any Index is denominated;

**"Equity-Linked Warrants"** means a Series of Warrants in respect of which an amount, which shall be calculated by reference to the value of a Security or Securities and/or a formula, is payable (as indicated in the relevant Final Terms);

**"ETF"** means the exchange traded fund or similarly traded or listed fund as specified in the relevant Final Terms;

**"ETF Adviser"** means, with respect to an ETF, any person appointed in the role of discretionary investment manager or non-discretionary investment manager (including a non-discretionary investment manager to a discretionary investment manager or to another non-discretionary investment manager), as provided in the related ETF Documents;

**"ETF Documents"** means, in relation to any ETF, the constitutive and governing documents, subscription agreements and other agreements of such ETF specifying the terms and conditions relating to such ETF, in each case as amended and supplemented from time to time;

"**Euro**", "**euro**" "**EUR**", "**€**" each means the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty;

"**Euro Business Day**" or "**TARGET Business Day**" means a day on which T2 is open for settlement of payments in euro;

"**Euroclear**" means Euroclear Bank SA/NV;

"**Exchange**" means (a) with respect to a Security or an Index, each exchange or quotation system specified as such in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Security or the components of the Index, as the case may be, has temporarily relocated (**provided that** the Calculation Agent has determined that there is comparable liquidity relative to such Security or components, as the case may be, as on the original Exchange); or (b) in the case of a Multiple Exchange Index and each relevant Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent (which exchange or quotation system as of the Issue Date may be specified as such in the relevant Final Terms); **provided, however, that** if the Exchange (the "**Original Exchange**") announces that, pursuant to the rules of such Exchange, any Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and the Securities are re-listed, re-traded or re-quoted on an Alternative Exchange, then, so long as the Securities are not listed, traded or publicly quoted on the Original Exchange, such Alternative Exchange shall be the "**Exchange**" in relation to such Securities;

"**Exchange Business Day**" means (a) any Scheduled Trading Day on which each Exchange and any relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or (b) with respect to a Multiple Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the Index and (ii) the Related Exchange for such Index is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to its Scheduled Closing Time;

"**Exercise Date**" means, in respect of any Warrant, the day on which an Exercise Notice relating to that Warrant is delivered in accordance with the provisions of Condition 5(a) (*Exercise Procedure – Exercise Notice*) or if Automatic Exercise is specified in the relevant Final Terms the Expiry Date, in accordance with the provisions of Condition 4(d) (*Rights on Exercise – Automatic Exercise*) **provided, however, that:**

- (i) if the Exercise Notice is delivered (A) on any day which is not a Business Day or (B) after 10.00 a.m. (local time in the place where the Clearing System through which such Warrants are exercised is located) on any Business Day, then, in either such case, the Exercise Date shall be the next succeeding day which is a Business Day; and
- (ii) except as provided in (i) above, the Exercise Date may not be later than the Expiry Date;

"**Exchange Disruption**" means (a) any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for the Securities on the Exchange (in the case of Equity-Linked Warrants) or on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Warrants), or (ii) to effect transactions in, or obtain market values for, future or options contracts relating to the relevant Securities (in the case of Equity-Linked Warrants) or the relevant Index (in the case of Index-Linked Warrants) on any relevant Related Exchange; or (b) with respect to a Multiple Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in respect of such Component Security or (ii) futures or options contracts relating to the Index on the relevant Related Exchange;

"**Exercise Notice**" means any notice in the form Scheduled to the Warrant Agency Agreement or such other form as may from time to time be agreed by the Issuer and the Principal Warrant Agent which is delivered by a Warrantholder in accordance with Condition 5(a) (*Exercise Procedure – Exercise Notice*);

**"Expiry Date"** means the date specified as such in the relevant Final Terms; **provided, however, that** if:

- (X) Automatic Exercise is specified as "Not Applicable" in the relevant Final Terms, if the Scheduled Valuation Date on or immediately preceding the Expiry Date is postponed (x) pursuant to the provisions of Condition 17 (*Consequences of Disrupted Days*) and/or (y) as a result of it not being a Scheduled Trading Day, the Expiry Date will be postponed, if needed, such that the Expiry Date shall fall one Exchange Business Day following the later of the postponed Scheduled Valuation Date and the Limit Valuation Date. In respect of a Warrant which relates to an Index Basket, the postponed Valuation Date or Limit Valuation Date referred to in this paragraph will be deemed to be, in respect of a Scheduled Valuation Date, the latest postponed Valuation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation Date; and
- (Y) Automatic Exercise is specified as "Applicable" in the relevant Final Terms, if the Scheduled Valuation Date on or immediately preceding the Expiry Date is postponed (x) pursuant to the provisions of Condition 17 (*Consequences of Disrupted Days*) and/or (y) as a result of it not being a Scheduled Trading Day, the Expiry Date will be postponed, if needed, such that the Expiry Date shall fall on the later of the postponed Scheduled Valuation Date and the Limit Valuation Date. In respect of a Warrant which relates to an Index Basket, the postponed Valuation Date or Limit Valuation Date referred to in this paragraph will be deemed to be, in respect of a Scheduled Valuation Date, the latest postponed Valuation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation Date;

**"Extraordinary Dividend"** means the amount per Security specified in the relevant Final Terms or, if no such amount is so specified, any dividend or the portion of any dividend which the Calculation Agent determines should be characterised as an Extraordinary Dividend;

**"Extraordinary ETF Event"** means, in the determination of the Calculation Agent, the occurrence or existence of any of the following:

- (i) the ETF (A) is dissolved or has a resolution passed for its dissolution, winding up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; or (F) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (A) to (E) above;
- (ii) the ETF has violated any leverage restriction that is applicable to, or affecting, such ETF or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the ETF Documents or any contractual restriction binding on or affecting the ETF or any of its assets;

- (iii) the resignation, termination or replacement of the ETF Adviser;
- (iv) any change or modification of the ETF Documents that could reasonably be expected to affect the value of the Units or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent) from those prevailing on the Issue Date;
- (v) any breach or violation of any strategy or investment guidelines stated in the ETF Documents that is reasonably likely to affect the value of the Units or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent);
- (vi) the Issuer, or any of its affiliates, is unable, or it is impractical for it, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary or appropriate to hedge the price risk relating to the Units of entering into and performing its obligations with respect to the Warrants, or (B) realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (1) any restrictions or increase in charges or fees imposed by the ETF on any investor's ability to redeem the Units, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Units, or (2) any mandatory redemption, in whole or in part, of such Units imposed by the ETF (in each case other than any restriction in existence on the Issue Date);
- (vii) (A) cancellation, suspension or revocation of the registration or approval of the Units or the ETF by any governmental, legal or regulatory entity with authority over the Units or the ETF, (B) any change in the legal, tax, accounting or regulatory treatments of the ETF or the ETF Adviser that is reasonably likely to have an adverse impact on the value of the Units or on any investor therein (as determined by the Calculation Agent), or (C) the ETF or the ETF Adviser becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of the ETF;
- (viii) (A) the occurrence of any event affecting the Units that, in the determination of the Calculation Agent, would make it impossible or impracticable to determine the value of the Units, and such event is likely, in the determination of the Calculation Agent, to continue for the foreseeable future; or (B) any failure of the ETF to deliver, or cause to be delivered (1) information that the ETF has agreed to deliver, or cause to be delivered to the Issuer and/or Calculation Agent or (2) information that has been previously delivered to the Issuer and/or Calculation Agent in accordance with the ETF's, or its authorised representative's, normal practice and that the Issuer and/or Calculation Agent deems necessary for it to monitor the ETF's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Units;
- (ix) on or after the Strike Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines that (X) it has become illegal to hold, acquire or dispose of the Units, or (Y) the Issuer will incur a materially increased cost in performing its obligations under the Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);
- (x) the Issuer would incur a materially increased (as compared with circumstances existing on the Strike Date) amount of tax (including potential taxes which the Calculation Agent considers may arise), duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to the Units of entering into and performing its obligations with respect to the Warrants, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Extraordinary ETF Event; and

- (xi) (A) the cancellation or cessation of any Underlying Index or (B) a material change in the formula for or the method of calculating or any other material modification to any Underlying Index (other than a modification prescribed in that formula or method to maintain such Underlying Index in the event of changes in constituent stock and capitalisation and other routine events) or (C) the relevant sponsor of any Underlying Index fails to calculate and announce such Underlying Index;

"**Extraordinary Event**" means (a) in all cases other than where the Final Terms specifies that the Securities are Units in an ETF, a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting (b) in the case where the Final Terms specifies that the Securities are Units in an ETF, a Merger Event, Nationalisation, Insolvency, Delisting or Extraordinary ETF Event;

"**Face Value**" means, in respect of a Warrant, the face value of such Warrant identified or specified as such in the relevant Final Terms;

"**Fair Market Value**" means, in relation to any Warrant which is to be terminated early, its fair market value immediately prior to the early termination date, as determined by the Calculation Agent, in consultation with the Issuer, in respect only of Warrants that are not Italian Warrants, less any reasonable costs and expenses of the Issuer and/or any affiliate of the Issuer of unwinding any underlying and/or related hedging and/or funding arrangements, and any such calculation of the fair market value shall have the effect of preserving for the Warrantheolders the economic equivalent of the obligations of the Issuer to make payments in respect of the Warrants which would, but for such early termination, have fallen due after the relevant early termination date;

"**Final Index Level**" means, with respect to an Index, (a) the level of such Index as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the Final Valuation Date or (b) with respect to a Multiple Exchange Index, the official closing level of such Index on the Final Valuation Date as calculated and published by the Index Sponsor, in each case, as rounded up to four decimal places (with 0.00005 being rounded up);

"**Final Security Price**" means, with respect to a Security, (a) the price of such Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the Final Valuation Date, as rounded up to four decimal places (with 0.00005 being rounded up);

"**Final Index Performance**" means:

- (i) in relation to an Index, if no Averaging Dates are specified in the relevant Final Terms, a percentage calculated by the Calculation Agent in respect of the Final Valuation Date in accordance with the following formula:

$$\left[ \frac{\text{Final Index Level}}{\text{Initial Index Level}} \right] \times 100\%$$

- (ii) in relation to an Index, if Averaging Dates are specified in the relevant Final Terms, a percentage calculated by the Calculation Agent in respect of such Averaging Dates in accordance with the following formula:

$$\left[ \frac{\text{Average Index Level}}{\text{Initial Index Level}} \right] \times 100\%$$

"**Final Security Performance**" means:

- (i) in relation to a Security, if no Averaging Dates are specified in the relevant Final Terms, a percentage calculated by the Calculation Agent in respect of the Final Valuation Date in accordance with the following formula:

$$\left[ \frac{\text{Final Security Price}}{\text{Initial Security Price}} \right] \times 100\%$$

- (ii) in relation to a Security, if Averaging Dates are specified in the relevant Final Terms, a percentage calculated by the Calculation Agent in respect of such Averaging Dates in accordance with the following formula:

$$\left[ \frac{\text{Average Security Price}}{\text{Initial Security Price}} \right] \times 100\%$$

"**Final Valuation Date**" means:

- (i) in respect of a Warrant relating to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (ii) in respect of a Warrant relating to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index comprising the Index Basket or Security comprising the Securities Basket, the Final Valuation Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 17 (*Consequences of Disrupted Days*);

"**FX Disruption Event**" means, the occurrence, as determined by the Calculation Agent of (i) (a) an Inconvertibility, (b) Non-transferability, (c) Illiquidity, or (d) any other event affecting the Settlement Currency (the "**FX Disruption Relevant Currency**") which would make it unlawful or impractical in whole or in part (including without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial power) for the Issuer (or the Issuer's affiliate) to pay or receive amounts in the FX Disruption Relevant Currency under or in respect of any hedging arrangement relating to or connected with the FX Disruption Relevant Currency; or (ii) if Offshore RMB is specified as the applicable FX Disruption Relevant Currency, each of the events specified in (i) above, plus an Offshore RMB Disruption;

"**Governmental Authority**" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the Settlement Currency Jurisdiction or, where the Settlement Currency is specified to be RMB, in mainland China and each Offshore RMB Centre;

"**Government Bonds**" means, in relation to a Series of Warrants, bonds or any other debt securities issued by a government, government agency or subdivision or a transnational or supranational organisation as specified in the relevant Final Terms and "**Government Bond**" shall be construed accordingly

"**Hedging Disruption**" means that the Issuer or any of its designated affiliates is unable or it is or has become not reasonably practicable, or it has otherwise become undesirable, for any reason, for the Issuer or any of its designated affiliates wholly or partially after using commercially reasonable efforts and acting in good faith, to (A) hold, acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or desirable to hedge the equity or any other price risk (including, but not limited to, any currency risk) of entering into and performing the Issuer's obligations in respect of the Warrants or (B) realise, recover, receive, transfer or remit the proceeds of any such transaction(s) or asset(s) or (C) without prejudice to (B) above, transfer amounts denominated in the Settlement Currency (1) from accounts inside the Settlement Currency Jurisdiction to accounts outside the Settlement Currency Jurisdiction (2) between accounts inside the Settlement Currency Jurisdiction or (3) to a party that is a non-resident of the Settlement Currency Jurisdiction or (D) without prejudice to (B) and (C) above, convert the Settlement Currency into an Alternative Payment Currency;

"**Holder**" has the meaning given to it in Condition 2 (*Form and Transfer*);

"**Illiquidity**" means where the foreign exchange market in the Settlement Currency Jurisdiction becomes illiquid after the Trade Date and, as a result of which, the Issuer cannot obtain sufficient Settlement Currency in order to satisfy its obligation to pay any amount in respect of the Warrants as determined by



the Issuer acting in good faith and in a commercially reasonable manner following consultation (if practicable) with two Reference Dealers;

"**Inconvertibility**" means the occurrence of any event after the Trade Date that makes it impossible for the Issuer to convert any amount due in respect of the Warrants in the foreign exchange market in the Settlement Currency Jurisdiction, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Increased Cost of Hedging**" means that the Issuer or any of its designated affiliates would incur materially increased costs (as compared with circumstances existing on the Issue Date), including, without limitation, amount of tax (including any potential tax which the Calculation Agent considers may arise), duty, expense or fee (other than brokerage commissions) to (A) hold, acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge equity or any other relevant price risk (including without limitation, any currency risk) of entering into and performing the Issuer's obligations in respect of the Warrants or (B) realise, recover, receive, transfer or remit the proceeds of any such transaction(s) or asset(s), **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer or its designated affiliates, as applicable, shall not be deemed an Increased Cost of Hedging;

"**Index**" means, in relation to a Series of Warrants, the index to which such Warrant relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 18 (*Adjustments to Indices*) and Condition 20 (*Additional Disruption Events*) and "**Indices**" shall be construed accordingly;

"**Index Basket**" means, in relation to a Series of Warrants, the basket of indices to which such Series of Warrants relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 18 (*Adjustments to Indices*) and Condition 20 (*Additional Disruption Events*), and "**Index Baskets**" shall be construed accordingly;

"**Index Cessation Event**" means, in respect of a Relevant Benchmark which is a Reference Rate or a Floating Rate Option, or any other interest rate, yield, cost of funds or similar rate, the occurrence or existence, as determined by the Issuer, of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the administrator of the Relevant Benchmark announcing that it has ceased or will cease to provide the Relevant Benchmark permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Relevant Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Benchmark, the central bank for the currency of the Relevant Benchmark, an insolvency official with jurisdiction over the administrator for the Relevant Benchmark, a resolution authority with jurisdiction over the administrator for the Relevant Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Relevant Benchmark, which states that the administrator of the Relevant Benchmark has ceased or will cease to provide the Relevant Benchmark permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Relevant Benchmark;
- (iii) if the Relevant Benchmark is the Sterling London interbank offered rate, the Swiss Franc London interbank offered rate, the U.S. Dollar London interbank offered rate, the Euro London interbank offered rate or the Japanese Yen London interbank offered rate (each, a "**Specified Rate**"), a public statement or publication of information by the regulatory supervisor for the administrator of such Relevant Benchmark announcing that (i) the regulatory supervisor has determined that such Relevant Benchmark is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Relevant Benchmark is intended to measure and that representativeness will not be restored and (ii) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;

- (iv) if the Relevant Benchmark is SOR, if SOR for a tenor equal to the relevant Interest Period (the "**relevant tenor**") is not published by ABS Benchmarks Administration Co Pte. Ltd. (or any successor administrator) (the "**SOR Administrator**") or an authorised distributor and is not otherwise provided by the SOR Administrator, and as of the day that is two Singapore and London Banking Days (as defined below) preceding the next following Interest Payment Date, the U.S. Dollar London interbank offered rate for the relevant tenor has been permanently discontinued or is Non-Representative (as defined below) and there is either no U.S. Dollar London interbank offered rate which has not been permanently discontinued and which is not Non-Representative for a period which is longer than the relevant tenor or no U.S. Dollar London interbank offered rate which has not been permanently discontinued and which is not Non-Representative for a period which is shorter than the relevant tenor (and for these purposes (x) the U.S. Dollar London interbank offered rate in a particular tenor shall be "**Non-Representative**" if the regulatory supervisor for the administrator of such rate (i) has determined and announced that such rate in such tenor is no longer representative of the underlying market and economic reality that such rate is intended to measure and representativeness will not be restored and (ii) is aware that certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts have been or are engaged, and (y) a "**Singapore and London Banking Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore and London);
- (v) if the Relevant Benchmark is not a Specified Rate, the making of a public statement or publication of information by the regulatory supervisor for the Relevant Benchmark or the administrator of the Relevant Benchmark that, in the view of such supervisor or administrator, the Relevant Benchmark is no longer representative of an underlying market;
- (vi) in respect of a Relevant Benchmark which consists of an Alternative Pre-nominated Index or Replacement Index used pursuant to Condition 9A (*Consequences of a Benchmark Trigger Event*) and which has an Underlying Fallback Rate, a public statement or publication of information by the regulatory supervisor for the administrator of the Underlying Fallback Rate, the central bank for the currency of the Underlying Fallback Rate, an insolvency official with jurisdiction over the administrator for the Underlying Fallback Rate, a resolution authority with jurisdiction over the administrator for the Underlying Fallback Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Underlying Fallback Rate, which states that the administrator of the Underlying Fallback Rate has ceased or will cease to provide the Underlying Fallback Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Underlying Fallback Rate (and, for these purposes, an "**Underlying Fallback Rate**" in relation to such a Relevant Benchmark shall be such rate (if any) as the Issuer determines is the rate underlying such Relevant Benchmark); or
- (vii) the making of a public statement or publication of information by the regulatory supervisor for the Relevant Benchmark or the administrator of the Relevant Benchmark as a consequence of which the Relevant Benchmark will, on or before a specified date (i) be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally, or in respect of the Warrants or (ii) be recommended for informational purposes only rather than for use as a benchmark reference rate for securities such as the Warrants;

**Index-Linked Warrants**" means a Series of Warrants in respect of which an amount calculated by reference to an Index or Indices and/or a formula is payable (as indicated in the relevant Final Terms);

**"Index Rules"** means, in respect of an Index, the rules of such Index Sponsor in relation to the Index, specified as such in the relevant Final Terms;

**"Index Sponsor"** means, in respect of an Index, the corporation or other entity specified as such in the relevant Final Terms and any successor corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during or at the end of each Scheduled Trading Day;

**"Index Substitution Notice"** means a notice specifying a Substitute Index to be substituted for the Index and the date as of which such substitution is to take effect;

**"Initial Index Level"** means with respect to an Index, the level of such Index specified as such in the relevant Final Terms or, if no such level is so specified, the level of such Index as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the Strike Date or, with respect to a Multiple Exchange Index, the official closing level of such Index on the Strike Date as calculated and published by the Index Sponsor, each as rounded up to four decimal places (with 0.00005 being rounded up);

**"Initial Security Price"** means with respect to a Security, the price specified as such in the relevant Final Terms or, if no such price is so specified, the price of such Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the Strike Date, as rounded up to four decimal places (with 0.00005 being rounded up);

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding up of or any analogous proceeding affecting an Underlying Company, (A) all the Securities of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Securities of that Underlying Company become legally prohibited from transferring them;

**"Insolvency Filing"** means that the issuer of the Securities institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official or it consents to such petition, **provided that** proceedings instituted or petitions presented by creditors and not consented to by the issuer of the Securities shall not be deemed an Insolvency Filing;

**"IRC"** means U.S. Internal Revenue Code of 1986, as amended;

**"Issue Date"** means the date specified as such in the relevant Final Terms;

**"Italian Warrants"** means Warrants for which it is specified in the Final Terms that an application is expected to be made for the Warrants to be admitted to the official list of the Italian Stock Exchange;

**"Italian Stock Exchange"** means Borsa Italiana S.p.A.;

**"Limit Valuation Date"** has the meaning given to it in Condition 17 (*Consequences of Disrupted Days*);

**"local banking day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Principal Warrant Agent, the Warrant Agent, or the Warrant Registrar or the Warrant Transfer Agent, to which the relevant Warrant is presented for payment is located;

**"Market Disruption Event"** means:

(A) in respect of an Index (a) the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure **provided that** if a Market Disruption Event occurs in respect of a Component Security at any time, then the relevant percentage contribution of that Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event; or (b) with respect to a Multiple Exchange Index, either:

- (i) (1) the occurrence or existence, in respect of any Component Security, of (aa) a Trading Disruption, (bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Component Securities in respect of which a Trading

Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or

- (ii) the occurrence or existence, in respect of futures or options contracts relating to such Index of: (aa) a Trading Disruption, (bb) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Related Exchange; or (cc) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Multiple Exchange Index at any time, if a Market Disruption Event occurs in respect of a Component Security at that time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor of such Index as part of the market "opening data"; and

(B) in respect of a Security, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure;

**"Merger Event"** means in respect of any relevant Securities, any (i) reclassification or change of such Securities that results in a transfer of or an irrevocable commitment to transfer all of such Securities outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Underlying Company with or into another entity or person (other than a consolidation, amalgamation or merger in which such Underlying Company is the continuing entity and which does not result in a reclassification or change of all of such Securities outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Securities of the Underlying Company that results in a transfer of or an irrevocable commitment to transfer all such Securities (other than such Securities owned or controlled by such other entity or person); or (iv) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all of such Securities outstanding but results in the outstanding Securities (other than Securities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Securities immediately following such event, in each case if the closing date of a Merger Event (or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent) is on or before the Final Valuation Date;

If the Warrants are DR-Linked Warrants, **"Merger Event"** shall include the occurrence of any of the events described in (i) to (iv) (inclusive) above in relation to the relevant Underlying Securities;

