



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 issued by HBEU and is to HBCE in the case of Notes or Warrants issued by HBCE. HBCE does not intend to issue English Law Notes under the Programme, and intends to issue only French Law Notes and/or Warrants (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 and HBEU does not intend to issue Fixed Income 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 such Notes, the "**Alternative English Law Conditions Notes**". The terms and conditions of the French Law Notes are set out herein in the section headed "*Terms and Conditions of the French Law Notes*" (the "**French Law Conditions**"). 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. Additionally, if the relevant Final Terms relating to any French Law Notes specify that Alternative French Law Conditions will apply to the relevant French Law Notes, certain alternative terms and conditions set out under the French Law Conditions (the "**Alternative French Law Conditions**") will apply in respect of such French Law Notes ("**Alternative French Law Conditions Notes**"), and together with the Alternative English Law Conditions Notes, the "**Alternative General Conditions Notes**".

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**"). Additionally, application may be made by HBCE for admission of French Law Notes or Warrants to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange.

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

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, 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

27 June 2024

HOW TO USE THIS BASE PROSPECTUS

INTRODUCTION – WHO IS THE ISSUER?

The Notes will be issued by HSBC Bank plc ("**HBEU**") or by HSBC Continental Europe ("**HBCE**" and, together with HBEU, the "**Issuers**" and each an "**Issuer**"). The Warrants will be issued by HBCE only. HBCE does not intend to issue English Law Notes and HBEU does not intend to issue Warrants or 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 2023 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 this Base Prospectus 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) Protected Growth Redemption;
- (vii) Protected Knock-Out Growth Redemption;
- (viii) Protected Bear Redemption;
- (ix) Protected Knock-Out Bear Redemption;
- (x) Partial Protection Redemption;
- (xi) Buffer Redemption;
- (xii) Booster Redemption;
- (xiii) Booster with Buffer Redemption;
- (xiv) Digital with Buffer Redemption;
- (xv) Digital Growth with Buffer Redemption;

- (xvi) Protected Step-Down Growth Redemption;
- (xvii) Protected Step-Down Bear Redemption;
- (xviii) Straddle with Barrier Redemption;
- (xix) Straddle with Buffer Redemption;
- (xx) Protected Knock-Out Straddle Redemption; and
- (xxi) 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) Autocall 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 Event (and in respect of Coupon Event, "Lock-In Coupon Event" or "Coupon 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 this Base Prospectus:

- (i) Call Warrants;
- (ii) Call Spread Warrants;
- (iii) Put Warrants; and
- (iv) Put Spread Warrants.

The Warrants are unsecured obligations of HBCE. HBEU does not intend to issue Warrants under this Base Prospectus.

WHAT OTHER DOCUMENTS DO I NEED TO READ?

This Base Prospectus (including the HBCE 2023 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: "Overview of the Programme" provides an Overview of the Programme	1
Section I.2: "Risk Factors" provides details of the principal risks associated with the Issuers, the Notes and the Warrants.	7
Section I.3: "Incorporation by Reference" provides details of the documents incorporated by reference which form part of this Base Prospectus and which are publicly available.	48
Section I.4: "Use of Proceeds" provides details of what each Issuer intends to do with the subscription monies it receives for the Notes or Warrants it issues.	51
Section I.5: "Taxation" 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, Italy, Luxembourg and Malta.	53
Section I.6: "General Information" provides additional, general disclosure in relation to the Programme and the Issuers not included in other sections of the Base Prospectus.	77

Part II – Information Relating to the Notes:

Section	Page
Section II.1: "Description of the Notes" provides details of how an investment in the Notes works and how payments under the Notes are calculated, including a number of worked examples.	80
Section II.2: "Form of English Law Notes and Summary of Provisions Relating to the English Law Notes While in Global Form" provides information regarding Notes issued in global form and issued into certain clearing systems.	158
Section II.3: "Subscription and Sale of Notes" 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.	162
Section II.4: "Terms and Conditions of the English Law Notes" sets out the terms and conditions which govern the English Law Notes (other than Alternative English Law Conditions Notes).	173
Section II.5: "Terms and Conditions of the French Law Notes" sets out the terms and conditions which govern the French Law Notes.	272
Section II.6: "Alternative Terms and Conditions of the English Law Notes" sets out the terms and conditions which govern the Alternative English Law Conditions Notes.	422
Section II.7: "Form of Final Terms for Notes" 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 Alternative French Law Conditions Notes) and which will complete the terms and conditions in respect of each such issue of Notes.	523
Section II.8: "Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)" 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 Alternative French Law Conditions Notes which will complete the terms and conditions in respect of each such issue of Alternative English Law Conditions Notes and Alternative French Law Conditions Notes.	553

Part III – Information Relating to the Warrants:

Section	Page
Section III.1: "Description of the Warrants" provides details of how an investment in the Warrants works and how payments under the Warrants are calculated, including a number of worked examples.	583
Section III.2: "Purchase and Sale of Warrants" sets out details of the arrangements between HBCE 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.	597
Section III.3: "Terms and Conditions of the Warrants" sets out the terms and conditions which govern the Warrants.	608
Section III.4: "Form of Final Terms for Warrants" sets out the template of the "Final Terms", a document which will be filled out for each issue of Warrants and	648

Section	Page
which will complete the terms and conditions in respect of each such issue of Warrants.	