**"Minimum Exercise Number"** has the meaning given to it in Condition 6 (*Minimum Number of Warrants Exercisable*);

**"Multiple Exchange Index"** means an Index specified as such in the relevant Final Terms;

**"Multiple Exchange Index-Linked Warrants"** means Warrants which relate to a Multiple Exchange Index;

**"National Currency Unit"** means the national currency unit of any Participating Member State that becomes a denomination of the euro by reason of Council Regulation (EC) No. 1103/97, Council Regulation (EC) No. 974/98 or any other applicable laws;

**"Nationalisation"** means that all the Securities (or, if the Warrants are DR-Linked Warrants, the relevant Underlying Securities) or all or substantially all the assets of an Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity;

**"New Issuer"** has the meaning given to it in Condition 16 (*Substitution*);

**"Non-transferability"** means the occurrence of any event after the Trade Date that makes it impossible for the Issuer to transfer Settlement Currency between accounts inside the Settlement Currency Jurisdiction or from an account inside the Settlement Currency Jurisdiction to an account outside the

Settlement Currency Jurisdiction or from an account outside the Settlement Currency Jurisdiction to an account inside the Settlement Currency Jurisdiction, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

**"Offshore RMB"** means RMB that is freely deliverable between accounts in the Offshore RMB Centre in accordance with the law and applicable regulation and guidelines issued by relevant authorities in the Offshore RMB Centre prevailing as of the Trade Date of the Warrants;

**"Offshore RMB Centre"** means either Hong Kong, Singapore, Taiwan or any other jurisdiction specified as such in the relevant Final Terms;

**"Offshore RMB Disruption"** means the occurrence of, as determined by the Calculation Agent, an Offshore RMB Inconvertibility, Offshore RMB Non-Transferability or Offshore RMB Illiquidity;

**"Offshore RMB Illiquidity"** means the occurrence of any event after the Trade Date that makes it impossible (where it has previously been possible) for the Issuer to obtain a firm quote of an offer price in respect of any amount in Offshore RMB in order to satisfy its obligation to pay an amount under the Warrants (the **"Relevant Disrupted Amount"**), in each case on the due date for payment or Valuation Date, either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such Relevant Disrupted Amount, in the general Offshore RMB exchange market in each Offshore RMB Centre in order to perform its obligations under the Warrants;

**"Offshore RMB Inconvertibility"** means the occurrence of any event after the Trade Date that makes it impossible (where it had previously been possible) for the Issuer to convert an amount of Offshore RMB no less than the Relevant Disrupted Amount into or from USD (or, if the Settlement Currency specified in the Final Terms is other than USD, then such Settlement Currency) in the general Offshore RMB exchange market in each Offshore RMB Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date of the Warrants and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

**"Offshore RMB Non-Transferability"** means the occurrence in each Offshore RMB Centre of any event after the Trade Date that makes it impossible (where it had previously been possible) for the Issuer to transfer Offshore RMB (i) between accounts inside an Offshore RMB Centre, (ii) from an account inside an Offshore RMB Centre to an account outside such Offshore RMB Centre and outside mainland China, or (iii) from an account outside an Offshore RMB Centre and outside mainland China to an account inside such Offshore RMB Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date of the Warrants and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation). For the purpose of Offshore RMB Non-Transferability and Hong Kong as an Offshore RMB Centre only, a segregated Chinese Renminbi fiduciary cash account with the People's Bank of China and operated by Bank of China (Hong Kong) Limited shall be deemed to be an account inside Hong Kong;

**"Participating Member State"** means any member state of the European Union that has adopted or adopts the single currency in accordance with the Treaty;

**"Participation"** means the percentage in excess of 100% specified as such in the relevant Final Terms;

**"Permitted Multiple"** has the meaning given to it in Condition 6 (*Minimum Number of Warrants Exercisable*);

**"Potential Adjustment Event"** means (i) a subdivision, consolidation or reclassification of relevant Securities (unless resulting in a Merger Event), or a free distribution or dividend of any such Securities to existing holders whether by way of bonus, capitalisation or similar issue; or (ii) a distribution, issue or dividend to existing holders of the relevant Securities of (A) such Securities or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlying Company equally or proportionately with such payments to holders of such Securities or (C) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration)

at less than the prevailing market price as determined by the Calculation Agent; or (iii) an Extraordinary Dividend; or (iv) a call by the Underlying Company in respect of relevant Securities that are not fully paid; or (v) a repurchase by the Underlying Company or any of its subsidiaries of relevant Securities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or (vi) in respect of the Underlying Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Underlying Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, **provided that** any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Securities; or (viii) any other event specified as such in the relevant Final Terms;

With respect to Depository Receipts, "**Potential Adjustment Event**" shall also include (x) the occurrence of any of the events described in (i) to (viii) (inclusive) above in respect of the relevant Underlying Securities, **provided that** the occurrence of any of the events described in (i) to (vi) (inclusive) in respect of the relevant Underlying Securities shall not constitute a Potential Adjustment Event unless, the Calculation Agent determines that such event has a diluting or concentrative effect on the theoretical value of the Securities and (y) the making of any amendment or supplement to the terms of the Deposit Agreement;

"**Price Source Disruption**" means, in relation to a Relevant Rate, such Relevant Rate is not available for any reason as determined by the Calculation Agent;

"**Protection Level**" means the percentage specified as such in the relevant Final Terms;

"**Reference Dealers**" means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

"**Related Exchange**" means, subject to the proviso below, in respect of an Index or Security, each exchange or quotation system specified as such for such Index or Security in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index or Security has temporarily relocated (**provided that** the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index or Security as on the original Related Exchange) **provided, however, that** where "All Exchanges" is specified as the Related Exchange in the relevant Final Terms, "**Related Exchange**" shall mean in respect of an Index or Security each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or Security, as the case may be;

"**Related Payment Date**" means any payment date on the Warrants on which the amount payable is calculated by reference to the Relevant Rate determined on the related Scheduled FX Fixing Date;

"**Relevant Banking Day**" means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar is located;

"**Relevant Benchmark**" means, in relation to any Series of Warrants:

- (a) each interest rate, yield, cost of funds or similar rate specified in the relevant Final Terms as being applicable to such Warrants (or, if applicable, the index, benchmark or other price source that is referred to in such interest rate, yield, cost of funds or similar rate);
- (b) each Relevant Rate specified in the relevant Final Terms as being applicable to such Warrants (or, if applicable, the index, benchmark or other price source that is referred to in such Relevant Rate);
- (c) each Index specified in the relevant Final Terms as being applicable to such Warrants (or, if applicable, the index, benchmark or other price source that is referred to in such Index);

- (d) any other index, benchmark or price source specified in the relevant Final Terms as being applicable to such Warrants.

To the extent that any index, benchmark or price source constitutes an Alternative Pre-nominated Index or Replacement Index used pursuant to Condition 9A (*Consequences of a Benchmark Trigger Event*), such index, benchmark or price source, as applicable, shall be a "Relevant Benchmark" from the day on which it is first used;

**"Relevant Benchmark Determination Date"** means, in relation to any Series of Warrants and a Relevant Benchmark, a date on which such Relevant Benchmark falls to be determined in accordance with the Conditions;

**"Relevant Benchmark Related Payment Date"** means, in relation to any Series of Warrants, a Relevant Benchmark and a Relevant Benchmark Determination Date, any payment date under the Warrants for which the amount payable is calculated by reference to the Relevant Benchmark as determined on such Relevant Benchmark Determination Date;

**"Relevant Currency Business Day"** means, in relation to a Relevant Rate that is the Alternative Payment Currency Exchange Rate or Alternative Payment Cross Currency Rate or Settlement Currency Exchange Rate, an Alternative Payment Currency Fixing Date;

**"Relevant Final Performance"** means:

- (i) in relation to an Index-Linked Warrant, the Final Index Performance of an Index or the weighted arithmetic average of the Final Index Performance of each constituent Index in the Index Basket; or
- (ii) in relation to an Equity-Linked Warrant; the Final Security Performance of a Security or the weighted arithmetic average of the Final Security Performance of each constituent Security in the Securities Basket,

in each case, as is specified in the relevant Final Terms as being applicable in relation to the calculation of the Cash Settlement Amount;

**"Relevant Level"** means the Final Index Level or the Average Index Level as is specified as such in the relevant Final Terms;

**"Relevant Nominating Body"** means, in respect of a Relevant Benchmark:

- (a) the central bank for the currency in which the Relevant Benchmark is denominated or any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark; or
- (b) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (i) the central bank for the currency in which the Relevant Benchmark is denominated, (ii) any central bank or other supervisor which is responsible for supervising either the Relevant Benchmark or the administrator of the Relevant Benchmark, (iii) a group of those central banks or other supervisors or (iv) the Financial Stability Board or any part thereof;

**"Relevant Price"** means the Final Security Price or the Average Security Price, as is specified as such in the relevant Final Terms;

**"Relevant Rate"** means the Alternative Payment Currency Exchange Rate, Alternative Payment Cross Currency Rate or Settlement Currency Exchange Rate (as applicable);

**"Relevant Reference Asset Fallback Provisions"** means:

- (a) in relation to a Series of Warrants where the Affected Relevant Benchmark is an Index, Condition 18(c) (*Adjustments to Indices – Index Cancellation*), as if the relevant Benchmark Trigger Event were an Index Cancellation; and

- (b) in relation to any Series of Warrants where the Affected Relevant Benchmark is a Relevant Rate, if "Price Source Disruption" is specified as being applicable in the relevant Final Terms, Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*), as if the relevant Benchmark Trigger Event were a Price Source Disruption;

"**Renminbi**", "**RMB**" and "**CNY**" all refer to the lawful currency of mainland China;

"**Replacement DRs**" means, if the relevant Deposit Agreement is terminated, any depository receipts which the Calculation Agent determines, in accordance with Condition 21 (*Events relating to DR-Linked Warrants*) are to replace the Depository Receipts constituted by such terminated Deposit Agreement;

"**Replacement Index**" has the meaning given to it in Condition 9A(a)(ii)(A) (*Consequences of a Benchmark Trigger Event*);

"**Scheduled Averaging Date**" means any original date specified in the relevant Final Terms that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date;

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

"**Scheduled Final Averaging Date**" means the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date;

"**Scheduled FX Fixing Date**" has the meaning specified in Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*);

"**Scheduled Trading Day**" means, in respect of an Index, or a Security (a) any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or (b) with respect to a Multiple Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session;

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been the Final Valuation Date;

"**Securities**" means, in relation to a Series of Warrants, the equity securities, debt securities (including without limitation Government Bonds), depository receipts or other securities or property, as adjusted pursuant to Condition 19 (*Adjustments and Events affecting Securities*) and Condition 20 (*Additional Disruption Events*), to which such Warrants relate, as specified in the relevant Final Terms and subject, in the case of a Series of Warrants linked to Depository Receipts, to the provisions of Condition 22 (*Events Relating to DR-Linked Warrants*), or in the case of a Series of Warrants linked to Units in an ETF, to the provisions of Condition 21 (*Adjustments where the Securities are Units in an ETF*) and Condition 23 (*Warrants linked to Units in an ETF – General*) and "**Security**" shall be construed accordingly;

"**Securities Act**" means the United States Securities Act of 1933, as amended;

"**Securities Basket**" means in relation to a Series of Warrants, the basket of Securities to which such Warrants relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 19 (*Adjustments and Events affecting Securities*) and Condition 20 (*Additional Disruption Events*) and "**Securities Baskets**" shall be construed accordingly;

"**Settlement Currency**" means the currency specified as such in the relevant Final Terms;

"**Settlement Currency Exchange Rate**" means, for any Alternative Payment Currency Fixing Date, the currency exchange rate between the Cross Currency and the Settlement Currency as published on the Alternative Payment Currency Fixing Page at or around the Alternative Payment Currency Fixing Time and as observed by the Calculation Agent;



**"Settlement Currency Jurisdiction"** means the jurisdiction specified as such in the relevant Final Terms;

**"Settlement Cycle"** means, in respect of a Security or an Index, the period of Clearing System Business Days following a trade in the relevant Security or the securities underlying such Index, as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such Exchange (or, if there are multiple Exchanges in respect of an Index, the longest such period);

**"SOR"** means the synthetic rate for deposits in Singapore Dollars known as the Singapore Dollar Swap Offer Rate provided by ABS Benchmarks Administration Co Pte. Ltd., as the administrator of the benchmark (or a successor administrator);

**"Specified Maximum Number of Disrupted Days"** means the eighth Scheduled Trading Day or such other number of Scheduled Trading Days specified as such in the relevant Final Terms;

**"Strike Date"** means,

- (a) in respect of a Warrant relating to a single Index or Security, the date specified as such in the relevant Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day); or
- (b) in respect of a Warrant relating to an Index Basket or a Securities Basket, the date specified as such in the relevant Final Terms (or, if any such date is not a Scheduled Trading Day in respect of any Index or Security comprising the Index Basket or Securities Basket, as the case may be, the Strike Date in respect of such Index or Security shall be the next date which is a Scheduled Trading Day in respect of such Index or Security),

in each case, subject to the provisions of Condition 17 (*Consequences of Disrupted Days*), which shall apply as if such Strike Date were the Final Valuation Date;

**"Substitute Index"** means, in respect of an Index, a successor index identified by the Calculation Agent using commercially reasonable efforts, with characteristics, objectives and rules similar to such Index in effect immediately prior to the occurrence of the Index Cancellation;

**"T2"** means the real time gross settlement system operated by the Eurosystem, or any successor system;

**"Taxes"** has the meaning given to it in Condition 5(a)(E) (*Exercise Procedure – Exercise Notice*);

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Underlying Company, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

**"Trading Disruption"** means (a) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the Securities on the Exchange (in the case of Equity-Linked Warrants) or on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index (in the case of Index-Linked Warrants); or (ii) in futures or options contracts relating to the relevant Index or Securities on any relevant Related Exchange; or (b) with respect to a Multiple Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to any Component Security on the Exchange in respect of such Component Security, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange;

**"Treaty"** means the Treaty on the Functioning of the European Union, as amended;

**"Underlying Company"** means the issuer of the Security as specified in the relevant Final Terms and, if the Warrants are DR-Linked Warrants, each of the Depository and the issuer of the relevant Underlying Security, in each case subject to adjustment in accordance with Condition 19 (*Adjustments and Events*);

*affecting Securities*), and subject, in the case of a Series of Warrants linked to Units in an ETF, to the provisions of Condition 23 (*Warrants linked to Units in an ETF – General*);

"**Underlying Index**", in relation to an ETF, means each index to which such ETF relates;

"**Underlying Security**" means, with respect to DR-Linked Warrants and a Depository Receipt, the security and any other property to which such Depository Receipt relates;

"**Unit**", in relation to an ETF, has the meaning given to it in the relevant Final Terms;

"**Unscheduled Holiday**" means, in relation to a Relevant Rate, a day, determined by the Calculation Agent, that is not a Relevant Currency Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until on or later than the second Relevant Currency Business Day (or such other number of Relevant Currency Business Days specified in the relevant Final Terms) immediately preceding the Scheduled FX Fixing Date;

"**USD**" means the lawful currency of the United States of America;

"**Valid Date**" means, in respect of a Security or an Index (as applicable), a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Final Valuation Date does not or is not deemed to occur;

"**Valuation Time**" means (a) in relation to each Security to be valued or each Index (other than a Multiple Exchange Index) the level of which falls to be determined on any date, the time on such date specified as such in the relevant Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on such date in relation to such Index or Security, as applicable. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or (b) in relation to a Multiple Exchange Index (i) for the purposes of determining whether a Market Disruption Event in respect of such Index has occurred, in respect of any options contracts or future contracts on such Index, the close of trading on the Related Exchange for such Index; and (c) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor for such Index and/or set out in the Index Rules for such Index (as applicable);

"**Warrantholder**" has the meaning given to it in Condition 2 (*Form and Transfer*); and

"**Weighting**" means, in respect of each Index comprised in the relevant Basket, the percentage weighting assigned to such Index and specified as such in the relevant Final Terms.

## 2. **Form and Transfer**

### (a) **Form**

Each Tranche of Warrants will (as specified in the relevant Final Terms) either:

- (i) be offered in reliance on Regulation S under the Securities Act ("**Regulation S**") in uncertificated registered form ("**Uncertificated Registered Warrants**"); or
- (ii) be in registered form ("**Registered Warrants**") offered in reliance on Regulation S, and represented by a Regulation S global registered warrant (the "**Regulation S Global Registered Warrant**").

References in these Conditions to "**Global Registered Warrants**" are to the Regulation S Global Registered Warrant.

Warrants may also be issued in definitive registered form and be represented by definitive registered warrants ("**Definitive Registered Warrants**").

(b) **Registered Warrants**

(i) *General; Title*

In the case of Registered Warrants, a certificate will be issued to each Warrantholder in respect of its registered holding. Each such certificate will be numbered serially with an identifying number which will be recorded in the register (the "**Register**") maintained by the Warrant Registrar in respect of the Registered Warrants. In the case of the Registered Warrants, the person for the time being in whose name such Registered Warrant is so registered in the Register shall be the "**Warrantholder**" or "**Holder**" of the Warrants represented thereby and shall be treated by the Issuer, the Warrant Agent, the relevant Clearing System(s) and all other persons dealing with such person as the holder thereof, **provided however that**, for all purposes other than payment, the persons for the time being appearing in the books of the relevant Clearing System shall be treated as the Warrantholders and these Conditions shall be construed accordingly.

(ii) *Transfer of Registered Warrants*

Title to Registered Warrants passes by registration in the Register.

(iii) *Regulations concerning transfer and registration of Registered Warrants*

All transfers of Registered Warrants and entries on the Register will be made subject to the detailed regulations (the "**Regulations**") concerning exchange and transfer of Registered Warrants scheduled to the Warrant Agency Agreement. The Regulations may be amended, supplemented or replaced by the Issuer with the prior written approval of the Warrant Registrar but without the consent of the Holders of any Warrants. A copy of the current Regulations are available for inspection during usual business hours at the specified office of the Warrant Registrar and the Warrant Transfer Agents.

(c) **Uncertificated Registered Warrants**

The Uncertificated Registered Warrants shall be issued in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Uncertificated Securities Regulations**"). The Uncertificated Registered Warrants are participating securities for the purposes of the Uncertificated Securities Regulations. Title to the Uncertificated Registered Warrants is recorded on the relevant Operator (as defined below) register of corporate securities. The CREST Registrar on behalf of the Issuer shall maintain a record of uncertified corporate securities (the "**Record**") in relation to the Uncertificated Registered Warrants and shall procure that the Record is regularly updated to reflect the Operator register of corporate securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of Uncertificated Registered Warrants shall be treated by the Issuer and the CREST Registrar as the holder of such number of Uncertificated Registered Warrants for all purposes (and the expressions "**Warrantholder**" and "**Holder**" and related expressions shall be construed accordingly), and (ii) none of the Issuer and the CREST Registrar shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the CREST Registrar maintains are in accordance with particulars entered in the Operator register of corporate securities relating to the Uncertificated Registered Warrants.

Title to Uncertificated Registered Warrants will pass upon registration of the transfer in the Operator register of corporate securities. All transactions in relation to Uncertificated Registered Warrants (including transfers of Uncertificated Registered Warrants) in the open market or otherwise must be effected through an account at the Operator subject to and in accordance with the rules and procedures for the time being of the Operator.

No provision of these Condition as amended in accordance with the relevant Final Terms shall (notwithstanding anything contained therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to Uncertificated Registered Warrants in uncertificated form, (II) the transfer of title to Uncertificated Registered Warrants by means of a

relevant system or (III) the Uncertificated Securities Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in these Conditions or the relevant Final Terms, so long as the Uncertificated Registered Warrants are participating securities, (A) the Operator register of corporate securities relating to the Uncertificated Registered Warrants shall be maintained at all times in the United Kingdom, (B) the Uncertificated Registered Warrants may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Securities Regulations, and (C) for the avoidance of doubt, the Conditions and the relevant Final Terms in relation to any Uncertificated Registered Warrant shall remain applicable notwithstanding that they are not endorsed on any certificate for such Uncertificated Registered Warrant.

As used herein each of "**Operator register of corporate securities**", "**participating securities**", "**record of uncertificated corporate securities**" and "**relevant system**" is as defined in the Uncertificated Securities Regulations and the relevant Operator (as such term is used in the Uncertificated Securities Regulations) is CREST or any additional or alternative operator from time to time approved by the Issuer and the CREST Registrar in relation to the Uncertificated Registered Warrants and in accordance with the Uncertificated Securities Regulations. Any reference herein to the "**Operator**" shall, whenever the context so permits, be deemed to include a reference to any such additional or alternative Operator from time to time and notified to the holders of the Uncertificated Registered Warrants in accordance with Condition 12 (*Notices*).

If at any time:

- (A) a Warrantholder ceases for any reason to be a member of CREST; or
- (B) the Uncertificated Registered Warrants cease for any reason to be participating securities capable of being held in CREST,

then the Issuer shall, in accordance with the rules and procedures governing CREST, ensure that Registered Warrants are issued in exchange for the Uncertificated Registered Warrants and that such Registered Warrants are registered in such names as the Operator shall notify to the Issuer.

### 3. **Status of the Warrants**

The Warrants of each Series constitute direct, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and, at their date of issue, (save for certain obligations required to be preferred by law) with all other unsecured and unsubordinated obligations of the Issuer for the time being outstanding.

### 4. **Rights on Exercise**

#### (a) **"European Style" Exercise**

If the Warrants are specified in the relevant Final Terms as being European Style Warrants, then this Condition 4(a) (*Rights on Exercise – "European Style" Exercise*) is applicable and the Warrants are exercisable only on the Expiry Date, prior to termination of the Warrants as provided in the Conditions, **provided that** and subject to Condition 4(d) (*Rights on Exercise – Automatic Exercise*) below, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 5(a) (*Exercise Procedure – Exercise Notice*) shall become void in accordance with Condition 4(c) (*Rights on Exercise – Warrants Void on Expiry*).

#### (b) **Cash Settlement**

Subject to Condition 5(f) (*Exercise Procedure – Payment of Alternative Payment Currency Equivalent*), each Warrant, upon exercise, entitles the Holder thereof to receive from the Issuer on the Cash Settlement Date (as specified in the relevant Final Terms) a Cash Settlement Amount (as defined in Condition 7 (*Cash Settlement Amount*)) in the Settlement Currency specified in the relevant Final Terms. The Cash Settlement Amount will be rounded down to the nearest minimum unit of the Settlement Currency, with Warrants exercised at the same time by the same Warrantholder being aggregated for the purpose of determining the aggregate Cash Settlement Amount payable in respect of such Warrants.

(c) **Warrants Void on Expiry**

Warrants which are not deemed automatically exercised in accordance with Condition 4(d) (*Rights on Exercise – Automatic Exercise*) below and with respect to which an Exercise Notice has not been duly completed and delivered to the relevant Clearing System and to the Principal Warrant Agent, in the manner set out in Condition 5 (*Exercise Procedure*), before 10.00 a.m. (local time in the place where the Clearing System through which such Warrants are exercised is located) on the Expiry Date, shall become void.

(d) **Automatic Exercise**

Notwithstanding Condition 4(c) (*Rights on Exercise – Warrants Void on Expiry*) unless Automatic Exercise is specified as "Not Applicable" in the relevant Final Terms, any Warrant which in the determination of the Calculation Agent is "in-the-money" and with respect to which no Exercise Notice has been delivered in the manner set out in Condition 5 (*Exercise Procedure*) by the Expiry Date shall be automatically exercised by the Principal Warrant Agent on behalf of the Warranholders on the Expiry Date and the provisions of Condition 5(h) (*Exercise Procedure – Exercise Risk*) shall apply and in these Conditions the expression "**exercise**" and any related expressions shall be construed to apply to any such Warrants which are automatically exercised in accordance with this Condition 4(d) (*Rights on Exercise – Automatic Exercise*).

5. **Exercise Procedure**

(a) **Exercise Notice**

Subject to prior termination of the Warrants as provided in the Conditions, Warrants may be exercised on the Exercise Date by the sending of a fax or email (such email to be sent to [ctla.payingagency@hsbc.com](mailto:ctla.payingagency@hsbc.com), or such other email address as notified to the Warranholders by the Principal Warrant Agent from time to time), confirmed in writing, of a duly completed Exercise Notice (copies of which may be obtained from the relevant Clearing System or the Principal Warrant Agent) to the Principal Warrant Agent, not later than 10.00 a.m. (local time in the place where the Clearing System through which such Warrants are exercised is located) on the Expiry Date, subject to Condition 4(a) (*Rights on Exercise – "European Style" Exercise*).

Subject to Condition 4(c) (*Rights on Exercise – Warrants Void on Expiry*), any Exercise Notice delivered after 10.00 a.m. (local time in the place where the Clearing System through which such Warrants are exercised) shall be null and void.

Each Exercise Notice shall:

- (A) specify the name, address, telephone and facsimile details of the Warranholder in respect of the Warrants being exercised;
- (B) specify the number of Warrants of each Tranche being exercised (which must be not less than the Minimum Exercise Number (as defined in Condition 6 (*Minimum Number of Warrants Exercisable*)));
- (C) specify the number of the Warranholder's account at the relevant Clearing System to be debited with the Warrants being exercised and irrevocably instruct, or, as the case may be, confirm that the Warranholder has irrevocably instructed, the relevant Clearing System to debit the Warranholder's account with the Warrants being exercised and to credit the same to the account of the Principal Warrant Agent;
- (D) where applicable, specify the number of the Warranholder's account at the relevant Clearing System to be credited with the Cash Settlement Amount for the Warrants being exercised; and
- (E) include an irrevocable undertaking to pay any applicable stamp duty, stamp duty reserve tax and/or other taxes or duties ("**Taxes**") due by reason of the exercise of the Warrants and an authority to the Issuer and the relevant Clearing System to deduct an amount in respect thereof from any Cash Settlement Amount due to such Warranholder or otherwise (on, or at any time after, the Cash Settlement Date) to debit a specified account

of the Warrantholder at the relevant Clearing System with an amount or amounts in respect thereof, all as provided in the Warrant Agency Agreement.

**(b) Verification of Warrantholder**

To exercise Warrants, the Holder must duly complete an Exercise Notice and must have Warrants in the amount being exercised in its securities account with the relevant Clearing System on the Exercise Date. The relevant Clearing System will, in accordance with its normal operating procedures, verify that each person exercising such Warrants is the Holder thereof according to the records of such Clearing System and that such Holder has an account at the relevant Clearing System which contains an amount equal to the number of Warrants being exercised. If the Exercise Notice is, in the determination of the relevant Clearing System, improperly completed or sufficient Warrants or sufficient funds equal to the number of Warrants being exercised are not available in the specified account(s) with the relevant Clearing System on the Exercise Date, the Exercise Notice will be treated as null and void and a new duly completed Exercise Notice must be submitted if exercise of the Holder's Warrants is still desired.

On or prior to the Cash Settlement Date, as the case may be, the relevant Clearing System will debit the Warrantholder's account with the Warrants being exercised.

**(c) Notification to Principal Warrant Agent**

The relevant Clearing System shall notify the Principal Warrant Agent in writing (with a copy to the Issuer) not later than 11.00 a.m. (local time in the place where the Clearing System through which such Warrants are exercised is located) on the Business Day immediately following the Exercise Date of the number of the account with such Clearing System to which the Cash Settlement Amount is to be credited for the benefit of the Warrantholder.

**(d) Debit of Warrantholder's Account**

The relevant Clearing System will on or before the Cash Settlement Date debit the relevant account of the Warrantholder and credit the relevant account of the Principal Warrant Agent (in favour of the Issuer) with the Warrants being exercised.

**(e) Payment**

In respect of Warrants which have been exercised, the Calculation Agent shall by close of business or such other time as is specified in the relevant Final Terms on the date specified therefor in the relevant Final Terms determine the Cash Settlement Amount (if any) to be paid on the relevant Cash Settlement Date in respect of the relevant Warrants **provided that** the Calculation Agent has received notification from the relevant Clearing System specifying the number of Warrants which have been exercised in accordance with Condition 5(a) (*Exercise Procedure – Exercise Notice*) and, shall notify the Issuer and the Principal Warrant Agent of such amounts on the Business Day following the date so specified.

The Issuer will transfer to the Principal Warrant Agent the Cash Settlement Amount in respect of the Warrants being exercised, less any amount in respect of Taxes which the Issuer is authorised to deduct therefrom, for value on the Cash Settlement Date, and the Principal Warrant Agent will cause the Warrantholder's account with the relevant Clearing System to be credited with such amount for value on the Cash Settlement Date.

The Issuer shall pay or cause to be paid when due payments in respect of Uncertificated Registered Warrants to the relevant Warrantholder's cash memorandum account (as shown in the records of the Operator), such payment to be made in accordance with the rules of the Operator. Each of the persons shown in the Operator register of corporate securities as holder of a particular principal amount of Uncertificated Registered Warrants must look solely to the settlement bank or institution at which its cash memorandum account is held for its share of each such payment so made by or on behalf of the Issuer.

(f) ***Payment of Alternative Payment Currency Equivalent***

If:

- (i) "Payment of Alternative Payment Currency Equivalent" is specified as applicable in the relevant Final Terms, or is applicable in accordance with the proviso to Condition 5(g)(Y); or
- (ii) a Clearing System Currency Eligibility Event has occurred and is continuing,

then, if by reason of a FX Disruption Event or a Clearing System Currency Eligibility Event, the Issuer is not able to satisfy payments in respect of the Warrants when due in the Settlement Currency, the Issuer may settle any such payment in U.S. dollars or any other currency specified as the Alternative Payment Currency in the relevant Final Terms on the due date at the Alternative Payment Currency Equivalent of any such amount due.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(f) (*Exercise Procedure – Payment of Alternative Payment Currency Equivalent*) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Warrant Agents and all Warrantholders. By acceptance thereof, purchasers of the Warrants will be deemed to have acknowledged and agreed and to have waived any and all actual or potential conflicts of interest that may arise as a result of the calculation of the Alternative Payment Currency Equivalent by the Calculation Agent.

(g) ***Price Source Disruption and FX Disruption***

- (X) If "Price Source Disruption" is specified as being applicable in the relevant Final Terms, then, if on any day on which the Calculation Agent is required to determine a Relevant Rate (a "**Scheduled FX Fixing Date**"):
  - (A) a Price Source Disruption occurs, (other than as a result of an Unscheduled Holiday), the Calculation Agent shall:
    - (1) determine the Relevant Rate by reference to the rate of exchange published by available recognised financial information vendors (as selected by the Calculation Agent) on the Scheduled FX Fixing Date (the "**Fall-Back Reference Price**"); or
    - (2) unless the Final Terms specify Dealer Poll as not applicable, in the event that the Calculation Agent is unable to determine a Fall-Back Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fall-Back Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market, the Calculation Agent will on the Scheduled FX Fixing Date request four Reference Dealers to provide a quotation of their rate for the Relevant Rate on such day. If at least two quotations are provided, the Relevant Rate will be the arithmetic mean of such quotations; and
    - (3) if (i) the Final Terms specify Dealer Poll as not applicable and the Calculation Agent is unable to determine a Fall-Back Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fall-Back Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; (ii) the Calculation Agent determines that the Relevant Rate determined in accordance with paragraph (2) above does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; or (iii) fewer than 2 quotations are provided by Reference Dealers

following the Calculation Agent's request pursuant to paragraph (2) above, the Calculation Agent will determine the Relevant Rate on the first succeeding Business Day on which the Price Source Disruption ceases to exist; **provided, however, that** if the Price Source Disruption continues for thirty consecutive calendar days (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (the "**FX Cut-off Date**"), the Calculation Agent shall determine its good faith estimate of the Relevant Rate on that FX Cut-off Date; or

- (B) an Unscheduled Holiday occurs (whether or not a Price Source Disruption also occurs), the Scheduled FX Fixing Date for such Relevant Rate and all other Relevant Rates which have the same Scheduled FX Fixing Date shall be postponed to the first succeeding Relevant Currency Business Day; **provided, however that** in the event that the Scheduled FX Fixing Date is postponed as a result of the occurrence of an Unscheduled Holiday (a "**Postponed FX Fixing Date**"), and if the Postponed FX Fixing Date has not occurred on or before the thirtieth consecutive calendar day (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (any such period being a "**Deferral Period**"), then the next day after the Deferral Period that is or would have been a Relevant Currency Business Day but for an Unscheduled Holiday, shall be deemed to be the Postponed FX Fixing Date and the Calculation Agent shall determine its good faith estimate of the Relevant Rate on that Postponed FX Fixing Date.
- (Y) If at any time, a FX Disruption Event occurs, the Issuer, in its sole and absolute discretion, may elect to either:
  - (A) unless Termination following FX Disruption Event is specified as being not applicable in the relevant Final Terms, having given not less than five days' notice to the Warrantheolders in accordance with Condition 12 (*Notices*), terminate all, but not some only, of the Warrants at their Early Termination Amount (and, if the FX Disruption Event occurs on a Scheduled FX Fixing Date on which there is a Price Source Disruption or Unscheduled Holiday, and the Early Termination Amount is specified as being Fair Market Value in the relevant Final Terms, for the purposes of determining such Fair Market Value the Calculation Agent shall first determine any Relevant Rate (A) in accordance with sub-paragraph (X)(A) or (X)(B) above, as applicable, of Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*) if "Price Source Disruption" is specified as applicable in the relevant Final Terms or, otherwise (B) on the date notified to the Warrantheolders); or
  - (B) instruct the Calculation Agent to make such adjustment(s) to the Conditions as it determines to be necessary or desirable to reflect or account for any market practice that develops in respect of the FX Disruption Event,

**provided, however that** in relation to sub-paragraphs (Y)(A) and (Y)(B) above, if as a result of the FX Disruption Event the Issuer is not able to satisfy payments in respect of the Warrants when due in the Settlement Currency, the Issuer may settle any such payment pursuant to the provisions of Condition 5(f) (*Exercise Procedure – Payment of Alternative Payment Currency Equivalent*).

If a Scheduled FX Fixing Date is postponed in accordance with this Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*), any Related Payment Date will also be postponed, if needed, such that the Related Payment Date shall fall at least three (3) local banking days (or such other number of local banking days as may be specified in the relevant Final Terms) following the postponed Scheduled FX Fixing Date or, if later, the FX Cut-off Date or Postponed FX Fixing Date, as applicable.



**(h) Exercise Risk**

Exercise of the Warrants and in payment by the Issuer and the Principal Warrant Agent will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at the relevant time (including, without limitation, any relevant exchange control laws or regulations and the rules and procedures of the relevant Clearing System) and neither the Issuer nor the Principal Warrant Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices. Neither the Issuer nor the Principal Warrant Agent shall under any circumstances be liable for any acts or defaults of any Clearing System in the performance of its duties in relation to the Warrants.

**(i) Determinations**

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by the relevant Clearing System, and shall be conclusive and binding on the Issuer, the Warrant Agents and the relevant Warrantholder. Any Exercise Notice so determined to be incomplete or not in proper form or which is not copied to the Principal Warrant Agent immediately after being sent to the relevant Clearing System, shall be null and void. If such Exercise Notice is subsequently corrected to the satisfaction of the relevant Clearing System, it shall be deemed to be a new Exercise Notice submitted at the time such correction is delivered to the relevant Clearing System.

**(j) Effect of Exercise Notice**

Delivery of an Exercise Notice shall constitute an irrevocable election and undertaking by the Warrantholder to exercise the Warrants specified therein, **provided that** the person exercising and delivering such Exercise Notice is the person then appearing in the books of the relevant Clearing System as the Holder of the relevant Warrants. If the person exercising and delivering the Exercise Notice is not the person so appearing, such Exercise Notice shall for all purposes become null and void and shall be deemed not to have been so delivered.

After the delivery of an Exercise Notice (other than an Exercise Notice which shall become void pursuant to Condition 5(a) (*Exercise Procedure – Exercise Notice*), the Warrantholder specified in such Exercise Notice may not otherwise transfer such Warrants. Notwithstanding this, if any Warrantholder does so transfer or attempt to transfer such Warrants, the Warrantholder will be liable to the Issuer for any losses, costs and expenses suffered or incurred by the Issuer including those suffered or incurred as a consequence of it having terminated any related hedging operations in reliance on the relevant Exercise Notice and subsequently (i) entering into replacement hedging operations in respect of such Warrants or (ii) paying any amount on the subsequent exercise of such Warrants without having entered into any replacement hedging operations.

**6. Minimum Number of Warrants Exercisable**

The Warrants are exercisable in the minimum number (the "**Minimum Exercise Number**") specified in the relevant Final Terms and integral multiples thereof (or, if a "**Permitted Multiple**" is specified in the relevant Final Terms, integral multiples of the Permitted Multiple) on any particular occasion or such lesser Minimum Exercise Number or other Permitted Multiple as the Issuer may from time to time notify to the Warrantholders in accordance with Condition 12 (*Notices*).

**7. Cash Settlement Amount**

Subject to Condition 5(f) (*Exercise Procedure – Payment of Alternative Currency Equivalent*), the amount payable by the Issuer to the Holder pursuant to Condition 4(b) (*Rights on Exercise – Cash Settlement*) (the "**Cash Settlement Amount**") means a cash amount calculated in accordance with this Condition.

(a) ***Protection Cash Settlement Put Warrant***

If Protection Cash Settlement Put Warrant is specified in relation to the Cash Settlement Amount in the relevant Final Terms, the Cash Settlement Amount shall be an amount equal to the product of:

- (i) the Face Value; and
- (ii) the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]]$$

(b) ***Growth Cash Settlement Call Warrant***

If Growth Cash Settlement Call Warrant is specified in relation to the Cash Settlement Amount in the relevant Final Terms, the Cash Settlement Amount shall be an amount equal to the product of:

- (i) the Face Value; and
- (ii) the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]] + \text{Participation} \times \text{MAX} [0; \text{Relevant Final Performance} - 100\%]$$

(c) ***Capped Growth Cash Settlement Call Warrant***

If Capped Growth Cash Settlement Call Warrant is specified in relation to the Cash Settlement Amount in the relevant Final Terms, the Cash Settlement Amount shall be an amount equal to the product of:

- (i) the Face Value; and
- (ii) the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]] + \text{MIN} [\text{Cap}; \text{Participation} \times \text{MAX} [0; \text{Relevant Final Performance} - 100\%]]$$

(d) ***Partially Protected Cash Settlement Put Warrant***

If Partially Protected Cash Settlement Put Warrant is specified in relation to the Cash Settlement Amount in the relevant Final Terms, the Cash Settlement Amount shall be an amount equal to the product of:

- (i) the Face Value; and
- (ii) the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]] - \text{MIN} [100\% - \text{Protection Level}; \text{MAX} [0; 100\% - \text{Relevant Final Performance}]]$$

(e) ***Conditional Growth Cash Settlement Call Warrant***

If Conditional Growth Cash Settlement Call Warrant is specified in relation to the Cash Settlement Amount in the relevant Final Terms, the Cash Settlement Amount shall be an amount equal to the product of:

- (i) the Face Value; and

(ii) either:

(A) if the Relevant Final Performance is equal to or greater than 100%, the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance}-10\%]] + \text{Participation} \times [\text{Relevant Final Performance}-100\%]; \text{ or}$$

(B) if the Relevant Final Performance is less than 100%, the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance}-10\%]]$$

**(f) Conditional Capped Growth Cash Settlement Call Warrant**

If Conditional Capped Growth Cash Settlement Call Warrant is specified in relation to the Cash Settlement Amount in the relevant Final Terms, the Cash Settlement Amount shall be an amount equal to the product of:

(i) the Face Value; and

(ii) either:

(A) if the Relevant Final Performance is equal to or greater than 100%, the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance}-10\%]] + \text{MIN} [\text{Cap}; \text{Participation} \times [\text{Relevant Final Performance}-100\%]]; \text{ or}$$

(B) if the Relevant Final Performance is less than 100%, the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance} - 10\%]].$$

**(g) Digital Cash Settlement Put Warrant**

If Digital Cash Settlement Put Warrant is specified in relation to the Cash Settlement Amount in the relevant Final Terms, the Cash Settlement Amount shall be an amount equal to the product of:

(i) the Face Value; and

(ii) the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; 100\%-\text{Relevant Final Performance}]] - \text{MIN} [100\% - \text{Protection Level}; \text{MAX} [0; 100\%-\text{Relevant Final Performance}]]$$

**(h) Digital Cash Settlement Call Warrant**

If Digital Cash Settlement Call Warrant is specified in relation to the Cash Settlement Amount in the relevant Final Terms, the Cash Settlement Amount shall be an amount equal to the product of:

(i) the Face Value; and

(ii) either:

(A) if the Relevant Final Performance is equal to or greater than 100%, the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance}-10\%]] + \text{Digital Amount}; \text{ or}$$

(B) if the Relevant Final Performance is less than 100%, the result of the following formula:

$$\frac{1}{90}\% \times \text{MIN} [90\%; \text{MAX} [0; \text{Relevant Final Performance}-10\%]].$$

## 8. **Effects of European Economic and Monetary Union**

- (a) Following the occurrence of an EMU Event, the Calculation Agent may make such adjustment (and determine the effective date of such adjustment) as it determines appropriate, if any, to the formula for the Cash Settlement Amount and any other variable relevant to the exercise, settlement or payment terms of the relevant Warrants which in the discretion of the Calculation Agent have been or may be affected by such EMU Event.
- (b) Following the occurrence of an EMU Event, without prejudice to the generality of the foregoing, the Issuer shall be entitled to: (i) make such conversions between amounts denominated in the National Currency Units of the member states of the European Union that have adopted the single currency in accordance with the Treaty and the euro, and the euro and the National Currency Units, in each case, in accordance with the conversion rates and rounding rules established by the Council of the European Union pursuant to the Treaty as it, acting in good faith and a commercially reasonable manner, considers appropriate; (ii) make all payments in respect of the Warrants solely in euro as though references in the Warrants to the relevant National Currency Units were to euro and (iii) make such adjustments as it, acting in good faith and a commercially reasonable manner considers necessary to the formula for the Cash Settlement Amount and any other amount as it determines, acting in good faith and a commercially reasonable manner, to be appropriate.
- (c) None of the Issuer, a Warrant Agent or the Calculation Agent will be liable to any Warrantholder or other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection therewith.

## 9. **Warrant Agents and Calculation Agent**

### (a) *Appointment of Agents*

The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Warrant Agent or the Calculation Agent or the Authentication Agent or the Warrant Registrar or the Warrant Transfer Agent and to appoint another Principal Warrant Agent or a substitute Calculation Agent or a substitute Authentication Agent or a substitute Warrant Registrar or a substitute Warrant Transfer Agent, **provided that** so long as any Warrant is outstanding, the Issuer will maintain a Principal Warrant Agent and a Calculation Agent and an Authentication Agent. Notice of any termination of appointment and of any change in the specified office of the Principal Warrant Agent or a Calculation Agent or an Authentication Agent or a Warrant Registrar or a Warrant Transfer Agent and of any appointment of a Warrant Agent or a Calculation Agent or an Authentication Agent or a Warrant Registrar or a Warrant Transfer Agent will be given to Warrantholders in accordance with Condition 12 (*Notices*). In acting under the Warrant Agency Agreement, the Principal Warrant Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Warrantholders.

### (b) *Calculation Agent*

The Warrant Agent, the Authentication Agent, the Warrant Transfer Agent, the Warrant Registrar and the Calculation Agent shall not act as an agent for the Warrantholders but shall be

the agent of the Issuer. All calculation functions required of the Calculation Agent under these Conditions may be delegated to any such person as the Calculation Agent, in its absolute discretion, may decide.

Neither the Issuer nor the Calculation Agent shall have any responsibility for any errors or omissions in the calculation and dissemination of any variables used in any calculation made pursuant to these Conditions or in the calculation of any Cash Settlement Amount.

All calculations and determinations made by the Calculation Agent pursuant to the Conditions for the purposes of the Warrants (including any determinations as to the exercise or non-exercise by it of its powers, duties and discretions for such purposes) shall be made in good faith and in a commercially reasonable manner.

(c) **Notifications**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Warrants by the Principal Warrant Agent or the Calculation Agent shall (in the absence of manifest error or wilful misconduct) be binding on the Issuer and the Warrantheolders and (subject as aforesaid) no liability to the Warrantheolders (or any of them) shall attach to the Principal Warrant Agent or the Calculation Agent in connection with the exercise or non-exercise by either of them of their powers, duties and discretions for such purposes.