Part IV – Information Relating to Underlying Indices:

Section	Page
Section IV.1: "Index and ETF Disclaimers" 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.	663
"Index of Defined Terms" 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.	665

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*", "*Alternative 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 2023 Note Conditions, the 2022 Note Conditions, the 2021 Note Conditions, the 2020 Note Conditions, or the 2019 Note 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) 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 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, 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 issued by it. To the best of the knowledge of HBEU the information contained in this Base Prospectus relating to HBEU and the Notes 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 and Warrants issued by it. To the best of the knowledge of HBCE the information contained in this Base Prospectus relating to HBCE 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.

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, Italy and (in the case of HBCE only) Luxembourg and Malta (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, Italy and (in the case of HBCE only) Luxembourg and Malta 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:

any financial intermediary named as an Initial Authorised Offeror in the relevant Final Terms; and

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 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 Warrantholders (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: Abu Dhabi Global Market, 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, Luxembourg, mainland China, Malta, Norway, Peru, Republic of Ireland, Singapore, Spain, Switzerland, Taiwan, the United Arab Emirates (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre), the United Kingdom, the United States of America and Uruguay, see the "*Subscription and Sale of Notes*" and/or 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, 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 "**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 and the "*Form of English Law Notes and Summary of Provisions Relating to the English Law Notes 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
PART I – INFORMATION RELATING TO THE PROGRAMME GENERALLY	1
Section I.1 – Overview of the Programme	1
Section I.2 – Risk Factors	7
Section I.3 – Incorporation by Reference	48
Section I.4 – Use of Proceeds	51
Section I.5 – Taxation	53
Section I.6 – General Information	77
PART II – INFORMATION RELATING TO THE NOTES	80
Section II.1 – Description of the Notes	80
Section II.2 – Form of English Law Notes and Summary of Provisions Relating to the English Law Notes While in Global Form	158
Section II.3 – Subscription and Sale of Notes	162
Section II.4 – Terms and Conditions of the English Law Notes	173
Section II.5 – Terms and Conditions of the French Law Notes	272
Section II.6 – Alternative Terms and Conditions of the English Law Notes	422
Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)	523
Section II.8 – Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)	553
PART III – INFORMATION RELATING TO THE WARRANTS	583
Section III.1 – Description of the Warrants	583
Section III.2 – Purchase and Sale of Warrants	597
Section III.3 – Terms and Conditions of the Warrants	608
Section III.4 – Form of Final Terms for Warrants	648
PART II – INFORMATION RELATING TO UNDERLYING INDICES AND ETFS	663
Section IV.1 – Index and ETF Disclaimers	663
Index of Defined Terms	665

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 English Law Notes and Summary of Provisions Relating to the English Law Notes 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.

Issuers:	HSBC Bank plc and HSBC Continental Europe. HSBC Continental Europe does not intend to issue English Law Notes. HSBC Bank plc does not intend to issue French Law Warrants or Fixed Income Notes.
Risk Factors:	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.
Arranger:	HSBC Bank plc
Dealers (in relation to Notes): ...	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.
Managers (in relation to Warrants):	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.
Principal Paying Agent, Registrar and Transfer Agent:	HSBC Bank plc in relation to English Law Notes issued by HBEU. BNP Paribas (as Principal Paying Agent and Paying Agent only) in relation to French Law Notes or Warrants issued by HBEU or HBCE (as applicable).
Admission to Listing and Trading:	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, (i) 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, and (ii) application may be made by HBCE for admission of French Law Notes or Warrants to listing on the official list and to trading on the regulated market of Luxembourg Stock Exchange.
Clearing Systems:	(in relation to English Law Notes) Euroclear Bank SA/NV (" Euroclear ") and/or Clearstream Banking S.A. (" Clearstream, Luxembourg ") and/or Euroclear UK & International Limited (formerly known as Euroclear UK & Ireland Limited) (" CREST ") and/or (in relation to French Law Notes and Warrants only) Euroclear France (" Euroclear France ") and/or, in relation to any Tranche of Notes or Warrants, any other clearing system as may be specified in the relevant Final Terms.
Issuance in Series:	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.