9A. **Consequences of a Benchmark Trigger Event**

- (a) If the Issuer (in consultation with the Calculation Agent) determines that a Benchmark Trigger Event has occurred in relation to a Relevant Benchmark relating to a Series of Warrants, then:
- (i) if an Alternative Pre-nominated Index has been specified in relation to such Relevant Benchmark in the relevant Final Terms:
- (A) unless the Issuer determines that replacing the Relevant Benchmark with the Alternative Pre-nominated Index would not produce a commercially reasonable result, references to such Relevant Benchmark shall be deemed to be replaced with references to the Alternative Pre-nominated Index with effect from such date as the Issuer shall determine (acting in good faith and in a commercially reasonable manner); and
- (B) the Issuer shall make such other adjustments to the Conditions as it determines are necessary to account for the effect on the Warrants of referencing the Alternative Pre-nominated Index in place of such Relevant Benchmark including, without limitation, to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Warrants; and
- (ii) if an Alternative Pre-nominated Index has not been specified in relation to such Relevant Benchmark in the relevant Final Terms or the Issuer determines that replacing the Relevant Benchmark with the Alternative Pre-nominated Index would not produce a commercially reasonable result, the Issuer shall do any of the following:
- (A) determine that references to such Relevant Benchmark shall be deemed to be replaced by references to such index, benchmark or price source as the Issuer determines would have the effect of placing the Issuer in an economically equivalent position to that which it would have been in had the Benchmark Trigger Event not occurred (the "**Replacement Index**") (and in making such determination the Issuer shall be entitled to take into account such facts and circumstances as it considers relevant including, without limitation, (i) any index, benchmark or other price source which measures the same market or economic reality as the Relevant Benchmark and which is formally designated, nominated or recommended by the administrator or sponsor of the Relevant Benchmark or (ii) any index, benchmark or other price source which is formally designated, nominated or recommended by any Relevant Nominating Body, in each case to replace the Relevant Benchmark), in which case:

- (1) references to such Relevant Benchmark shall be deemed to be replaced with references to such Replacement Index with effect from such date as the Issuer shall determine (acting in good faith and in a commercially reasonable manner); and
  - (2) the Issuer shall make such other adjustments to the Conditions as it determines are necessary to account for the effect on the Warrants of referencing the Replacement Index in place of such Relevant Benchmark including, without limitation, to any variable, margin, calculation methodology, valuation, settlement, payment terms or any other terms of the Warrants; or
- (B) follow the steps for determining the relevant rate or level set out in the Relevant Reference Asset Fallback Provisions (if any); or
- (C) determine that the Warrants shall be terminated, in which case the Issuer's obligations under the Warrants shall be satisfied in full upon payment in respect of each Warrant of an amount equal to the Early Termination Amount specified in the relevant Final Terms on the date selected by the Issuer and give notice of such termination to the Warrantholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*);

**provided, however, that** if (1) it is or would be unlawful at any time under applicable law or regulation or (2) it would contravene any applicable licensing requirements, in each case, for any of the above provisions or determinations to apply to the Warrants, then such provision shall not apply and the Issuer shall not make such determination (as the case may be) and the Issuer shall instead take any of the above actions that complies with the applicable law, regulation or licensing requirements.

- (b) If the Issuer is not able to determine the Relevant Benchmark in accordance with the provisions of this Condition 9A (*Consequences of a Benchmark Trigger Event*) on any Relevant Benchmark Determination Date, then the Relevant Benchmark Determination Date shall be postponed to such date as it is able to make such determination and any Relevant Benchmark Related Payment Date will also be postponed, if needed, such that the Related Payment Date shall fall at least three (3) local banking days (or such other number of days as may be specified in the relevant Final Terms) following the postponed Relevant Benchmark Determination Date.
- (c) The Issuer shall promptly following the determination of any replacement for a Relevant Benchmark pursuant to paragraph (a)(i)(A) or (a)(ii)(A) above give notice thereof and of any changes pursuant to paragraph (a)(i)(B) or (a)(ii)(A)(2) (as applicable) to the Principal Paying Agent, the Calculation Agent and the Warrantholders (in accordance with Condition 12 (*Notices*)).
- (d) Without prejudice to Condition 18(b) (*Adjustments to Indices – Index Modification*), if the definition, methodology or formula for a Relevant Benchmark in respect of a Series of Warrants, or other means of calculating the Relevant Benchmark in respect of a Series of Warrants, is changed, then references to such Relevant Benchmark shall be to such Relevant Benchmark as so changed.
- (e) In making any determination under this Condition 9A (*Consequences of a Benchmark Trigger Event*), the Issuer shall take account of such facts and circumstances as it considers relevant, including, without limitation, any determinations made in respect of any of the Issuer's hedging arrangements in relation to the Warrants (including in respect of any termination or re-establishment of hedging arrangements) and the Issuer's funding costs; **provided, however, that**, in the case of a Series of Italian Warrants, it shall not take account of any such determinations made in respect of such hedging arrangements and/or the Issuer's funding costs. Except to the extent such exclusion is prohibited by law, in the absence of fraud or gross negligence on the part of the Issuer, no liability will attach to the Issuer in connection with any determination made by the Issuer pursuant to this Clause 9A.

10. **Taxes**

A Warrantholder subscribing for, purchasing or exercising a Warrant shall pay all Taxes and securities transfer taxes and any other charges, if any, payable in connection with the subscription, purchase or exercise of such Warrant and the delivery of the Cash Settlement Amount as a result of such exercise. The Issuer shall have the right, but not the duty (unless required by law), to withhold or deduct from any amounts otherwise payable to a Warrantholder such amount as is necessary for the payment of any such taxes, duties or charges or for effecting reimbursement in accordance with the next sentence.

In any case where the Issuer is obliged to pay any such tax, duty or charge referred to in the previous paragraph, the relevant Warrantholder shall promptly reimburse the Issuer therefor.

The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer or exercise of any Warrants.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts permitted or required by the rules of IRC Section 871(m) or IRC Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**U.S. Permitted Withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any U.S. Permitted Withholding deducted or withheld by the Issuer, a Warrant Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of U.S. Permitted Withholding.

11. **Illegality**

(a) The Issuer shall have the right to terminate its obligations under the Warrants, if the Calculation Agent shall have determined, acting in good faith and a commercially reasonable manner, that the performance of such obligations under any Warrants (or the Issuer's or the Issuer's designated affiliates' obligations under any hedging or funding arrangement established in connection therewith) shall have become unlawful or impracticable in whole or in part, including, without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial authority or power, **provided, however, that** if the Calculation Agent determines that the relevant obligations have become unlawful, the Issuer may obtain an opinion of an independent legal adviser to that effect prior to terminating its obligations under the Warrants, and any such opinion shall be sufficient to establish the circumstances required by this Condition 11 (*Illegality*). In such circumstances the Issuer will pay to each Warrantholder in respect of each Warrant held by it an amount determined by the Calculation Agent representing the Fair Market Value of such Warrant immediately prior to such termination. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 12 (*Notices*).

(b) Notwithstanding any other provision of these Conditions, it shall not be a default for any purpose if the Issuer fails to make any payment in respect of the Warrants of any Series or any of them (i) if the Issuer determines, acting in good faith, that there is a material risk of the payment being contrary to any fiscal or other law or regulation or the order of any court of competent jurisdiction, or any statement, guidance, policy, recommendation or interpretation of any governmental or regulatory body (whether or not having the force of law), in each case applicable to such payment (and any such determination made by the Issuer in accordance with advice given at any time by independent legal advisers shall be conclusive and binding on the Warrantholders) or (ii) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time by independent legal advisers as to such validity or applicability.

12. **Notices**

All notices to Warrantholders will be deemed to have been duly given (a) in the case of Registered Warrants if notified to the relevant Clearing System or (b) in the case of Uncertificated Registered Warrants, if sent by first class mail or (if posted to an address overseas) by airmail to the holders at their respective addresses appearing in the Record and will be deemed to have been given on the fourth day

after mailing and, in addition, for so long as any Uncertificated Registered Warrants are listed by or on a competent authority or stock exchange and the rules of that competent authority or stock exchange so require, such notice will be published in a daily newspaper of general circulation in the places or places required by that competent authority or stock exchange. Any such notice shall be deemed to have been given on the date of such notification or, in the case of any of Warrants listed on any other listing authority, stock exchange and/or quotation system, the date of such publication or delivery or, if notified or published more than once or on different dates, on the date of the first such notification or publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

13. **Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Holders of the Warrants of any Series to create and issue further warrants ranking equally in all respects with the Warrants of such Series so that the same shall be consolidated and form a single series with such Warrants for the time being outstanding.

14. **Purchase by the Issuer**

Each of the Issuer and any person directly or indirectly connected with the Issuer may at any time purchase Warrants at any price in the open market or otherwise, and such Warrants may be held, reissued, resold or, provided such Warrants are held by the Issuer, at the option of the Issuer, reissued or cancelled.

15. **Modification**

Subject in the case of the Warrant Agency Agreement and the Master Warrant Issuance Agreement (as applicable) to the agreement of the other parties thereto, the Issuer may agree, without consent of the Warrantholders, to:

- (a) any modification (except as mentioned above) of the Warrant Agency Agreement or the Master Warrant Issuance Agreement or the Conditions which is not materially prejudicial to the interests of the Warrantholders as a whole;
- (b) any modification of the Conditions or the Warrant Agency Agreement or the Master Warrant Issuance Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated; or
- (c) any modification of the Warrants which is made to correct an inconsistency between the final terms and the conditions of the Warrant issue (comprising these Conditions as completed by the relevant Final Terms) and the relevant termsheet relating to the Warrants.

Any such modification shall be binding on the Warrantholders and any such modification shall be notified to the Warrantholders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

16. **Substitution**

The Issuer may also agree, without the consent of the Warrantholders, to the substitution of a subsidiary or holding company of the Issuer or any subsidiary of any such holding company (the "**New Issuer**") in place of the Issuer as principal debtor under the Warrants of any Series, **provided that** such Warrants are irrevocably guaranteed by the Issuer. In the event of any such substitution, any reference in these Conditions to the Issuer shall be construed as a reference to the New Issuer. Any such substitution shall be promptly notified to the relevant Warrantholders in accordance with Condition 12 (*Notices*). In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Warrantholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and no Warrantholder shall be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Warrantholder.



17. **Consequences of Disrupted Days**

- (a) For the purposes of this Condition 17 (*Consequences of Disrupted Days*) "**Limit Valuation Date**" shall mean, if any Scheduled Valuation Date in respect of a Warrant is a Disrupted Day, the Specified Maximum Number of Disrupted Days following such Scheduled Valuation Date, notwithstanding the fact that such day is a Disrupted Day.
- (b) If any Scheduled Valuation Date is a Disrupted Day, then:
- (A) in the case of a Warrant which relates to a single Index or Security, the Final Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, **provided that** the Scheduled Valuation Date shall not fall after the Limit Valuation Date. In that case:
- (1) in respect of an Index-Linked Warrant, the Limit Valuation Date will be deemed to be the Valuation Date notwithstanding the fact that such day is a Disrupted Day and the Calculation Agent shall determine the level of the Index as of the Valuation Time on the Limit Valuation Date determined in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Limit Valuation Date of each security or other property comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or other property on the Limit Valuation Date, its estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and
- (2) in respect of an Equity-Linked Warrant, the Limit Valuation Date shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day and the Calculation Agent shall determine its estimate of the value of the relevant Security as of the Valuation Time on that Limit Valuation Date;
- (B) in the case of a Warrant which relates to an Index Basket, the Final Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date and the Final Valuation Date for each Index affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day which is not a Disrupted Day relating to that Index, unless each of the succeeding Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Index. In that case, the Limit Valuation Date shall be deemed to be the Final Valuation Date for the relevant Index notwithstanding the fact that such day is a Disrupted Day relating to that Index, and the Calculation Agent shall determine the level of that Index, as of the Valuation Time on the Limit Valuation Date in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Limit Valuation Date of each security or other property comprised in the relevant Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or other property on the Limit Valuation Date, its estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and
- (C) in the case of a Warrant which relates to a Securities Basket, the Valuation Date for each Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Security affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Security, unless each of the Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Security. In that case, (1) the Limit Valuation Date shall be deemed to be the Valuation Date for the relevant Security, notwithstanding the fact that such day is a Disrupted Day, and (2) the Calculation Agent shall determine its estimate of the value for that Security as of the Valuation Time on the Limit Valuation Date.

- (c) If Averaging Dates are specified in the relevant Final Terms, then notwithstanding any other provisions of these Conditions, the following provisions will apply to the valuation of the relevant Index or Security:
- (A) If any Averaging Date is a Disrupted Day, then, if the consequence specified in the relevant Final Terms in relation to "**Averaging Date Market Disruption**" is:
- (1) "**Omission**", then such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Cash Settlement Amount **provided that**, if through the operation of this provision no Averaging Date would occur with respect to the relevant Index or Security, then Condition 17 (*Consequences of Disrupted Days*) will apply for purposes of determining the relevant level or relevant value (as applicable) on the final Averaging Date as if such final Averaging Date were a Scheduled Final Averaging Date that was a Disrupted Day. If any Averaging Dates occur after that Scheduled Final Averaging Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of such Cash Settlement Amount or (ii) the occurrence of an Extraordinary Event or a Potential Adjustment Event, shall be determined by reference to the last such Averaging Date as though it were a Scheduled Final Averaging Date and the Expiry Date will be postponed, if needed, such that the Expiry Date shall fall at least one Exchange Business Day following such Averaging Date;
  - (2) "**Postponement**", then Condition 17 (*Consequences of Disrupted Days*) will apply for purposes of determining the relevant level or relevant value (as applicable) on that Averaging Date as if such Averaging Date were a Scheduled Averaging Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the relevant Warrants. If any Averaging Dates occur after the relevant Scheduled Final Averaging Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the Cash Settlement Amount or (ii) the occurrence of an Extraordinary Event or a Potential Adjustment Event, shall be made on the last such Averaging Date as though it were a Scheduled Final Averaging Date and the Expiry Date will be postponed, if needed, such that the Expiry Date shall fall at least one Exchange Business Day following such Averaging Date; or
  - (3) "**Modified Postponement**", then:
    - (aa) in the case of a Warrant which relates to a single Index or Security, such Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Limit Valuation Date immediately following the Scheduled Final Averaging Date in relation to the relevant Scheduled Averaging Date, then the Limit Valuation Date shall be deemed to be the Averaging Date, notwithstanding the fact that such day is a Disrupted Day (irrespective of whether that Limit Valuation Date is already an Averaging Date) and:
      - (i) in respect of an Index-Linked Warrant, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 17(b)(A)(1) (*Consequences of Disrupted Days*); and
      - (ii) in respect of an Equity-Linked Warrant, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 17(b)(A)(2) (*Consequences of Disrupted Days*,
    - (bb) in the case of a Warrant which relates to an Index Basket and/or a Securities Basket, the Averaging Date for each Index or Security not

affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date and the Averaging Date for an Index or Security affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index or Security. If the first succeeding Valid Date in relation to such Index or Security has not occurred as of the Valuation Time on the Limit Valuation Date immediately following the Scheduled Final Averaging Date, then the Limit Valuation Date shall be deemed to be the Averaging Date, notwithstanding the fact that such day is a Disrupted Day (irrespective of whether that Limit Valuation Date is already an Averaging Date) and:

- (i) in respect of an Index, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 17(b)(B) (*Consequences of Disrupted Days*); and
- (ii) in respect of a Security, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 17(b)(C) (*Consequences of Disrupted Days*).

If any Averaging Dates occur after a Scheduled Final Averaging Date as a result of the occurrence of a Disrupted Day, then (i) the calculation of the Cash Settlement Amount and (ii) the occurrence of an extraordinary Event or Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were a Scheduled Final Averaging Date and the Expiry Date will be postponed, if needed, such that the Expiry Date shall fall at least one Exchange Business Day following such Averaging Date.

For the purposes of this Condition 17(c) (*Consequences of Disrupted Days*), "**Limit Valuation Date**" shall mean, if any Averaging Date in respect of a Warrant is a Disrupted Day, the Specified Maximum Number of Disrupted Days following the Scheduled Final Averaging Date, notwithstanding the fact that such day is a Disrupted Day.

#### 18. **Adjustments to Indices**

This Condition 18 is applicable only in relation to Index-Linked Warrants.

##### (a) *Successor Index*

If a relevant Index is (A) not calculated and announced by the Index Sponsor but is calculated and published by a successor to the Index Sponsor acceptable to the Calculation Agent, or (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that Index (the "**Successor Index**") will be deemed to be the Index.

##### (b) *Index Modification*

If on or prior to any Final Valuation Date or Averaging Date, a relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation or other routine events) (an "**Index Modification**"), then the Calculation Agent shall determine whether such Index Modification has a material effect on the Warrants, and if so, shall make such adjustment(s) (if any) as it determines appropriate to account for the economic effect of the Index Modification, and determine the effective date of any such modification or adjustment.

(c) *Index Cancellation*

If on or prior to the Final Valuation Date or Averaging Date (A) the Index Sponsor fails to calculate and announce a relevant Index, (B) the Index Sponsor announces that it suspends the calculation and publication of the level of a relevant Index, or (C) the Index Sponsor permanently cancels the Index and no Successor Index exists (each, an "**Index Cancellation**"), then:

- (i) the Issuer shall as soon as is reasonably practicable after determining the same give notice (an "**Index Cancellation Notice**") of such Index Cancellation to the Warrantholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*);
- (ii) if "Index Substitution" is specified as being applicable in the relevant Final Terms, the Issuer shall, acting in good faith and a commercially reasonable manner, determine whether or not and the date as of which the Index is to be substituted with a Substitute Index and, if it so determines, it shall give an Index Substitution Notice to the Warrantholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*) and, with effect from the date so determined, the Substitute Index shall be deemed to be the Index; and
- (iii) if no Substitute Index has been identified within 10 Business Days of the giving of such Index Cancellation Notice or if "Index Substitution" has not been specified as being applicable in the relevant Final Terms, the Issuer shall, in its sole and absolute discretion, determine whether or not the relevant Warrants shall continue and:
  - (A) if it determines that the Warrants shall continue, then the Calculation Agent shall determine the Relevant Level for such Final Valuation Date or Averaging Date using, in lieu of a published level of that Index, the level for that Index as at that Final Valuation Date or Averaging Date as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the Index Cancellation, but using only those components that comprised that Index immediately prior to that Index Cancellation; and
  - (B) if it determines that the Warrants shall not continue, the Issuer shall terminate the relevant Warrants as of the date selected by the Issuer and give notice thereof to the Warrantholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Notices*), specifying the early termination amount and early termination date, and the entitlements of the relevant Warrantholders to receive the Cash Settlement Amount (or any other payment to be made by the Issuer, as the case may be) shall cease and the Issuer's obligations under the relevant Warrants shall be satisfied in full upon payment of such amount as is determined by the Calculation Agent to be the Fair Market Value of the Warrants immediately prior to such early termination.

(d) *Correction of Index Levels*

If the level of an Index published by the Index Sponsor at any time and used or to be used by the Calculation Agent for any calculation or determination under the Warrants is subsequently corrected and the correction is published by the Index Sponsor after the original publication, the Calculation Agent will make such adjustment as it determines to be appropriate, if any, to the settlement or payment terms of the Warrants to account for such correction.

19. **Adjustments and Events affecting Securities**

This Condition 19 is applicable only in relation to Equity-Linked Warrants.

(a) *Potential Adjustment Events*

If Potential Adjustment Events is specified as "Applicable" in the relevant Final Terms, the Calculation Agent shall determine whether or not at any time a Potential Adjustment Event has occurred and where it determines such an event has occurred, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Securities and, if so, will make such adjustment(s) as it

determines to be appropriate, if any, to the Strike Price, the number of Securities to which each Warrant relates, the number of Securities comprised in a Securities Basket and/or to any other exercise, payment or other term of the relevant Warrants, including without limitation the amount of cash, which may be transferred under such Warrants and determine the effective dates of such adjustment(s).

(b) *Extraordinary Events*

Without prejudice to Condition 19(e) (*Security Substitution*) below, if Extraordinary Events is specified as 'Applicable' in the relevant Final Terms, following the occurrence of any Extraordinary Event (other than a Delisting in respect of any Depositary Receipts), the Issuer will determine whether or not the relevant Warrants shall continue and, if so, determine any adjustments to be made. If the Issuer determines that the relevant Warrants shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the formula for the Cash Settlement Amount set out in the relevant Final Terms and any other variable relevant to the payment terms of the relevant Warrants and/or any other adjustment which change or adjustment shall be effective on such date selected by the Calculation Agent, acting in a commercially reasonable manner. If the Issuer determines that the relevant Warrants shall be terminated, then the Warrants shall cease to be exercisable (or, in the case of Warrants which have been exercised, the entitlements of the respective exercising Warrantheolders to receive the Cash Settlement Amount, pursuant to such exercise shall cease) and the Issuer's obligations under the relevant Warrants shall be satisfied in full upon payment of the Fair Market Value of the Warrants.

(c) *Conversion*

If Conversion is specified as 'Applicable' in the relevant Final Terms, in respect of an Equity-Linked Warrant, following the occurrence of any Conversion, the Issuer will determine whether or not the Warrants will continue and, if so, determine any adjustment(s) to be made. If the Issuer determines that the Warrants shall continue, the Calculation Agent may make such adjustment(s) as it determines to be appropriate to the formula for the Cash Settlement Amount set out in the relevant Final Terms and any other variable relevant to the payment terms of the relevant Warrants and/or any other adjustment and determine the effective date(s) of such adjustment. If the Issuer determines that the Warrants shall be terminated, then the Warrants shall cease to be exercisable (or, in the case of any Warrants which have been exercised, the entitlements of the respective exercising Warrantheolders to receive the Cash Settlement Amount pursuant to such exercise shall cease) as of the date selected by the Calculation Agent and the Issuer's obligations under the Warrants shall be satisfied in full upon payment of the Fair Market Value of the Warrants.

(d) *Correction of Prices*

If Correction of Prices is specified as 'Applicable' in the relevant Final Terms, in the event that any price published or announced on a given day and utilised or to be utilised for the purpose of any calculation or determination under the Warrants is subsequently corrected and the correction is published or announced by the Exchange within one Settlement Cycle after the original publication, the Calculation Agent will make such adjustment(s) as it determines to be appropriate, if any, to the payment terms of the Warrants to account for such correction and the Calculation Agent shall determine the effective date(s) of such adjustment(s) **provided that** if any amount has been paid in an amount which exceeds the amount that would have been payable if the correction had been taken into account, no further amount in an amount at least equal to the excess is payable in respect of the Warrants and the Calculation Agent determines that it is not practicable to make such an adjustment to account fully for such correction, the Issuer shall be entitled to reimbursement of, the relevant excess payment (or, as the case may be, the proportion thereof not accounted for by an adjustment made by the Calculation Agent) by the relevant Warrantheolder, together with interest on that amount for the period from and including the day on which payment or delivery was originally made to (but excluding) the day of payment

of reimbursement by the Warrantholder (all as calculated by the Calculation Agent). Any such reimbursement shall be effected in such manner as the Issuer shall determine.

(e) *Security Substitution*

- (i) If the relevant Final Terms specify Substitution of Securities to be applicable, if any Security (the "**Affected Security**") to which the relevant Warrant relates is affected by an Extraordinary Event (other than a Delisting in respect of any Depositary Receipts) or an Additional Disruption Event occurs, then, without prejudice to any other rights that the Issuer may have under the Warrants, the Issuer shall have the option to replace the Affected Security with a substitute security (the "**Substitute Security**") selected by the Calculation Agent with effect from a date selected by the Calculation Agent (the "**Substitution Reference Date**").
- (ii) The Substitute Security shall satisfy such criteria as the Calculation Agent determines (which may, but need not, include, without limitation, the Substitute Security belonging to a similar economic sector as the Affected Security and the Underlying Company of the Substitute Security having a similar creditworthiness to the Underlying Company of the Affected Security).

- (iii) The Initial Price of the Substitute Security shall be determined in accordance with the following formula:

$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Security Price(k)}/\text{Affected Security Price(j)})$$

Where:

"**Affected Security Price(j)**" means either (i) the last closing price per share of the Affected Security on or prior to the Substitution Reference Date or (ii) an exchange traded price per share of the Affected Security on or recently prior to the Substitution Reference Date, in each case as determined by the Calculation Agent;

"**Affected Security Price(k)**" means the Initial Price per share of the relevant Affected Security as specified in the relevant Final Terms; and

"**Substitute Price**" means the official closing price per share of the relevant Substitute Security as of the Valuation Time on the date on which the Affected Security Price(j) is determined or, if such date is not a Scheduled Trading Day in respect of the Substitute Security, the next following Scheduled Trading Day in respect of the Substitute Security.

- (iv) If the currency of the Substitute Security is different from the currency of the Affected Security, the Calculation Agent may make such adjustments to the terms and conditions of the Warrants as it determines to be appropriate to account for such difference.
- (v) The Calculation Agent shall notify the Warrantholders in accordance with Condition 12 (*Notices*) of the Substitute Security and of any changes to the terms and conditions of the Warrants made pursuant to paragraph (iv) above as soon as practicable after determining the same.
- (vi) In the event that (i) the Issuer determines not to substitute the Security in accordance with the provisions of this Condition 19(e), or (b) the Calculation Agent determines that it cannot substitute the Affected Security in accordance with the provisions of this Condition 19(fe), the Issuer may make appropriate adjustments or terminate the Warrants of the relevant Series in accordance with Condition 19(b) (*Extraordinary Events*) or Condition 20 (*Additional Disruption Events*), as applicable.

20. **Additional Disruption Events**

Without prejudice to Condition 19(b) (*Security Substitution*) following the occurrence of any Additional Disruption Event, the Issuer will determine whether or not the Warrants shall continue and, if so, the Calculation Agent shall determine any adjustments to be made. If the Issuer determines that the relevant Warrants shall continue, the Calculation Agent may make such adjustment(s) as it determines to be

appropriate, if any, to the formula for the Cash Settlement Amount set out in the relevant Final Terms and any other variable relevant to the payment terms of the relevant Warrants, and/or any other adjustment which change or adjustment shall be effective on such date selected by the Calculation Agent. If the Issuer determines that the relevant Warrants shall be terminated, then the Warrants shall cease to be exercisable (or, in the case of Warrants which have been exercised, the entitlements of the respective exercising Warrantholders to receive the Cash Settlement Amount, pursuant to such exercise shall cease) and the Issuer's obligations under the relevant Warrants shall be satisfied in full upon payment of the Fair Market Value of the Warrants.

21. **Adjustments where the Securities are Units in an ETF**

Where the Securities are specified in the relevant Final Terms as being Units in an ETF, in the case of the occurrence at any time on or prior to the Valuation Date of any Extraordinary Event affecting the ETF or the value of the Units, the Calculation Agent may make any adjustment as provided in Condition 19 (*Adjustments and Events affecting Securities*) or Condition 20 (*Additional Disruption Events*) or:

- (i) if the Calculation Agent determines that no adjustment that it could make under Condition 19 (*Adjustments and Events affecting Securities*) or Condition 20 (*Additional Disruption Events*) would produce a commercially reasonable result:
  - (A) the Calculation Agent will use commercially reasonable efforts to identify a new underlying asset with characteristics, investment objectives and policies similar to those in effect for the Affected Units immediately prior to the occurrence of the relevant Extraordinary Event and any substitution of the new underlying asset for the Affected Units shall be effected at such time and in such manner as determined by the Calculation Agent; and
  - (B) if necessary, the Calculation Agent will adjust any relevant terms, including, but not limited to, adjustments to account for changes in volatility, investment strategy or liquidity relevant to the Units or the Warrants; or
- (ii) if the Calculation Agent determines that the relevant Warrants shall be terminated, then the Warrants shall be terminated as of the date selected by the Calculation Agent in its discretion and the entitlements of the relevant Warrantholders to receive the relevant Cash Settlement Amount shall cease and the Issuer's obligations under the relevant Warrants shall be satisfied in full upon payment of the Fair Market Value of the Warrants.

In this Condition 21, "**Affected Unit(s)**" means each Unit subject to an applicable Extraordinary Event.

22. **Events relating to DR-Linked Warrants**

In relation to DR-Linked Warrants only, if a Delisting of the Securities occurs or the Depository announces that the Deposit Agreement is (or will be) (or is at any time, whether or not announced by the Depository) terminated, then the Issuer will determine whether or not the Warrants shall continue. If the Issuer determines that:

- (i) the Warrants shall continue, it shall elect whether the Security shall thereafter be (x) the Replacement DRs or the Underlying Security and the Calculation Agent may make such adjustment(s) as it determines to be appropriate, if any, to the terms of the Warrants (including, without limitation, any change to the notional number of Securities and/or the formula for the Cash Settlement Amount), and which change or adjustment(s) shall be effective on such date selected by the Calculation Agent; or
- (ii) the Warrants shall not continue, then the Warrants shall cease to be exercisable (or, in the case of Warrants which have been exercised, the entitlements of the respective exercising Warrantholders to receive the Cash Settlement Amount, as the case may be, pursuant to such exercise shall cease) and the Issuer's obligations under the relevant Warrants shall be satisfied in full upon payment of the Fair Market Value of the Warrants.

23. **Warrants Linked to Units in an ETF – General**

If the relevant Final Terms specify that the Securities in relation to a Series of Warrants are Units in an ETF, then these Conditions shall apply to the Warrants as if references herein to "Underlying Company" were references to the "ETF" and as if references therein to "Security" were references to "Unit".

24. **Third Party Rights**

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

25. **Governing Law**

(a) ***Governing law***

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

(b) ***English courts***

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with the Warrants (including any Dispute regarding the existence, validity or termination of the Warrants or the consequences of their nullity).



### SECTION III.5 – FORM OF FINAL TERMS FOR WARRANTS

*Set out below is the template of the "Final Terms", a document which will be filled out for each issue of Warrants and which will complete the terms and conditions in respect of each such issue of Warrants.*

Final Terms dated: [•]

**HSBC Bank plc**

*(a company incorporated in England with registered number 14259; the liability of its members is limited)*

**Programme for the Issuance of Notes and Warrants**

**Legal Entity Identifier (LEI): MP615ZYZBEU3UXPYFY54**

**[Further] Issue of**

**[Aggregate Number of Tranche] [Title of Warrants]**

**[(to be consolidated and form a single series with the existing Tranche[s] [ ]]**

#### **PART A – CONTRACTUAL TERMS**

This document constitutes the Final Terms relating to the issue of the Tranche of Warrants described herein. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Warrants (the "**Conditions**") set forth in the Base Prospectus dated on or about 28 June 2023 relating to Index-Linked Warrants or Equity-Linked Warrants issued under the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the issue date or listing date of the Warrants to which these Final Terms relate, whichever is later, which together constitute a base prospectus ("**Prospectus**") for the purposes of the Prospectus Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"). This document constitutes the Final Terms of the Warrants described herein for the purposes of the EU Prospectus Regulation and must be read in conjunction with such Prospectus. However, a summary of the issue of the Warrants is annexed to these Final Terms.

*[The following alternative paragraph to be included instead of the above paragraph where either the Offer Period for the Warrants, the Issue Date for the Warrants or the date of admission to trading for the Warrants is expected to span the update of the Base Prospectus (so long as the updated Base Prospectus is approved and published before the expiry of this Base Prospectus):*

This document constitutes the Final Terms for the purposes of the Prospectus Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") relating to the issue of the Tranche of Warrants described herein.

Up to and including the 2023 Prospectus Expiry Date (as defined below), the Final Terms must be read in conjunction with the Base Prospectus dated 28 June 2023 relating to Warrants issued under the above Programme, which together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the 2023 Prospectus Expiry Date constitutes a base prospectus (the "**2023 Prospectus**") for the purposes of the EU Prospectus Regulation. The 2023 Prospectus shall expire on 27 June 2024 (the "**2023 Prospectus Expiry Date**").

Following the 2023 Prospectus Expiry Date, the Final Terms must be read in conjunction with such base prospectus relating to Warrants issued under the above Programme as is published by the Issuer in replacement of the 2023 Prospectus and each supplemental prospectus relating to the Programme as may be published by the Issuer after such publication but before the issue date or listing date of the Warrants, whichever is later, to which these Final Terms relate (the "**2024 Prospectus**"). Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Warrants set forth in the 2023 Prospectus (the "**Conditions**"). The Conditions shall be incorporated by reference into the 2024 Prospectus. A summary of the issue of the Warrants is annexed to these Final Terms.]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an offering document with an earlier date:*

This document constitutes the Final Terms relating to the issue of the Tranche of Warrants described herein. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Warrants (the "**Conditions**") set forth in the Base Prospectus dated [[8 November 2013] / [24 June 2014] / [22 June 2016] / [21 June 2017] / [5 October 2018] / [1 July 2019] / [9 July 2020] / [30 November 2021] / [30 December 2022]] which are incorporated by reference in the Base Prospectus dated 28 June 2023 and are applicable to the Warrants. This document constitutes the Final Terms of the Warrants described herein for the purposes of the Prospectus Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 28 June 2023 together with each supplemental prospectus relating to the Programme published by the Issuer after 28 June 2023 but before the issue date or listing date of the Warrants to which the Final Terms relate, whichever is later, which together constitute a base prospectus ("**Prospectus**") for the purposes of the EU Prospectus Regulation. However, a summary of the issue of the Warrants is annexed to these Final Terms.]

Full information on the Issuer and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing during normal business hours at HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20).

*[The following alternative paragraph to be included instead of the above paragraph where either the Offer Period for the Warrants, the Issue Date for the Warrants or the date of admission to trading for the Warrants is expected to span the update of the Base Prospectus (so long as the updated Base Prospectus is approved and published before the expiry of this Base Prospectus):*

Full information on the Issuer and the offer of the Warrants is only available on the basis of the combination of these Final Terms and (i) in relation to the period to and including the 2023 Prospectus Expiry Date, the 2023 Prospectus, and (ii) from but excluding the 2023 Prospectus Expiry Date, the 2024 Prospectus. The 2023 Prospectus is available for viewing during normal business hours at HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20). The 2024 Prospectus shall be available for viewing from its date of publication during normal business hours at HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom and [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20).]

**[EU PRIIPs REGULATION - PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Warrants are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). 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 Directive 2014/65/EU, (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Warrants or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Warrants or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

**[UK PRIIPs REGULATION – PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Warrants 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 United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the United Kingdom Financial Services and Markets Act 2000 (as amended) (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive 2016/97/EU, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Warrants or otherwise making them available to retail investors in the UK has been prepared and

therefore offering or selling the Warrants or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**[PROHIBITION OF SALES TO SWISS PRIVATE CLIENTS** - The Warrants are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to investors that qualify as private (retail) clients according to Article 4 para. 2 Swiss Financial Services Act ("**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance ("**FinSO**"). Consequently, no key information document (or equivalent document) required by FinSA has been prepared and therefore offering or selling the Warrants or otherwise making them available to any private (retail) client in, into or from Switzerland may be unlawful under FinSA.]

**[Singapore SFA Product Classification:** In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**CMP Regulations 2018**") the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA), that the Warrants are capital markets products other than "prescribed capital markets products" (as defined in the CMP Regulations 2018) and are Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investments Products.)]

1. Issuer: HSBC Bank plc
2. Tranche Number:  [The Warrants issued under these Final Terms are to be consolidated and form a single series with  (the "**Original Issue**") issued on  [(ISIN):
3. Settlement Currency:
- Aggregate Number of Warrants in the:
4. (i) Series:
- (ii) Tranche:
5. Face Value:  per Warrant
6. Issue Price:   per Warrant
7. (i) Issue Date:
- (ii) Trade Date:
8. Expiry Date:  [(or if such date is not a Business Day the immediately following day that is a Business Day)]
9. Type of Warrants:  [Index]  [Index Basket]  [Equity]  [Securities Basket]
10. Series represented by:  [Global Registered Warrant]  [Not Applicable]  [Warrants in definitive form  [will/will not] be issued.]
11. Form of Warrant:  [Uncertificated Registered Warrants]
- [Regulation S Global Registered Warrants]  [Definitive Registered Warrants]
12. Style of Warrants: The Warrants are European Style  [Call]  [Put] Warrants. Condition 4(a) (*Rights on Exercise – European Style Exercise*) is applicable.
13. (i) Automatic Exercise:  [Applicable]  [Not Applicable]
- (ii) Minimum Exercise Number:  Warrants

(iii) Permitted Multiple:  Warrants

**PROVISIONS RELATING TO CASH SETTLEMENT**

14. Method for determining the Cash Settlement Amount of each Warrant: [Protection Cash Settlement Put Warrant] [Growth Cash Settlement Call Warrant] [Capped Growth Cash Settlement Call Warrant] [Partially Protected Cash Settlement Put Warrant] [Conditional Growth Cash Settlement Call Warrant] [Conditional Capped Growth Cash Settlement Call Warrant] [Digital Cash Settlement Put Warrant] [Digital Cash Settlement Call Warrant]

15. Cash Settlement Date:  [or, if later, the fifth Business Day following the Exercise Date]

16. Provisions relating to the calculation of the Cash Settlement Amount:

(i) [Index]/[Index Basket]:  [The Index is a Multiple Exchange Index]

[Each of the indices specified in the table below:]

Index	Multiple Exchange Index
<input type="checkbox"/>	[Yes] [No]

[(each, an "Index" and together, the "Indices")]

(ii) [Weighting]: [Applicable] [Not Applicable]

Weighting	[Index] [Security]
<input type="checkbox"/>	<input type="checkbox"/>

(iii) [Security]/[Security Basket]

[The Security (the "Security") is:  (ISIN:[ ]) / [Depository Receipts of ] / [Units of an ETF, where the ETF is [*name of ETF*] and "Unit" means, in respect of the ETF, a share or notional unit of the ETF (as defined in the ETF Documents), the price of which is denominated in [ ]. [The Units represent undivided ownership interests in the portfolio of investments held by the ETF] [*delete if not applicable*]].]

[Each of the securities specified in the table below (each a "Security" and together the "Securities"):

Security	ISIN or Unit
<input type="checkbox"/> [Depository Receipts of <input type="checkbox"/> Units of [ <i>Name of ETF</i> ]]	[ISIN] ["Unit" means, in respect of the ETF, a share or notional unit of the ETF (as defined in the ETF Documents), the price of which is denominated in [ ]. [The Units represent undivided ownership interests in the portfolio of investments held by the ETF] [ <i>delete if not</i>

	<i>applicable</i> , "Underlying Index" means [ ].]
--	----------------------------------------------------

]

- (iv) Underlying Company(ies): [ ] [and with respect to the Underlying Securities [ ]] [The ETF]  
[Each of the following:]

Security	Underlying Company
[ ]/ [Unit of [Name of ETF]]	[ ]/ [Name of ETF]

- (v) Cap: [[ ] per cent.] [Not Applicable]
- (vi) Digital Amount: [[ ] per cent.] [Not Applicable]
- (vii) Participation: [[ ] per cent.] [Not Applicable]
- (viii) Protection Level: [[ ] per cent.] [Not Applicable]
- (ix) Relevant Performance: Final [Final Index Performance] [the weighted arithmetic average of the Final Index Performance of each constituent Index in the Basket]  
[Final Security Performance] [the weighted arithmetic average of the Final Security Performances of each constituent Securities in the Securities Basket]
- (x) Relevant Level: [Final Index Level] [Average Index Level] [Not Applicable]
- (xi) Relevant Price: [Final Security Price] [Average Security Price] [Not Applicable]
- (xii) Averaging Dates: [ ] [Not Applicable]
- (xiii) Averaging Date Market Disruption: [ ] [Omission] [Postponement] [Modified Postponement] [Not Applicable]
17. Provisions relating to the underlying Ind[ex] [ices]: [Applicable] [Not Applicable]
- (i) Index Sponsor(s): [ ]
- (ii) Index Rules: [ ] [Not Applicable]
- (iii) Exchange(s): [ ] [The Index is a Multiple Exchange Index]
- (iv) Related Exchange(s): [ ] [All Exchanges]
- (v) Initial Index Level: [ ] [The definition in Condition 1 (*Definitions*) applies]
- (vi) Strike Date: [ ]
- (vii) Final Valuation Date: [ ] [Not Applicable]
- (viii) Additional Disruption Event: [The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]] [Not Applicable]
- (ix) Index Substitution: [Applicable] [Not Applicable]

- (x) Alternative Pre-nominated Index:  [specify Alternative Pre-nominated Index details] [Not Applicable]

Underlying Index(ices)	Underlying Index(ices)	Underlying Index(ices)	Underlying Index(ices)	Underlying Index(ices)	Underlying Index(ices)	Underlying Index(ices)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- (xi) Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 9A(b) (*Consequences of a Benchmark Trigger Event*):  [3]

18. Provisions relating to the underlying Security:  [Applicable]  [Not Applicable]

- (i) Exchange(s):
- (ii) Related Exchange(s):  [All Exchanges]
- (iii) Initial Security Price:  [The definition in Condition 1(a) applies]
- (iv) Strike Date:
- (v) Final Security Price:  [The definition in Condition 1(a) applies] applies]
- (vi) Potential Adjustment Event: Condition 19(a) is  [Applicable]  [Not Applicable]
- (vii) Extraordinary Dividend (if other than as specified in the definition in Condition 1(a))
- (viii) Additional Potential Adjustment Event (for purposes of paragraph (viii) of the definition thereof)
- (ix) Extraordinary Event: Condition 19(b) is  [Applicable]  [Not Applicable]
- (x) Conversion: Condition 19(c) is  [Applicable]  [Not Applicable]  
(for Warrants relating to Government Bonds and debt securities only)
- (xi) Correction of prices: Condition 19(d) is  [Applicable]  [Not Applicable]
- (xii) Final Valuation Date:
- (xiii) Additional Disruption Event: [The following Additional Disruption Events apply:  [Change in Law]  [Hedging Disruption]  [Increased Cost of Hedging]  [Insolvency Filing]  [Not Applicable]

- (xiv) Substitution of Securities: [Applicable] [Not applicable]
19. Business Day: [ ]
20. Business Centre(s): [ ]
21. Valuation Time: [ ] [The definition in Condition 1 (*Definitions*) applies]
22. Payments:
- (i) Payment of Alternative Payment Currency Equivalent: [Applicable] [Not Applicable]
- Settlement Currency Jurisdiction: [ ]
  - Cross Currency: [ ]
  - Cross Currency Jurisdiction: [ ]
  - Alternative Payment Currency: [ ]
  - Alternative Payment Currency Jurisdiction: [ ]
  - Alternative Payment Currency Fixing Page: [ ]
  - Alternative Payment Currency Fixing Time: [ ]
  - Alternative Payment Currency Fixing Date: [ ] [Condition 1 (*Definitions*) applies] [[the relevant [jurisdictions/places] for the purposes of the Alternative Payment Currency Fixing Date are [ ]]
  - Additional Alternative Payment Currency Event: [ ] [Not Applicable]
  - Offshore RMB Centre: [Hong Kong] [Singapore] [Taiwan] [ ] [Not Applicable]
  - Alternative Pre-nominated Index: [ ] [*specify Alternative Pre-nominated Index details*] [Not Applicable]

- Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 9A(b) (*Consequences of a Benchmark Trigger Event*): [3] [ ]
- (ii) Price Source Disruption: [Applicable] [Not Applicable]
- FX Cut-off Date: [ ] [Condition 1 (*Definitions*) applies]
  - Number of local banking days for the purpose of postponing Relevant Payment Dates pursuant to Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*): [3] [ ]
  - Dealer Poll: [Applicable] [Not Applicable]
  - Unscheduled Holiday and Deferral Period: The number of Relevant Currency Business Days for the purpose of the definition of Unscheduled Holiday in Condition 1 (*Definitions*) is [ ] [and the number of calendar days for the purposes of the Deferral Period is [ ] [as per Condition 1 (*Definitions*)]]
- (iii) Specified Maximum Number of Disrupted Days: [ ] [Not Applicable] [The definition in Condition 1 (*Definitions*) applies]
- (iv) Termination following FX Disruption Event: [Applicable] [Not Applicable]
- (*Condition 5(g)(Y) (Exercise Procedure – Price Source Disruption and FX Disruption)*)
- (v) Early Termination Amount following FX Disruption Event or [ ] per cent. of the Calculation Amount [Fair Market Value] [Not Applicable]



Benchmark Trigger  
Event:

(Condition 5(g)(Y)  
(Exercise Procedure –  
Price Source Disruption  
and FX Disruption) or  
9A Consequences of a  
Benchmark Trigger  
Event)

23. Additional U.S. federal income tax considerations: [Not Applicable/give details] [The Warrants are [not] Section 871(m) Warrants for the purpose of Section 871(m).] [The [Dividend Withholding] [Issuer Withholding] approach shall apply to the Warrants. For further information, see "*Taxation – Other Taxation Matters – U.S. Withholding on Dividend Equivalent Payments*" in the Base Prospectus. [The following dividend equivalent amounts are to be treated as being reinvested during the term of the Warrants, less a withholding on such amounts at a rate of [ ] per cent. (as of the Issue Date), which shall be treated for U.S. federal income tax purposes as having been withheld from payments due to the holders of the Warrants: [ ]]. Additional information regarding the application of Section 871(m) to the Warrants will be available from the Issuer. Investors should submit any requests for additional information to the Issuer via their custodians.] *[The Warrants will not be Section 871(m) Warrants if they do not reference any U.S. equity or any index that contains any U.S. equity. Warrants that reference a U.S. equity or index that contains any U.S. equity are subject to additional testing on a trade-by-trade basis to determine whether they are Section 871(m) Warrants.]*

**CONFIRMED**

**HSBC BANK PLC**

By:  
*Authorised Signatory*

Date: .....