Final Terms:	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.
Forms of Notes:	English Law Notes may be issued in bearer form, in registered form or in uncertificated registered form. French Law Notes may be issued in bearer dematerialised form (<i>au porteur</i>).
Forms of Warrants:	Warrants may be issued in bearer dematerialised form (<i>au porteur</i>).
Currencies:	Notes and Warrants may be denominated in any currency, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Status:	<i>In relation to HBEU as Issuer:</i> The Notes 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. <i>In relation to HBCE as Issuer:</i> The Notes and Warrants of each Series are direct, unconditional, senior preferred and unsecured obligations of the Issuer and rank and will rank at all times: • <i>pari passu</i> without any preference among themselves and with other Senior Preferred Obligations of the Issuer; • senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking junior to Senior Non-Preferred Obligations; and • junior to all present and future claims benefiting from statutory preferences. 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 or Warrantholders (as applicable) to payment under the Senior Preferred Obligations rank: • junior to present and future claims benefiting from other preferred exceptions; and • senior to Senior Non-Preferred Obligations.
Issue Price:	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.
Denominations:	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.
Interest:	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 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 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 Recovery Event" provisions are applicable with respect to Coupon 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 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 Alternative French 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 **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 judiciaire*) 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.

The following events constitute events of default (each, an "**Event of Default**") under the Alternative French Law Conditions Notes and would entitle the Representative (as defined in the Alternative French Law Conditions) acting upon request of any Noteholder (as defined in the Alternative 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 to the Principal Paying Agent or other Paying Agent or the Registrar (as the case may be) by the Representative, acting upon request of any Noteholder, 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 (ii) the Issuer applies for or is subject to a judgment rendered for its judicial liquidation (*liquidation judiciaire*) 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.

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 (i) Warrants and (ii) Notes other than Alternative General 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.

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.

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.

Governing Law:	English law or French law with respect to Notes; French law with respect to Warrants.
Ratings:	The Issuers are rated by S&P, Moody's and Fitch. Series of Notes and Warrants will not be individually rated.
Selling Restrictions:	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.2 " <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 this Base Prospectus pursuant to 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 2023 Form 20-F and, in the case of HBCE, in the HBCE 2023 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:

Name of sub-section	Page	Applicable to	Explanation
(1) Risks relating to HBEU	8	Notes issued by HBEU.	This sub-section will be relevant for issues of Notes issued by HBEU, as it details the risk factors which HBEU 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.
(2) Risks relating to HBCE	9	Notes and Warrants issued by HBCE.	This sub-section will be relevant for issues of Notes and Warrants issued by HBCE, as it details the risk factors which HBCE 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.
(3) Risks relating to Notes issued by HBEU only	9	Notes issued by HBEU.	This sub-section will be relevant for issues of Notes issued by HBEU, as it details the risk factors which HBEU deems to be material in respect its issuance of Notes.
(4) Risks relating to Notes and Warrants issued by HBCE only	11	Notes and Warrants issued by HBCE.	This sub-section will be relevant for issues of Notes and Warrants issued by HBCE, as it details the risk factors which HBCE deems to be material in respect its issuance of Notes and Warrants.
(5) Risks relating to all issues of Notes and Warrants	13	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	37	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	40	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	44	Warrants only.	
(9) Risks relating to Green Notes and Notes and Warrants linked to ESG Indices	45	Notes only in respect of Green Notes and Notes and Warrants in respect of ESG Indices.	This sub-section will be relevant for Notes in respect of which "Green Notes" has been specified as applicable in the relevant Final Terms.
(10) Additional risks relating to Alternative General Conditions Notes	47	Notes only.	This sub-section will be relevant for Notes issued by HBEU or HBCE in respect of which the "Alternative Terms and Conditions of the English Law Notes" has been specified as applicable in the relevant Final Terms or in respect of which the Alternative French Law Conditions apply.

*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 37 to 49 of HBEU's Form 20-F dated 22 February 2024, as filed with the U.S. Securities and Exchange Commission ("**SEC**") (as set out at <https://www.sec.gov/Archives/edgar/data/1140465/000114046524000013/hbeu-20231231.htm>) (the "**HBEU 2023 Form 20-F**"), as incorporated by reference herein on page 48, 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.

(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 and Warrants are set out in the section entitled "*Risk Factors*" on pages 118 to 128 of the HBCE 2023 Universal Registration Document (as defined in the section headed "*Incorporation by Reference*" below).

(3) **Risks relating to Notes 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 His Majesty's Treasury ("**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 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' 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) of a failing financial institution or its holding company, to convert certain debt claims (which could be amounts payable under the Notes) 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 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 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. 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 upon conversion of the Notes 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 receive upon conversion of such Notes (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 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 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). 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 depositary 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 and the exercise of any such powers (including especially the bail-in power) could lead to the holders of the Notes losing some or all of their investment.