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: [Application [will be] [has been] made to admit the Warrants to listing on [the Official List of Euronext Dublin][and][the official list of the Borsa Italiana S.p.A.]. No assurance can be given as to whether or not, or when, such application will be granted.] [Not Applicable]
- (ii) Admission to trading: [The Original Issue was admitted to trading on the regulated market of the Euronext Dublin on [ ].] [Application [will be] [has been] made for the Warrants to be admitted to trading on [the regulated market of the Euronext Dublin][and][the Electronic Bond Market, being the regulated market of the Borsa Italiana S.p.A. ("MOT")]. No assurance can be given as to whether or not, or when, such application will be granted.] [Not Applicable]

### 2. REASONS FOR THE OFFER AND USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer and use of proceeds: [ ]
- (ii) Estimated net proceeds: [ ]
- (iii) Estimated total expenses: [ ]

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

[The Warrants may be on-sold by the Manager(s) to the Initial Authorised Offerors at a discount to the Issue Price of [up to] [•%]. Such discount (the "re-offer spread") will be retained by the Initial Authorised Offerors.]

[Save for [[fees payable]/[and]/[discount to the Issue Price offered] to the [Manager(s)/distributors in respect of the Warrants (the "Distributors")/[specify other]][and][[S/s]ave for the re-offer spread retained by the Initial Authorised Offerors], no person involved in the issue of the Warrants has, so far as the Issuer is aware, an interest material to the [issue/offer]. The [Manager(s)/Distributor(s)/[specify other]] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] /

[Save for any [[fees payable]/[and]/[discount to the Issue Price offered] to the [Manager(s)/distributors in respect of the Warrants [as of (or around the Issue Date)] (the "Distributors")/[specify other]], so far as the Issuer is aware, no person involved in the issue of the Warrants has an interest material to the issue. The [Manager(s)/Distributor(s)/[specify other]] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] /

[Not Applicable] [ ]

### 4. INFORMATION ABOUT THE UNDERLYING

Information on the past and future performance and volatility of the [Index] [Indices comprised in the Index Basket] [Security] [Securities comprised in the Securities Basket] can be obtained from [the following display pages on [ ] [Bloomberg (source: Bloomberg Financial Markets Service)]]

[the following website [•] [(Source: [•])]]. Such information can be obtained [free of charge/set out charging arrangements]]

5. **DISTRIBUTION**

- (i) If syndicated, name[s] of Manager[s] [and underwriting commitments (including, where not all of the issue is underwritten, a statement of the portion not covered)]:
- (ii) Date of subscription agreement:
- (iii) Indication of the overall amount of the underwriting commission and of the placing commission:  [Not Applicable]
6. If non-syndicated, name and address of Manager:
7. Public Offer:  [Applicable]  [Not Applicable]
- (i) [Details of the Public Offer: A public offer of this Tranche of Warrants may be made by the Managers [and ] ([together with the Managers,] the "**Initial Authorised Offeror[s]**") and any other Authorised Offerors published on the Issuer's website [www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20](http://www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20) in [Republic of Ireland] [France] [Italy] (the "**Public Offer Jurisdiction**") during the period from and including  until but excluding  (the "**Offer Period**").
- (ii) Conditions attached to the consent to use the Prospectus:  [Not Applicable]
8. Prohibition of Sales to EEA Retail Investors:  [Applicable/Not Applicable]
9. Prohibition of Sales to United Kingdom Retail Investors:  [Applicable/Not Applicable]
10. Selling restrictions, United States of America: 40-day Distribution Compliance Period:  [Applicable]  [Not Applicable]

**OPERATIONAL INFORMATION**

11. ISIN Code:  [Not Applicable]
12. Common Code:  [Not Applicable]
13. Valoren Number:  [Not Applicable]
14. SEDOL:  [Not Applicable]
15. Other identifier / code:  [Not Applicable]
16. Clearing System:  [Euroclear]  [Clearstream, Luxembourg]  [CREST]

17. Delivery: Delivery [against] [free of] payment
- (i) Authentication Agent/  
Warrant Registrar/Warrant  
Transfer Agent:  [HSBC Bank plc]
- (ii) Additional Warrant Agent(s)  
(if any):  [None]
18. Common Depository:  [HSBC Bank plc] [Not Applicable]
19. Principal Warrant Agent: [HSBC Bank plc]
20. Calculation Agent: [HSBC Bank plc] [HSBC Continental Europe]
21. Warrant Agent: [HSBC Bank plc]

**[TERMS AND CONDITIONS OF THE OFFER**

22. Offer Price: [Issue Price]
23. Total amount of the issue/offer; if the  
amount is not fixed, description of the  
arrangements and time for  
announcing to the public the  
definitive amount of the offer:  [Not Applicable]
24. The time period, including any  
possible amendments, during which  
the offer will be open:  [Not Applicable]
25. Conditions to which the offer is  
subject:  [Not Applicable]
26. Description of the application  
process:  [Not Applicable]
27. Description of possibility to reduce  
subscriptions and manner for  
refunding excess amount paid by  
applicants:  [Not Applicable]
28. Details of the minimum and/or  
maximum amount of application:  [Not Applicable]
29. Details of the method and time limits  
for paying up and delivering of the  
securities:  [Not Applicable]
30. Manner in and date on which results  
of the offer are to be made public:  [Not Applicable]
31. Procedure for exercise of any right of  
pre-emption, negotiability of  
subscription rights and treatment of  
subscription rights not exercised:  [Not Applicable]
32. Whether tranche(s) have been  
reserved for certain countries:  [Not Applicable]
33. Process for notification to applicants  
of the amount allotted and the

- indication whether dealing may begin before notification is made:
34. Amount of any expenses and taxes specifically charged to the subscriber or purchaser:  [Not Applicable]
35. Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:  [Not Applicable]
36. Name and address of any paying agents and depositary agents in each country:  [Not Applicable]
37. Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment:  [Not Applicable]

#### **BENCHMARKS**

38. Details of benchmarks administrators and registration under EU Benchmarks Regulation: *[specify benchmark]* is provided by *[administrator legal name]*. As at the date hereof, *[administrator legal name]* *[appears]/[does not appear]* in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. *[As far as the Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that [administrator legal name] is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).]**]/[Not Applicable]*

**ANNEX**  
**ADDITIONAL PROVISIONS NOT REQUIRED BY THE SECURITIES NOTE RELATING TO THE**  
**UNDERLYING**

**[The following [Index] [ETF] disclaimer[s] [is][are] applicable [in respect of the [ ] [Index] [ETF], as agreed between the [Index Sponsor[s]] [ ] and the Issuer]: [ ]].**

## **PART IV – INFORMATION RELATING TO UNDERLYING INDICES AND ETFs**

### **SECTION IV.1 – INDEX AND ETF DISCLAIMERS**

*This section sets out disclaimers which may be applicable in respect of an issue of Notes or Warrants which are linked to the performance of an Index or Security.*

#### **A. Index Disclaimers**

**Where a Series of Notes or Warrants relates to any Index and no specific statement is included in the Final Terms, the following statement will apply to such Series of Notes or Warrants.**

"Notes and Warrants issued by the Issuer are not sponsored, endorsed, sold or promoted by any index sponsor or the affiliates of any such index sponsor (collectively, the "**Publisher**"). The Publisher shall not be liable (whether as a result of negligence or otherwise) to any person for any error in the relevant index and the Publisher is under no obligation to advise any person of any error therein. The Publisher does not make any representation or warranty, express or implied, to the prospective investors or any member of the public regarding the advisability of investing in securities generally or in the Notes or Warrants particularly.

The Issuer shall have no liability to the Holders of the Notes or Warrants for any act or failure to act by any index sponsor in connection with the calculation, adjustment or maintenance of any index relating to the Notes or Warrants. The Issuer has no affiliation with or control over any index or any index sponsor or any control over the computation, composition or dissemination of any index. The only relationship the Publisher has with the Issuer is as licensee (the "**Licensee**") regarding the licensing of certain trademarks and trade names of the Publisher and of the relevant index which is determined, composed and calculated without regard to the Licensee or the Notes or Warrants. The Publisher is not responsible for and neither has participated in the determination of the timing of, prices at, or quantities of the Notes or Warrants to be offered or issued or in the determination or calculation of the equation by which the Notes or Warrants to be offered or issued are to be converted into cash or otherwise disposed of. The Publisher does not have any obligation or liability in connection with the administration, marketing or trading of the Notes or Warrants to be offered or issued.

Although the Issuer will obtain information concerning various indices from publicly available sources it believes reliable, it will not independently verify this information.

The provisions of this section are without prejudice to the responsibilities assumed by the Issuer in the Base Prospectus."

**Where a Series of Notes or Warrants relates to any of the indices specified below, a statement regarding such index will be included in an annex to the relevant Final Terms in or substantially in the form for such index set out below or in such other form as the Issuer may from time to time determine:**

#### **STATEMENTS REGARDING THE CAC 40 INDEX**

Euronext N.V. or its subsidiaries holds all (intellectual) proprietary rights with respect to the CAC 40 Index. Euronext N.V. or its subsidiaries do not sponsor, endorse or have any other involvement in the issue and offering of the Notes or the Warrants. Euronext N.V. and its subsidiaries disclaim any liability for any inaccuracy in the data on which the CAC 40 Index is based, for any mistakes, errors, or omissions in the calculation and/or dissemination of the CAC 40 Index, or for the manner in which it is applied in connection with the issue and offering thereof.

"CAC 40®" and "CAC®" are registered trademarks of Euronext N.V. or its subsidiaries.

#### **STATEMENTS REGARDING THE DAX® INDEX**

The DAX® Index (the "**Index**") is the intellectual property (including registered trademarks) of STOXX Ltd., Qontigo Index GmbH, or their licensors, and is used under a license. The Notes and Warrants are neither sponsored nor promoted, distributed or in any other manner supported by STOXX Ltd., Qontigo Index GmbH or their licensors, research partners or data providers and STOXX Ltd., Qontigo Index GmbH and their licensors, research partners or data providers do not give any warranty, and exclude any liability (whether in negligence or otherwise)

with respect thereto generally or specifically in relation to any errors, omissions or interruptions in the Index or its data.

#### **STATEMENTS REGARDING THE DOW JONES INDUSTRIAL AVERAGE INDEX**

The "**Dow Jones Industrial Average Index**" is a product of S&P Dow Jones Indices LLC or its affiliates ("**SPDJI**") and has been licensed for use by the Issuer. S&P®, S&P 500®, US 500, The 500, iBoxx®, iTraxx® and CDX® are trademarks of S&P Global, Inc. or its affiliates ("**S&P**"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("**Dow Jones**"). It is not possible to invest directly in an index. The Notes and Warrants are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, any of their respective affiliates (collectively, "**S&P Dow Jones Indices**"). S&P Dow Jones Indices does not make any representation or warranty, express or implied, to the Notesholders, Warrantholders, or any member of the public regarding the advisability of investing in securities generally or in the Notes or Warrants particularly or the ability of the Dow Jones Industrial Average Index to track general market performance. Past performance of an index is not an indication or guarantee of future results. S&P Dow Jones Indices' only relationship to the Issuer with respect to the Dow Jones Industrial Average Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The Dow Jones Industrial Average Index is determined, composed and calculated by S&P Dow Jones Indices without regard to the Issuer or the Notes or Warrants. S&P Dow Jones Indices has no obligation to take the needs of the Issuer or the Notesholders or Warrantholders into consideration in determining, composing or calculating the Dow Jones Industrial Average Index. S&P Dow Jones Indices has no obligation or liability in connection with the administration, marketing or trading of the Notes or Warrants. There is no assurance that investment products based on the Dow Jones Industrial Average Index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment adviser, commodity trading advisor, commodity pool operator, broker dealer, fiduciary, "promoter" (as defined in the Investment Company Act of 1940, as amended), "expert" as enumerated within 15 U.S.C. § 77k(a) or tax advisor. Inclusion of a security, commodity, crypto currency or other asset within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, commodity, crypto currency or other asset, nor is it considered to be investment advice or commodity trading advice.

S&P DOW JONES INDICES DOES NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE DOW JONES INDUSTRIAL AVERAGE INDEX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY THE ISSUER, THE NOTEHOLDERS OR WARRANTHOLDERS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES INDUSTRIAL AVERAGE INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. S&P DOW JONES INDICES HAS NOT REVIEWED, PREPARED AND/OR CERTIFIED ANY PORTION OF, NOR DOES S&P DOW JONES INDICES HAVE ANY CONTROL OVER, THE ISSUER'S PRODUCT REGISTRATION STATEMENT, PROSPECTUS OR OTHER OFFERING MATERIALS. THERE ARE NO THIRD-PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND THE ISSUER, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.

#### **STATEMENTS REGARDING THE EURO STOXX 50® INDEX**

The EURO STOXX 50® Index (the "**Index**") is the intellectual property (including registered trademarks) of STOXX Ltd., Qontigo Index GmbH, or their licensors, and is used under a license. The Notes and Warrants are neither sponsored nor promoted, distributed or in any other manner supported by STOXX Ltd., Qontigo Index GmbH or their licensors, research partners or data providers and STOXX Ltd., Qontigo Index GmbH and their licensors, research partners or data providers do not give any warranty, and exclude any liability (whether in



negligence or otherwise) with respect thereto generally or specifically in relation to any errors, omissions or interruptions in the Index or its data.

#### STATEMENTS REGARDING THE FTSE® 100 INDEX

The Notes and Warrants have been developed solely by the Issuer. The Notes and Warrants are not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "**LSE Group**"). FTSE Russell is a trading name of certain of the LSE Group companies.

All rights in the FTSE® 100 Index (the "**Index**") vest in the relevant LSE Group company which owns the Index. FTSE®, Russell® and FTSE Russell® are trade marks of the relevant LSE Group company and are used by any other LSE Group company under license.

The Index is calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Notes and Warrants. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Notes and Warrants or the suitability of the Index for the purpose to which it is being put by the Issuer.

#### STATEMENTS REGARDING THE HANG SENG INDEX

The Hang Seng Index (the "**Index**") is published and compiled by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The mark and name Hang Seng Index is proprietary to Hang Seng Data Services Limited. Hang Seng Indexes Company Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Index by the Issuer in connection with the Notes or Warrants (the "**Products**"), **BUT NEITHER HANG SENG INDEXES COMPANY LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON (i) THE ACCURACY OR COMPLETENESS OF THE INDEX AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (ii) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (iii) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO THE INDEX IS GIVEN OR MAY BE IMPLIED. THE PROCESS AND BASIS OF COMPUTATION AND COMPILATION OF THE INDEX AND ANY OF THE RELATED FORMULA OR FORMULAE, CONSTITUENT STOCKS AND FACTORS MAY AT ANY TIME BE CHANGED OR ALTERED BY HANG SENG INDEXES COMPANY LIMITED WITHOUT NOTICE. TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HANG SENG INDEXES COMPANY LIMITED OR HANG SENG DATA SERVICES LIMITED (i) IN RESPECT OF THE USE OF AND/OR REFERENCE TO THE INDEX BY THE ISSUER IN CONNECTION WITH THE PRODUCT; OR (ii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HANG SENG INDEXES COMPANY LIMITED IN THE COMPUTATION OF THE INDEX; OR (iii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF THE INDEX WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (iv) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON DEALING WITH THE PRODUCT AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED IN CONNECTION WITH THE PRODUCT IN ANY MANNER WHATSOEVER BY ANY BROKER, HOLDER OR OTHER PERSON DEALING WITH THE PRODUCT. ANY BROKER, HOLDER OR OTHER PERSON DEALING WITH THE PRODUCT DOES SO THEREFORE IN FULL KNOWLEDGE OF THIS DISCLAIMER AND CAN PLACE NO RELIANCE WHATSOEVER ON HANG SENG INDEXES COMPANY LIMITED AND HANG SENG DATA SERVICES LIMITED. FOR THE AVOIDANCE OF DOUBT, THIS DISCLAIMER DOES NOT CREATE ANY CONTRACTUAL OR QUASI-CONTRACTUAL RELATIONSHIP BETWEEN ANY BROKER, HOLDER OR OTHER PERSON AND HANG SENG INDEXES COMPANY**

**LIMITED AND/OR HANG SENG DATA SERVICES LIMITED AND MUST NOT BE CONSTRUED TO HAVE CREATED SUCH RELATIONSHIP.**

**STATEMENTS REGARDING THE IBEX 35 INDEX**

BME Market Data does not sponsor, promote, or in any way evaluate the advisability of investing in the Notes or Warrants and the authorisation granted to the Issuer for the use of IBEX 35® trademark does not imply any approval in relation with the information offered by the Issuer or with the usefulness or interest in the investment in the Notes or Warrants.

BME Market Data does not warrant in any case nor for any reason whatsoever: (a) the continuity of the composition of the IBEX 35® Index exactly as it is today or at any other time in the past; (b) the continuity of the method for calculating the IBEX 35® Index exactly as it is calculated today or at any other time in the past; (c) the continuity of the calculation, formula and publication of the IBEX 35® Index; (d) the precision, integrity or freedom from errors or mistakes in the composition and calculation of the IBEX 35® Index; or (e) the suitability of the IBEX 35® Index for the anticipated purposes for the Notes or Warrants.

The Issuer and/or holders of the Notes or the Warrants that use one or more Indices commercialised by BME Market Data acknowledge the rules governing the price formation of the instruments included in the relevant Indices as well as of the Indices itself, in accordance with the free concurrence of buy and sell orders in a neutral and transparent market, and undertake to respect them and refrain from any action non-compliant with them.

**STATEMENTS REGARDING THE KOSPI 200 INDEX**

"The **"KOSPI 200 Index"** is a product of S&P Dow Jones Indices LLC or its affiliates ("**SPDJI**") and The Korea Exchange and has been licensed for use by the Issuer. S&P®, S&P 500®, US 500, The 500, iBoxx®, iTraxx® and CDX® are trademarks of S&P Global, Inc. or its affiliates ("**S&P**"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("**Dow Jones**"); KRX and KOSPI are trademarks of The Korea Exchange and have been licensed for use by SPDJI and sublicensed for certain purposes by the Issuer. It is not possible to invest directly in an index. The Notes or Warrants are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, any of their respective affiliates (collectively, "**S&P Dow Jones Indices**") or The Korea Exchange. Neither S&P Dow Jones Indices nor The Korea Exchange make any representation or warranty, express or implied, to the owners of the Notes or Warrants or any member of the public regarding the advisability of investing in securities generally or in Notes or Warrants particularly or the ability of the KOSPI 200 Index to track general market performance. Past performance of an index is not an indication or guarantee of future results. S&P Dow Jones Indices' and The Korea Exchange's only relationship to the Issuer with respect to the KOSPI 200 Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The KOSPI 200 Index are determined, composed and calculated by S&P Dow Jones Indices or The Korea Exchange without regard to the Issuer or the Notes or Warrants. S&P Dow Jones Indices and The Korea Exchange have no obligation to take the needs of the Issuer or the owners of the Notes or the Warrants into consideration in determining, composing or calculating the KOSPI 200 Index. S&P Dow Jones Indices and The Korea Exchange have no obligation or liability in connection with the administration, marketing or trading of the Notes or the Warrants. There is no assurance that investment products based on the KOSPI 200 Index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment adviser, commodity trading advisor, commodity pool operator, broker dealer, fiduciary, "promoter" (as defined in the Investment Company Act of 1940, as amended), "expert" as enumerated within 15 U.S.C. § 77k(a) or tax advisor. Inclusion of a security, commodity, crypto currency or other asset within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, commodity, crypto currency or other asset, nor is it considered to be investment advice.

NEITHER S&P DOW JONES INDICES NOR THE KOREA EXCHANGE GUARANTEES THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE KOSPI 200 INDEX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES AND THE KOREA EXCHANGE SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES AND THE KOREA EXCHANGE MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY THE ISSUER, OWNERS

OF THE NOTES OR WARRANTS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE KOSPI 200 INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES OR THE KOREA EXCHANGE BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. S&P DOW JONES INDICES HAS NOT REVIEWED, PREPARED AND/OR CERTIFIED ANY PORTION OF, NOR DOES S&P DOW JONES INDICES HAVE ANY CONTROL OVER, THE NOTES OR WARRANTS REGISTRATION STATEMENT, PROSPECTUS OR OTHER OFFERING MATERIALS. THERE ARE NO THIRD-PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND THE ISSUER, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES."

#### **STATEMENTS REGARDING MSCI INDICES**

THIS FINANCIAL PRODUCT IS NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY MSCI INC. ("MSCI"), ANY AFFILIATE OF MSCI OR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES ARE SERVICE MARK(S) OF MSCI OR ITS AFFILIATES AND HAVE BEEN LICENSED FOR USE FOR CERTAIN PURPOSES BY THE ISSUER. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE OWNERS OF THIS FINANCIAL PRODUCT OR ANY MEMBER OF THE PUBLIC REGARDING THE ADVISABILITY OF INVESTING IN FINANCIAL SECURITIES GENERALLY OR IN THIS FINANCIAL PRODUCT PARTICULARLY OR THE ABILITY OF ANY MSCI INDEX TO TRACK CORRESPONDING STOCK MARKET PERFORMANCE. MSCI OR ITS AFFILIATES ARE THE LICENSORS OF CERTAIN TRADEMARKS, SERVICE MARKS AND TRADE NAMES AND OF THE MSCI INDEXES WHICH ARE DETERMINED, COMPOSED AND CALCULATED BY MSCI WITHOUT REGARD TO THIS FINANCIAL PRODUCT OR THE ISSUER OR OWNER OF THIS FINANCIAL PRODUCT. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX HAS ANY OBLIGATION TO TAKE THE NEEDS OF THE ISSUER OR OWNERS OF THIS FINANCIAL PRODUCT INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE MSCI INDEXES. NEITHER MSCI, ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX IS RESPONSIBLE FOR OR HAS PARTICIPATED IN THE DETERMINATION OF THE TIMING OF, PRICES AT, OR QUANTITIES OF THIS FINANCIAL PRODUCT TO BE ISSUED OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY WHICH THIS FINANCIAL PRODUCT IS REDEEMABLE FOR CASH. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, THE MAKING OR COMPILING ANY MSCI INDEX HAS ANY OBLIGATION OR LIABILITY TO THE OWNERS OF THIS FINANCIAL PRODUCT IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR OFFERING OF THIS FINANCIAL PRODUCT.

ALTHOUGH MSCI SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE MSCI INDEXES FROM SOURCES WHICH MSCI CONSIDERS RELIABLE, NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO MAKING OR COMPILING ANY MSCI INDEX WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR THE COMPLETENESS OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, LICENSEE'S CUSTOMERS OR COUNTERPARTIES, THE ISSUER, OWNERS OF THE FINANCIAL SECURITIES, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE RIGHTS LICENSED HEREUNDER OR FOR ANY OTHER USE. NEITHER MSCI, ANY OF ITS AFFILIATES OR ANY OTHER PARTY INVOLVED IN, NOR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. FURTHER, NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, AND MSCI, ANY OF ITS AFFILIATES AND ANY

OTHER PARTY INVOLVED IN, OR RELATED TO MAKING OR COMPILING ANY MSCI INDEX HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY MSCI INDEX AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL MSCI, ANY OF ITS AFFILIATES OR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

No purchaser, seller or holder of a security, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this product without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

#### **STATEMENTS REGARDING THE NASDAQ 100 INDEX**

Neither the Notes nor the Warrants are sponsored, endorsed, sold or promoted by Nasdaq, Inc. or its affiliates (Nasdaq, with its affiliates, are referred to as the "**Corporations**"). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Notes or the Warrants. The Corporations make no representation or warranty, express or implied to the owners of the Notes or the Warrants or any member of the public regarding the advisability of investing in securities generally or in the Notes or the Warrants particularly, or the ability of the NASDAQ 100 Index to track general stock market performance. The Corporations' only relationship to the Issuer ("**Licensee**") is in the licensing of the NASDAQ® and NASDAQ Index registered trademarks and certain trade names of the Corporations and the use of the NASDAQ 100 Index which is determined, composed and calculated by Nasdaq without regard to the Licensee or the Notes or the Warrants. Nasdaq has no obligation to take the needs of the Licensee or the owners of the Notes or the Warrants into consideration in determining, composing or calculating the NASDAQ 100 Index. The Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Notes or the Warrants to be issued or in the determination or calculation of the equation by which the Notes or the Warrants are to be converted into cash. The Corporations have no liability in connection with the administration, marketing or trading of the Notes or the Warrants.

**THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE NASDAQ 100 INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF NOTES OR WARRANTS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE NASDAQ 100 INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE NASDAQ 100 INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.**

#### **STATEMENTS REGARDING THE NIKKEI INDEX**

The Nikkei Stock Average (the "**Index**") is the intellectual property of Nikkei Inc. (the "**Index Sponsor**"). "Nikkei", "Nikkei Stock Average", and "Nikkei 225" are the service marks of Nikkei Inc. Nikkei Inc. reserves all the rights, including copyright, to the Index.

The Notes or the Warrants are not in any way sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor does not make any warranty or representation whatsoever, express or implied, either as to the results to be obtained as to the use of the Index or the figure at which the Index stands at any particular day or otherwise. The Index is compiled and calculated solely by the Index Sponsor. However, the Index Sponsor shall not be liable to any person for any error in the Index and the Index Sponsor shall not be under any obligation to advise any person, including a purchaser or holder of the Notes or the Warrants, of any error therein.

In addition, the Index Sponsor gives no assurance regarding any modification or change in any methodology used in calculating the Index and is under no obligation to continue the calculation, publication and dissemination of the Index.

#### **STATEMENTS REGARDING THE RUSSELL 2000 INDEX**

The Notes and Warrants have been developed solely by the Issuer. The Notes and Warrants are not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "**LSE Group**"). FTSE Russell is a trading name of certain of the LSE Group companies.

All rights in the Russell 2000 Index (the "**Index**") vest in the relevant LSE Group company which owns the Index. FTSE®, Russell® and FTSE Russell® are trade marks of the relevant LSE Group company and are used by any other LSE Group company under license.

The Index is calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Notes and Warrants. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Notes and Warrants or the suitability of the Index for the purpose to which it is being put by the Issuer.

#### **STATEMENTS REGARDING THE S&P 500 INDEX**

The "**S&P 500® Index**" is a product of S&P Dow Jones Indices LLC or its affiliates ("**SPDJ**") and has been licensed for use by the Issuer. S&P®, S&P 500®, US 500, The 500, iBoxx®, iTraxx® and CDX® are trademarks of S&P Global, Inc. or its affiliates ("**S&P**"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("**Dow Jones**"). It is not possible to invest directly in an index. The Notes and Warrants are not sponsored, endorsed, sold or promoted by SPDJ, Dow Jones, S&P, any of their respective affiliates (collectively, "**S&P Dow Jones Indices**"). S&P Dow Jones Indices does not make any representation or warranty, express or implied, to the Notesholders, Warrantholders, or any member of the public regarding the advisability of investing in securities generally or in the Notes or Warrants particularly or the ability of the S&P 500® Index to track general market performance. Past performance of an index is not an indication or guarantee of future results. S&P Dow Jones Indices' only relationship to the Issuer with respect to the S&P 500® Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The S&P 500® Index is determined, composed and calculated by S&P Dow Jones Indices without regard to the Issuer or the Notes or Warrants. S&P Dow Jones Indices has no obligation to take the needs of the Issuer or the Noteholders or Warrantholders into consideration in determining, composing or calculating the S&P 500® Index. S&P Dow Jones Indices has no obligation or liability in connection with the administration, marketing or trading of the Notes or Warrants. There is no assurance that investment products based on the S&P 500® Index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment adviser, commodity trading advisor, commodity pool operator, broker dealer, fiduciary, "promoter" (as defined in the Investment Company Act of 1940, as amended), "expert" as enumerated within 15 U.S.C. § 77k(a) or tax advisor. Inclusion of a security, commodity, crypto currency or other asset within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, commodity, crypto currency or other asset, nor is it considered to be investment advice or commodity trading advice.

S&P DOW JONES INDICES DOES NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE S&P 500® INDEX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY THE ISSUER, THE NOTEHOLDERS OR WARRANTHOLDERS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P 500® INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS,

TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. S&P DOW JONES INDICES HAS NOT REVIEWED, PREPARED AND/OR CERTIFIED ANY PORTION OF, NOR DOES S&P DOW JONES INDICES HAVE ANY CONTROL OVER, THE ISSUER'S PRODUCT REGISTRATION STATEMENT, PROSPECTUS OR OTHER OFFERING MATERIALS. THERE ARE NO THIRD-PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND THE ISSUER, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.

#### **STATEMENTS REGARDING THE TWSE CAPITALIZATION WEIGHTED STOCK INDEX (TAIEX)**

TAIEX, Taiwan Stock Exchange Capitalization Weighted Stock Index, is the registered service / trademark owned by, and proprietary to Taiwan Stock Exchange Corporation ("TWSE"). Any unauthorized use of TAIEX is strictly prohibited. All information provided is for information purposes only and no warranty is made as to its fitness for purpose, satisfactory quality or otherwise. Every effort has been made to ensure that all information given is accurate, but no responsibility or liability (including in negligence) can be accepted by TWSE for errors or omissions or for any losses arising from the use of this information.

#### **B. ETF Disclaimers**

**Where a Series of Notes relates to any exchange-traded fund, a statement will be included in an annex to the relevant Final Terms in or substantially in the form set out below:**

"Notes issued by the Issuer are not sponsored, endorsed, sold or promoted by any ETF, any ETF manager or the affiliates of any such ETF or ETF manager (collectively, the "**Publisher**"). The Publisher shall not be liable (whether as a result of negligence or otherwise) to any person for any error in any information relating to such ETF and the Publisher is under no obligation to advise any person of any error therein. The Publisher does not make any representation or warranty, express or implied, to the prospective investors or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly.

The Issuer shall have no liability to the Holders of the Notes for any act or failure to act by any ETF or ETF manager in connection with the management of such ETF or the computation, composition or dissemination of any data produced by any ETF or ETF manager relevant to the Notes. The Issuer has no affiliation with or control over any ETF or ETF manager or any control over the computation, composition or dissemination of any data produced by any ETF or ETF manager or the management processes of any ETF. The only relationship the Publisher has with the Issuer is as licensee (the "**Licensee**") regarding the licensing of certain trademarks and trade names of the Publisher. The Publisher is not responsible for and neither has participated in the determination of the timing of, prices at, or quantities of the Notes to be offered or issued or in the determination or calculation of the equation by which the Notes to be offered or issued are to be converted into cash or otherwise disposed of. The Publisher does not have any obligation or liability in connection with the administration, marketing or trading of the Notes to be offered or issued.

Although the Issuer will obtain information concerning various ETFs or ETF managers from publicly available sources it believes reliable, it will not independently verify this information.

The provisions of this section are without prejudice to the responsibilities assumed by the Issuer in this Base Prospectus."

**Where a Series of Warrants relates to any exchange-traded fund, a statement will be included in an annex to the relevant Final Terms in or substantially in the form set out below:**

"Warrants issued by the Issuer are not sponsored, endorsed, sold or promoted by any ETF, any ETF manager or the affiliates of any such ETF or ETF manager (collectively, the "**Publisher**"). The Publisher shall not be liable (whether as a result of negligence or otherwise) to any person for any error in any information relating to such ETF and the Publisher is under no obligation to advise any person of any error therein. The Publisher does not make any representation or warranty, express or implied, to the prospective investors or any member of the public regarding the advisability of investing in securities generally or in the Warrants particularly.

The Issuer shall have no liability to the Holders of the Warrants for any act or failure to act by any ETF or ETF manager in connection with the management of such ETF or the computation, composition or dissemination of

Part IV – Information Relating to Underlying Indices  
Section IV.1 – Index and ETF Disclaimers

any data produced by any ETF or ETF manager relevant to the Warrants. The Issuer has no affiliation with or control over any ETF or ETF manager or any control over the computation, composition or dissemination of any data produced by any ETF or ETF manager or the management processes of any ETF. The only relationship the Publisher has with the Issuer is as licensee (the "**Licensee**") regarding the licensing of certain trademarks and trade names of the Publisher. The Publisher is not responsible for and neither has participated in the determination of the timing of, prices at, or quantities of the Warrants to be offered or issued or in the determination or calculation of the equation by which the Warrants to be offered or issued are to be converted into cash or otherwise disposed of. The Publisher does not have any obligation or liability in connection with the administration, marketing or trading of the Warrants to be offered or issued.

Although the Issuer will obtain information concerning various ETFs or ETF managers from publicly available sources it believes reliable, it will not independently verify this information.

The provisions of this section are without prejudice to the responsibilities assumed by the Issuer in this Base Prospectus."

## Index of Defined Terms

*This section indicates where terms used in this Base Prospectus have been defined.*

£ x	Aggregate Outstanding Nominal Amount	145, 233, 321
¥ x	Aggregate Outstanding Nominal Amount Rounding	117, 118
€ x, 157, 244, 333, 503	Alternative English Law Conditions	1
€STR.....	Alternative English Law Conditions Notes.....	8
2019 Conditions.....	Alternative Exchange	145, 155, 233, 243, 321, 331, 498, 501
2019 Note Conditions.....	Alternative Payment Cross Currency Rate	145, 233, 321, 498
2019 Warrant Conditions.....	Alternative Payment Currency	21, 145, 233, 321, 498
2020 Conditions.....	Alternative Payment Currency Equivalent	145, 233, 321, 498
2020 Note Conditions.....	Alternative Payment Currency Exchange Rate	146, 233, 322, 498
2020 Warrant Conditions.....	Alternative Payment Currency Fixing Date	146, 234, 322, 499
2021 Conditions.....	Alternative Payment Currency Fixing Page	146, 234, 322, 499
2021 Final Terms.....	Alternative Payment Currency Fixing Time	146, 234, 322, 499
2021 HBEU Annual Report and Accounts.....	Alternative Payment Currency Jurisdiction	147, 234, 323, 499
2021 ISDA Definitions.....	Alternative Pre-nominated Index	147, 234, 323, 499
2021 Note Conditions.....	Alternative Representative.....	305
2021 Warrant Conditions.....	AMF.....	135, 487
2022 Conditions.....	Amounts Due.....	318
2022 Final Terms.....	Applicable Benchmark.....	147, 323
2022 HBEU Annual Report and Accounts.....	Applicable Period.....	187, 274, 365
2022 Note Conditions.....	ARRC Fallbacks.....	194
2022 Prospectus.....	Asset Management Tax.....	57
2022 Warrant Conditions.....	atypical securities.....	58
2023 Prospectus.....	AUD.....	175, 262, 352
2024 Prospectus.....	Authorised Offeror.....	vii
30/360.....	Autocall Averaging End Date.....	148, 236, 324
30E/360.....	Autocall Averaging Period.....	148, 236, 324
30E/360 (ISDA).....	Autocall Averaging Start Date.....	148, 236, 324
360/360.....	Autocall Observation End Date.....	172, 260, 350
A/360.....	Autocall Observation Period.....	172, 260, 350
A/365 (Fixed).....	Autocall Observation Start Date.....	172, 260, 350
A/365F.....	Automatic Early Redemption Amount	147, 235, 323
Account Holders.....	Automatic Early Redemption Date(s)	147, 235, 323
Accountholder.....	Automatic Early Redemption Event	113, 147, 235, 323
accredited investor.....	Automatic Early Redemption Percentage	113, 147, 235, 323
Accredited Investor.....	Automatic Early Redemption Rate	113, 147, 235, 323
accredited investors.....	Automatic Early Redemption Valuation Date	147, 323
Act/360.....	Automatic Early Redemption Valuation Dates(s)	235
Act/365 (Fixed).....	Average Basket.....	80
Act/Act.....		
Act/Act (ICMA).....		
Act/Act (ISDA).....		
Actual/360.....		
Actual/365 (Fixed).....		
Actual/365 (Sterling).....		
Actual/Actual.....		
Actual/Actual (ICMA).....		
Actual/Actual (ISDA).....		
Additional Disruption Event.....		
Additional Information regarding Offshore RMB		
Administrator/Benchmark Event.....		
Affected Instrument.....		
Affected Relevant Benchmark		
Affected Unit(s).....		
Agents.....		



Average Basket – Highest Observation Date	148, 235, 324
Average Basket – Lowest Observation Date	148, 235, 324
Average Index Level	499
Average Level	77, 178, 266, 355
Average Price	77, 178, 266, 356
Average Security Price	499
Averaging Date	499
Averaging Date Market Disruption	224, 311, 403, 533
Averaging Date(s)	148, 236, 324
Averaging Dates	468
Averaging Index Level	500
Averaging Period	148, 236, 324
Averaging Security Price	500
Bail-In Legislation	318
Banking Act	9
Barrier	82
Barrier Event	84, 87, 91, 93, 95, 149, 236, 325
Barrier Level	83, 84, 87, 91, 93, 95, 149, 237, 325
Barrier Observation Method	149, 237, 325
Barrier <b>Valuation Date</b>	82, 149, 237, 325
Barrier Valuation Dates	82
Barrier Valuation Period	150, 238, 326
Barrier Valuation Period End Date	150, 238, 326
Barrier Valuation Period Start Date	150, 238, 326
Base Prospectus	1
Basket	150, 238, 326, 478, 500
Basket of Indices	72
Basket of Securities	72, 467
Basket of Underlyings	72, 467
BBR	150, 238, 326
Bearer Notes	180, 358
Belgian Consumer	134, 487
Benchmark Trigger Event	19, 150, 238, 326, 500
Bermudan	82, 149, 236, 237, 325
Best of Basket	160, 164, 165, 169, 170, 247, 256, 258, 336, 337, 346, 347
Best Of Basket	79
Best Performing Index	150, 238, 326
Best Performing Security	150, 238, 326
BITC 1992	53
Bond Basis	154, 242, 330
bridge institution	10
BRRD	9
Business Centre	500
Business Centre(s)	150, 238, 326
Business Day	150, 238, 326, 500
Business Day Convention	151, 238, 327
C(WUMP)O	137, 489
Calculation Agent	144, 232, 320, 497
Calculation Amount	116, 151, 239, 327
Calculation Period	153, 241, 329
Call Warrant	474, 479, 481
Cap	84, 87, 95, 97, 100, 105, 109, 111, 151, 239, 327, 500
Capped Call Warrant	475, 480
Cash Settlement Amount	467, 500, 524
Cash Settlement Date	500
Central Bank	1
Change in Law	17, 151, 239, 327, 500
CHF	175, 262, 352
CISA	140, 493
Clearing System	152, 239, 328, 501
Clearing System Business Day	152, 240, 328, 501
Clearing System Currency Eligibility Event	21
Clearing System Currency Eligibility Event	152
Clearing System Currency Eligibility Event	240
Clearing System Currency Eligibility Event	328
Clearing System Currency Eligibility Event	501
Clearstream	268
Clearstream, Luxembourg	1, 152, 240, 328, 501
closed day	146, 234, 322, 499
Closing Level	75, 152, 240, 328
Closing Price	75, 152, 240, 328
CMP Regulations 2018	413, 442, 542
CNY	x
Collective Decisions	305
Collective Investment Fund Substitute Tax	57
Common Code	68
Common Depository	129
Companies Act	68
Component Security	152, 240, 328, 501
Computershare Agency Agreement	144, 320, 497
Conditional Protection Percentage	86, 93, 94, 152, 240, 328
Conditionsx	5, 144, 232, 320, 411, 412, 440, 441, 497, 540, 541
CONSOB	135, 487
Conversion	152, 240, 328, 501
Corporations	559
Corresponding Tenor	198, 285, 375
Coupon Trigger Amount	120, 152, 240, 328
Coupon Trigger Averaging End Date	148, 236, 324
Coupon Trigger Averaging Period	148, 236, 324
Coupon Trigger Averaging Start Date	148, 236, 324
Coupon Trigger Event	72, 152, 240, 328
Coupon Trigger Level	120, 153, 240, 328
Coupon Trigger Observation End Date	172, 260, 350
Coupon Trigger Observation Period	172, 260, 350
Coupon Trigger Observation Start Date	172, 260, 350
Coupon Trigger Payment Date	153, 240, 328
Coupon Trigger Rate	120, 153, 240, 328
Coupon Trigger Recovery Event	73, 153, 240, 329
Coupon Trigger Recovery Level	153, 241, 329
Coupon Trigger Valuation Date	153, 241, 329
Couponholders	144, 320
Coupons	144, 320
CREST	1, 153, 329, 501
CREST Registrar	144, 320, 497
Cross Currency	153, 241, 329, 501
Cross Currency Jurisdiction	153, 241, 329, 501
d	187, 274, 365
D	345
d <sub>0</sub>	187, 274, 365
D <sub>1</sub>	330, 331
D <sub>2</sub>	330, 331

Daily .....	82, 149, 150, 236, 237, 325, 326
Day Count Fraction .....	116, 153, 241, 329
Dealer .....	vi, 144, 232, 320
Dealers .....	144, 232, 320
Decree No. 239 .....	55
Decree No. 252 .....	57
Decree No. 461 .....	56
Decree No. 58 .....	135, 487
Decree no. 917 .....	55
Deed of Covenant .....	144, 320
Deferral Period	155, 215, 243, 301, 331, 393, 501, 523
Definitive Bearer Notes .....	129
Definitive Notes .....	180, 358
Definitive Registered Notes .....	131
Definitive Registered Warrants .....	517
Delisting .....	155, 243, 331, 501
Deposit Agreement .....	155, 243, 331, 501
Depository .....	155, 243, 331, 501
Depository Receipt(s) .....	155, 243, 331, 501
Derivative Component .....	331
Derivative Component Market Value .....	331
designee .....	196, 283, 373
DFSA .....	133, 485
Digital Amount .....	502
Digital Coupon .....	152, 240, 328
Digital Return Percentage	92, 94, 101, 106, 108, 155, 243
Digital Return Percentage .....	331
Dispute .....	231, 319, 410, 539
Disrupted Day .....	155, 243, 331, 502
Disrupted Day Related Payment Date	156, 243, 332
dividend equivalent .....	65
Domestic Investor .....	138, 490
DR-Linked Notes .....	156, 243, 332
DR-Linked Warrants .....	502
Early Closure .....	156, 244, 332, 502
Early Redemption Amount .....	156, 244, 332
Early Redemption Date .....	218, 396
Early Redemption for Autocallable Notes .....	72
Early Redemption Valuation Date .....	333
EEA .....	1, 412, 441, 541
EEA Member State .....	134, 486
Effective Interest Payment Date ...	187, 274, 365
Electronic Consent .....	307
EMU Event .....	156, 244, 333, 502
English Law Notes .....	1
Equity-Linked Notes .....	1, 156, 244, 333
Equity-Linked Warrants .....	1, 502
ETF .....	156, 244, 333, 502
ETF Adviser .....	156, 244, 333, 502
ETF Documents .....	156, 244, 333, 502
EU Benchmarks Regulation .....	2, 19
EU CRA Regulation .....	2
EU Prospectus Regulation	1, 133, 134, 135, 411, 412, 440, 441, 486, 487, 540, 541
EUR .....	x, 157, 175, 244, 262, 333, 352, 503
EURIBOR .....	18, 157, 244, 333
euro .....	x, 157, 244, 333, 503
Euro .....	x, 157, 244, 333, 503
Euro Business Day .....	157, 244, 333, 503
Euro Exchange Date .....	157, 333
Euro Exchange Notice .....	157, 334
Eurobond Basis .....	154, 242, 330
Euroclear .....	1, 157, 244, 268, 333, 503
Euroclear France .....	1, 244, 268
Eurodollar Convention .....	151, 239, 327
Euronext Dublin .....	1
European .....	82, 149, 236, 237, 325
European Style .....	519
EUWA .....	2, 412, 441, 494, 541
Event of Default .....	3, 4, 217, 304, 396
Exchange .....	157, 245, 334, 503
Exchange Business Day .....	157, 245, 334, 503
exchange date .....	157, 334
Exchange Disruption .....	157, 245, 334, 503
exercise .....	520
Exercise Date .....	503
Exercise Notice .....	503
Expiry Date .....	467, 504
Extraordinary Dividend .....	157, 245, 334, 504
Extraordinary ETF Event .....	158, 245, 334, 504
Extraordinary Event .....	159, 247, 336, 506
Extraordinary Fund Event .....	27
F 345	
Face Value .....	472, 473, 506
Fair Market Value .....	159, 247, 336, 506
Fallback Reference Price .....	214, 301, 392
Fall-Back Reference Price .....	522
FATCA withholding .....	299
FCA .....	2
FCA LIBOR Announcement .....	19
Fed Recommended Rate .....	194, 281, 372
Federal Reserve Board .....	196, 373
Fee Component .....	336
FIEA .....	137, 490
Final Index Basket Level .....	159, 247, 336
Final Index Level .....	160, 247, 336, 478, 506
Final Index Performance .....	160, 247, 336, 506
Final Performance Averaging Period	148, 236, 324
Final Performance Observation Period	172, 260, 350
Final Redemption Amount	71, 161, 202, 249, 289, 338, 380
Final Securities Basket Price .....	160, 248, 337
Final Security Performance .....	160, 248, 506
Final Security Price .....	161, 249, 338, 506
Final Terms .....	1, 71, 144, 232, 320, 467, 497
Final Valuation Averaging End Date	148, 236, 324
Final Valuation Averaging Start Date	148, 236, 324
Final Valuation Date .....	161, 249, 338, 507
Final Valuation Observation End Date	172, 260, 350
Final Valuation Observation Start Date	172, 260, 350
FINMA .....	140, 493
FinSA .....	140, 413, 442, 493, 542
FinSO .....	140, 413, 442, 493, 542
First Barrier Valuation Date .....	91
Fitch .....	2
Fixed Coupon Amounts .....	116

Fixed Rate Note .....	161, 249, 338	Income Tax Act .....	47
Fixed Rate Note provisions .....	72	Inconvertibility.....	162, 250, 339, 508
Fixed Rate Notes .....	37	Increased Cost of Hedging.....	17, 162, 250, 508
Fixed/Floating Rate Notes .....	161, 249, 338	Index.....	72, 163, 250, 339, 429, 457, 467, 473, 508, 543, 554, 556, 559, 560
Floating Rate Convention.....	151, 239, 327	Index Basket .....	163, 250, 339, 508
Floating Rate Note.....	161, 249, 338	Index Baskets.....	163, 250, 339, 508
Floating Rate Note Provisions.....	72	Index Cancellation .....	227, 313, 405, 535
Floating Rate Option .....	162, 249, 338	Index Cancellation Notice.....	227, 313, 405, 535
Following Business Day Convention.....	151, 238, 327	Index Cessation Effective Date.....	340
FOMC Target Rate .....	195, 282	Index Cessation Event.....	163, 250, 508
Force Majeure.....	338	Index Modification.....	226, 313, 405, 534
foreign passthru payments.....	65	Index Rules .....	164, 252, 341, 509
French FTT .....	29	Index Sponsor .....	164, 252, 341, 509, 559
French Law Conditions .....	1	Index Substitution Notice .....	164, 252, 341, 510
French Law Notes.....	1	Index-Linked Notes .....	1, 164, 252, 341
French Note Agency Agreement .....	232	Index-Linked Warrants .....	1, 509
French Qualifying Securities .....	29	Indices... ..	163, 250, 339, 429, 457, 467, 508, 543
FRN Convention.....	151, 239, 327	Initial Authorised Offeror[s] .....	436, 463, 550
FS Act.....	137, 489	Initial Index Basket Level.....	164, 252, 341
FSA.....	137, 489	Initial Index Level.....	164
FSMA .....	2, 412, 441, 495, 541	Initial Index Level.....	252
Fund.....	57	Initial Index Level.....	341
Funds .....	57	Initial Index Level.....	510
FX Cut-off Date.....	215, 249, 301, 393, 523	Initial Representative .....	305
FX Disruption Event.....	162, 249, 338, 507	Initial Securities Basket Price .....	165, 252, 341
FX Disruption Relevant Currency.....	162, 249, 338, 507	Initial Security Price .....	165, 252, 341, 510
GBP .....	x, 175, 263, 352	in-scope securities.....	30
General English Law Conditions.....	1	Insolvency.....	165, 252, 341, 510
General Meeting .....	306	Insolvency Filing .....	18, 165, 253, 341, 510
Global Note .....	129	Insurance Distribution Directive.....	1, 133, 412, 441, 486, 541
Global Registered Notes .....	131	interest.....	48
Global Registered Warrants.....	517	Interest .....	55
Government Bond.....	162, 250, 339, 507	Interest Amount.....	72, 116, 126, 127, 200, 287, 377
Government Bonds .....	162, 250, 339, 507	Interest Commencement Date.....	116, 165, 253, 342
Governmental Authority.....	162, 249, 338, 507	Interest Determination Date .....	165, 253, 342
Green Assets.....	39	Interest Payment Date .....	165, 253, 342
<b>Green Notes</b> .....	38	Interest Payment Dates .....	116
HBCE 2021 Universal Registration Document.....	41	Interest Period.....	116, 165, 253, 342
HBCE 2022 Universal Registration Document.....	41	Intermediaries .....	56
HBEU .....	i, 232	Intermediary.....	56
Hedging Disruption .....	17, 162, 250, 507	Investor's Currency .....	22
Highest Level.....	75, 177, 265, 355	IRAP .....	62
Highest Price .....	75, 178, 266, 355	IRC.....	165, 253, 342, 510
Highest Value (Structured).....	339	ISDA.....	165, 253, 342
Highest Value (Vanilla).....	339	ISDA Definitions ..	166, 196, 253, 283, 342, 373
HK\$ .....	x	ISDA Fallback Adjustment.....	196, 283, 374
HKD .....	x	ISDA Fallback Rate .....	196, 283, 374
HMRC .....	46	ISDA Rate.....	185, 271, 362
Holder .....	181, 268, 359, 507, 518	ISIN.....	68
holder of any Note .....	268	Issue Agent .....	144, 320, 497
holder of Notes .....	268	Issue Date.....	166, 253, 342, 510
Holders .....	180, 358	Issue Specific Summary.....	8
Hong Kong .....	x	Issuer.....	144, 320, 497
Hong Kong dollars.....	x	Issuing and Paying Agency Agreement.....	144, 232, 320
i .....	187, 274, 365	Italian FTT .....	29
IGA.....	65	Italian FTT on Derivatives.....	29
Illiquidity .....	162, 250, 339, 507	Italian FTT on Shares.....	30
Inclusive .....	149, 236		
Inclusive Barrier .....	325		

Italian Notes.....	166, 253, 342	Master Warrant Issuance Agreement .....	497
Italian Stock Exchange .....	166, 253, 342, 510	Maturity Date ..	71, 167, 202, 255, 289, 345, 380
Italian Warrants .....	510	Maximum Interest Rate.....	118, 167, 255, 345
Japanese Yen .....	x	Merger Event .....	167, 168, 255, 345, 511
JPY .....	x	MiFID II.....	1, 133, 412, 441, 486, 541
Law Decree No. 124.....	56	Minimum Exercise Number.....	511, 524
Law No. 145 .....	56	Minimum Interest Rate .....	168, 255, 345
Law No. 178 .....	56	Minimum Interest Rate'.....	118
Law No. 232 .....	56	Minimum Redemption Percentage	99, 101, 110, 111, 168, 255, 345
LEI.....	69	Minimum Return Percentage .....	168, 255, 345
Licensee.....	554, 559, 561, 562	Modified Business Day Convention	151, 238, 327
Limit Valuation Date	17, 166, 223, 226, 253, 310, 312, 342, 401, 404, 510, 532, 534	Modified Following Business Day Convention	151, 238, 327
local banking day.....	166, 253, 342, 510	Modified Postponement .....	225, 312, 403, 533
Lock-In Coupon Averaging End Date	148, 172, 236, 260, 324, 350	Monetisation Amount .....	345
Lock-In Coupon Averaging Period	148, 172, 236, 260, 324, 350	Moody's.....	2
Lock-In Coupon Averaging Start Date	148, 172, 236, 260, 324, 350	MOT .....	1, 47, 69, 435, 462, 497, 549
Lock-In Coupon Event .....	72, 166, 254, 342	MSCI.....	558
Lock-In Coupon Level.....	166, 254, 342	Multiple Exchange Index .....	168, 256, 345, 511
Lock-In Coupon Observation End Date	172, 260, 350	Multiple Exchange Index-Linked Notes	168, 256, 345
Lock-In Coupon Observation Period	172, 260, 350	Multiple Exchange Index-Linked Warrants..	511 n 345
Lock-In Coupon Observation Start Date	172, 260, 350	National Currency Unit.....	168, 256, 346, 511
Lock-In Coupon Valuation Date ..	166, 254, 342	Nationalisation .....	168, 256, 346, 511
Lock-In Redemption Averaging End Date	148, 236, 324	net recipients .....	56
Lock-In Redemption Averaging Period	148, 236, 324	New Issuer .....	168, 223, 346, 401, 511, 531
Lock-In Redemption Averaging Start Date	148, 236, 324	New York City Business Day .....	196, 374
Lock-In Redemption Event	72, 112, 166, 254, 343	New York Fed Business Day .....	196, 283, 374
Lock-In Redemption Observation End Date	172, 260, 350	ni	187, 274, 365
Lock-In Redemption Observation Period	172, 260, 350	No Adjustment .....	151, 239, 327
Lock-In Redemption Observation Start Date	172, 260, 350	Non-exempt Offer.....	134, 486
Lock-In Redemption Percentage	72, 166, 254, 343	Non-Inclusive.....	149, 237
Lock-In Redemption Trigger Level	112, 166, 254, 343	Non-Inclusive Barrier .....	325
Lock-In Redemption Valuation Date....	254, 343	Non-Representative.....	163, 251, 509
Lowest Level .....	76, 177, 265, 355	Non-Reset Date .....	187, 274, 365
Lowest Price .....	76, 178, 266, 356	Non-transferability .....	168, 256, 346, 511
LSE Group.....	556, 560	Non-Trigger Valuation Date .....	168, 256, 346
M <sub>1</sub> .....	330, 331	Noteholder .....	181, 268, 359
M <sub>2</sub> .....	330, 331	Noteholders .....	144, 320
Macau .....	x	OBFR.....	195, 372
Manager.....	497	Observation Date .....	168, 256
Managers .....	497	Observation Date Performance .....	168, 256, 346
Margin .....	117, 167, 254, 343	Observation Dates.....	346
Market Disruption Event .....	167, 254, 343, 510	Observation Index Basket Level ...	169, 256, 346
Market Value 1 .....	344	Observation Index Level.....	169, 256, 346
Market Value 2 .....	344	Observation Index Performance....	169, 257, 347
Masse.....	305	Observation Period.....	187, 274, 365
Mass-marketing .....	139, 491	Observation Securities Basket Price	170, 257, 347
Master Note Issuance Agreement .	144, 232, 320	Observation Security Performance	170, 258, 348
		Observation Security Price .....	171, 258, 348
		offer.....	142, 494
		offer of Notes to the public .....	134, 142
		offer of Warrants to the public .....	487, 495
		Offer Period .....	vi, vii, 437, 464, 550
		Offshore RMB .....	x, 171, 259, 349, 512
		Offshore RMB Centre.....	171, 259, 349, 512
		Offshore RMB Disruption ....	171, 259, 349, 512
		Offshore RMB Illiquidity .....	171, 259, 349, 512

Offshore RMB Inconvertibility	171, 259, 349, 512
Offshore RMB Non-Transferability	171, 259, 349, 512
OFP	53
Omission	224, 311, 403, 533
Operator	182, 360, 519
Operator register of corporate securities	182, 359, 519
Order	137, 489
Original Exchange	157, 245, 334, 503
Original Issue	413, 442, 542
Outstanding Missed Coupon Amount	125
Outstanding Missed Coupon Amounts	123, 172, 259, 349
p	188, 274, 365
Participating Member State	172, 259, 349, 512
participating securities	182, 359, 519
Participation	84, 87, 95, 97, 100, 105, 109, 111, 172, 259, 349, 512
Paying Agent	232
Paying Agents	144, 259, 320
PBoC	37, 67
Pension Fund Tax	58
Performance Observation Period	172, 260, 349
Permanent Global Note	129
Permitted Multiple	512, 524
Person	68
Postponed FX Fixing Date	215, 301, 393, 523
Postponement	225, 311, 403, 533
Potential Adjustment Event	172, 173, 260, 350, 512, 513
PRC	x
PRC Citizens	138, 490
PRC Government	36
Preceding Business Day Convention	151, 239, 327
Price Source Disruption	173, 261, 350, 513
PRIPs Regulation	1, 412, 441, 541
Principal Paying Agent	4, 144, 232, 320
Principal Protected Amount	350
Principal Warrant Agent	497
Private Offer Exemptions	139, 491
Proceeds	39
Products	556
Professional Clients	140, 493
professional investors	137
Programme	1, 7, 144, 232, 320, 497
prospectus	137
Prospectus	411, 412, 440, 441, 540, 541
Protection Level	350, 513
Protection Level Percentage	97, 173, 261
Public Offer	vii
Public Offer Jurisdiction	vii, 437, 464, 550
Publisher	554, 561
Put Warrant	473, 478, 481
qualified investors	487
Qualifying Certificates of Deposit	31
Qualifying Markets	31
Qualifying Shares	31
r	345
Rate Cut-Off Date	188, 274, 365
Rate of Interest	116, 173, 261, 351
RBVL	139, 491
Record	181, 359, 518
Record Date	213, 391
record of uncertificated corporate securities	182, 359, 519
Redemption Amount	173, 209, 261, 297, 351, 387
Redenomination Date	173, 261, 351
Reference Asset	200, 287, 378
Reference Asset Component	200, 287, 378
Reference Asset(s)	14
Reference Bank(s)	173, 261, 351
Reference Currency	175, 262, 352
Reference Dealers	173, 261, 351, 513
Reference Rate	173, 188, 261, 275, 351, 366
Reference Rate Business Day	189, 276, 366
Reference Rate Business Day(i)	187, 190, 274, 276, 365, 367
Reference Rate Determination Date	189, 276, 367
Reference Rate(i)	189, 275, 366
Reference Time	196, 283, 374
REFi	189, 275, 366
Register	180, 358, 518
Registered Notes	180, 358
Registered Warrants	484, 517
Registrar	144, 320
Registration Document	41
Regular Date	174, 262, 351
Regular Period	173, 261, 351
Regulation No. 11971	135, 487
Regulation S	2, 484, 517
Regulation S Definitive Registered Notes	131
Regulation S Global Registered Note	131
Regulation S Global Registered Warrant	484, 517
Regulations	181, 359, 518
Related Exchange	174, 262, 351, 352, 513
Related Payment Date	174, 262, 352, 513
Relevant Banking Day	174, 352, 513
Relevant Benchmark	174, 262, 352, 513
Relevant Benchmark Determination Date	174, 262, 352, 514
Relevant Benchmark Payment Date	174, 262, 352
Relevant Benchmark Related Payment Date	514
Relevant Currency Business Day	175, 263, 353, 514
Relevant Date	211, 298, 299, 389
Relevant Disrupted Amount	171, 259, 349, 512
Relevant Final Performance	81, 175, 263, 353, 470, 514
Relevant Financial Centre	117, 175, 263, 353
Relevant Financial Centre Day	175, 263, 353
Relevant Governmental Body	196, 283, 374
Relevant Level	468, 514
Relevant Nominating Body	175, 263, 353, 514
Relevant Observation Performance	82, 175, 263, 353
Relevant Performance	81
Relevant Price	468, 514
Relevant Rate	175, 189, 263, 276, 353, 367, 514
Relevant Rate – Fixed	152, 240, 328
Relevant Rate – Floating	152, 240, 328

Relevant Reference Asset Fallback Provisions	175, 263, 353, 514
Relevant Screen Page	176, 264, 353
relevant system	182, 359, 519
relevant tenor	163, 251, 509
Relevant Time	176, 264, 354
Relevant UK Resolution Authority	318
relevant UKRA	9
Renminbi	x
re-offer spread	435, 462, 549
Replacement DRs	176, 264, 354, 515
Replacement Index	19, 176, 221, 264, 308, 354, 399, 515, 528
Representative	305
Resettable Notes	37
resident of Japan	137, 490
retail investor	133, 142, 486, 494
Return Threshold	84, 87, 91, 93, 95, 100, 101, 103, 105, 107, 108, 109, 111, 264, 354
RMB	x
S&Ps	2
Sanctions	68
SBS	139, 491
Scheduled Averaging Date	264
Scheduled Closing Time	176, 264, 354, 515
Scheduled Final Averaging Date	176, 264, 354, 515
Scheduled Final Observation Date	264, 354
Scheduled FX Fixing Day	176, 214, 264, 301, 354, 392, 515, 522
Scheduled Observation Date	176, 264, 354
Scheduled Trading Day	176, 264, 354, 515
Scheduled Valuation Date	176, 264, 354, 515
SDCA	46
Second Barrier Valuation Date	91
Section 871(m)	65
Securities	177, 264, 354, 431, 458, 515, 543
Securities Act	2, ix, 515
Securities Basket	177, 265, 354, 515
Securities Baskets	177, 265, 354, 515
Security	72, 177, 264, 354, 431, 458, 467, 543
SEDOL	68
Series	144, 232, 320, 497
Settlement Currency	177, 265, 354, 515
Settlement Currency Exchange Rate	177, 265, 355, 515
Settlement Currency Jurisdiction	177, 265, 355, 516
Settlement Cycle	177, 265, 355, 516
SFA	140, 413, 442, 492, 542
SFO	137, 489
SGRs	56
SIFMA	189, 196, 276, 283, 374
SIMs	56
Singapore and London Banking Day	164, 251, 509
Single Observation	75, 177, 178, 265, 266, 355
SMV	139, 491
SOFR	33, 177, 265, 355
SOFR Replacement Adjustment	197, 284, 374
SOFR Replacement Date	197, 284, 375
SOFR Replacement Rate	197, 284, 375
SOFR Transition Event	198, 285, 375
SONIA	33, 177, 188, 265, 275, 355, 366
SOR	177, 265, 355, 516
SOR Administrator	163, 251, 509
SORA	177, 265, 275, 355, 366
Spanish FTT Law	31
Specified Denomination	177, 265, 355
Specified Level	74, 177, 265, 355
Specified Maximum Number of Disrupted Days	177, 265, 355, 516
Specified Period	178, 266, 355
Specified Price	74, 178, 266, 355
Specified Rate	163, 251, 508
Specified Security	65
Sterling	x
Stock Exchange Tax Representative	54
Strike Averaging End Date	148, 236, 324
Strike Averaging Period	148, 236, 324
Strike Averaging Start Date	148, 236, 324
Strike Date	178, 266, 356, 516
Strike Observation End Date	172, 260, 349
Strike Observation Period	172, 260, 349
Strike Observation Start Date	172, 260, 349
Strike Percentage	103, 104, 105, 106, 107, 108, 109, 178, 266, 356
structured product	137
Substitute Index	178, 266, 356, 516
sub-unit	183, 200, 210, 269, 287, 297, 361, 378, 387
Successor Index	226, 313, 405, 534
Synthetic French Qualifying Securities	29
T2	178, 266, 356, 516
Talons	144, 320
TARGET Business Day	157, 244, 333, 503
Taxes	516, 520
TEFRA C	129
TEFRA D	129
Temporary Global Note	129
Tender Offer	178, 266, 356, 516
Terms and Conditions of the Public Offer	viii
Threshold Events	23
Trade Date	266
Trading Disruption	178, 266, 356, 516
Tranche	144, 232, 320, 497
Transfer Agent	144, 320
transfer date	179, 356
Treaty	179, 267, 356, 516
TWSE	561
U.S. Permitted Withholding	211, 298, 390
U.S. Underlying Equities	65
UAE	142, 494
UK	1, 412, 441, 541
UK Bail-in Power	318
UK Benchmarks Regulation	19
UK CRA Regulation	2
UK EU Prospectus Regulation	142, 495
UK PRIIPs Regulation	2, 413, 441, 541
Unadjusted SOFR Replacement	198, 285, 376
Uncertificated Registered Notes	180, 358
Uncertificated Registered Warrants	484, 517
Uncertificated Securities Regulations	181, 359, 518
Underlying	i, 3, 72, 179, 267, 356, 467

Underlying Company .....	179, 267, 357, 516	Warrant Agents .....	497
Underlying Fallback Rate .....	164, 509	Warrant Deed of Covenant .....	497
Underlying Index .....	179, 267, 357, 517	Warrant Registrar .....	497
Underlying Indices .....	3	Warrant Transfer Agent .....	497
Underlying Securities .....	3	Warrantholder .....	517, 518
Underlying Security .....	179, 267, 357, 517	Warrants .....	1
Underlyings .....	3	Weighting .....	179, 267, 357, 517
Unit .....	179, 267, 357, 431, 458, 459, 517, 543	White List .....	60
United States person .....	129	Worst of Basket .....	159, 160, 164, 165, 169, 170, 247, 256, 257, 336, 337, 346, 347
Unscheduled Holiday .....	179, 267, 357, 517	Worst Of Basket .....	78
US dollars .....	x	Worst Performing Index .....	180, 268, 357
US\$ .....	x	Worst Performing Security .....	180, 268, 357
USD .....	x, 175, 179, 263, 267, 352, 357, 517	Written Resolution .....	306
Valid Date .....	179, 267, 357, 517	Written Resolution Date .....	307
Valoren Number .....	68	Y .....	190, 277, 367
Valuation Date .....	179, 267, 357, 469	Y <sub>1</sub> .....	330, 331
Valuation Time .....	179, 267, 357, 469, 517	Y <sub>2</sub> .....	330, 331
Warrant Agency Agreement .....	497		

**REGISTERED AND HEAD OFFICES OF THE ISSUERS**

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

**HSBC Continental Europe**  
38 avenue Kléber  
75116 Paris  
France

**PRINCIPAL PAYING AGENT, PRINCIPAL WARRANT AGENT, ISSUE AGENT, REGISTRAR,  
TRANSFER AGENT AND PAYING AGENT**

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

**PRINCIPAL PAYING AGENT AND PAYING AGENT IN RESPECT OF THE FRENCH LAW  
NOTES**

**BNP Paribas**

Les Grands Moulins de Pantin  
9, rue du Débarcadère  
93500 Pantin  
France

**DEALERS**

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

**HSBC Continental Europe**  
38, Avenue Kléber  
75116 Paris  
France

**CALCULATION AGENT**

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

**HSBC Continental Europe**  
38, Avenue Kléber  
75116 Paris  
France

**LEGAL ADVISERS TO THE ISSUERS**

*as to English law*

**Clifford Chance LLP**  
10 Upper Bank Street



London E14 5JJ  
United Kingdom

*as to French law*

**Clifford Chance Europe LLP**

1, rue d'Astorg  
75008 Paris  
France

**CREST REGISTRAR**

**Computershare Investor Services PLC**

The Pavilions  
Bridgewater Road  
Bristol BS13 8AE  
United Kingdom