Moreover, trading behaviour in relation to the securities of HBEU (including the Notes), 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 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, the market value of the Notes and/or HBEU's ability to satisfy its obligations under the Notes.

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 will benefit from such support even if it were provided.

(4) **Risks relating to Notes and Warrants 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 or Warrants); (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 and Warrantholders 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/or Warrants and could lead to Noteholders and/or Warrantholders losing some or all of the value of their investment in the Notes and/or Warrants.

The Resolution Authority may exercise the bail-in tool in respect of HBCE and the Notes and/or Warrants, which may result in Noteholders and/or Warrantholders 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 and Warrants) 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 and Warrantholders. Any such exercise of the bail-in tool in respect of HBCE and the Notes and/or Warrants may result in the cancellation of all, or a portion, of the principal amount or face value of, interest on, or any other amounts payable on, the Notes and/or Warrants and/or the conversion of the Notes and/or Warrants into shares or other Notes and/or Warrants or other obligations of HBCE or another person, or any other modification or variation to the terms of the Notes and/or Warrants.

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 and/or Warrants or any suggestion of any such exercise could materially adversely affect the rights of the Noteholders and/or Warrantholders, the price or value of their investment in the Notes and/or Warrants and/or the ability of HBCE to satisfy its obligations under the Notes and/or Warrants and could lead to Noteholders and/or Warrantholders losing some or all of the value of their investment in such Notes or Warrants (as applicable). 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 and/or Warrantholders in the resolution and there can be no assurance that Noteholders and Warrantholders 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 or the Warrants in the creditor hierarchy, its overall impact over the Notes and Warrants 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 and/or Warrants, which may result in Noteholders and/or Warrantholders 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 and Warrantholders) 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 and Warrantholders 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 and Warrantholders 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 and/or Warrants issued by HBCE. As a consequence, any decisions taken by a class of affected parties could negatively and significantly impact the Noteholders and/or Warrantholders 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 Warrants is fully principal protected, the repayment of any amount invested in Notes or 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 (prior to physical settlement of any Notes by delivery of Reference Asset(s), where applicable) 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 Warrantholder 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", "average" or "adjusted" level or price observed over a number of specified days or a specified period, or in certain circumstances that the level or price may be monitored on a continuous basis on such specified days or such 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 and Warrants may provide that determinations with respect to the Notes or Warrants 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.

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 General 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 General 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 General 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 or it is not reasonably practicable or is undesirable for the Issuer or its affiliates to, amongst other things, conduct any hedging transactions in relation to the Notes and Warrants (other than Alternative General Conditions Notes);
- "**Increased Cost of Hedging**" may occur where the Issuer or its affiliates would incur a materially increased cost, other than as a consequence of deterioration in its own creditworthiness, in connection with hedging of its obligations under the Notes and Warrants (other than Alternative General Conditions Notes);
- "**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; and

- **"Failure to Deliver"** may occur upon the failure of a party to deliver, when due, the relevant Securities in respect of the Notes, where such failure is due to illiquidity in the market for such Securities.

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, Warrantholders 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.

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.

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 General 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 General 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 General 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 Warrantholders 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 General 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 Warrantholders (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 General 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 in respect of the London Interbank Offered Rate ("**LIBOR**"), (i) 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 and (ii) immediately after 30 June 2023, the remaining U.S. dollar settings ceased to be provided. The FCA has compelled the publication of the following LIBOR settings under an alternative "synthetic" methodology: 3-month sterling LIBOR until 31 March 2024, and 1-month, 3-month and 6-month U.S. Dollar LIBOR until 30 September 2024.

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 English Law Notes and/or the Warrants are subject to the risk that modifications to the Conditions of the English Law Notes or the Warrants (as applicable) may be made without the consent of any Noteholders or Warrantholders (as applicable) where the Issuer determines that:

- the modification is not materially prejudicial to the interests of the Noteholders or Warrantholders (as applicable) as a whole;
- where the modification of the English Law Notes or the Warrants (as applicable) 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 of English Law Notes or the Warrants (as applicable) are inconsistent with the term sheet relating to the relevant Notes or Warrants (as applicable).

There is a commercial risk that the obligations of the Noteholder will be owed by a principal debtor other than the Issuer. The English Law Notes permit the substitution of an affiliate of the Issuer as principal debtor in respect of the English Law Notes, **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 General 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 General 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 General 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. In addition, the ability of the Dealers to make a market in the Notes or Warrants (if applicable) may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes or Warrants (as applicable). 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 Warranholders 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 General 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.

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 Warrantholders.

Clearing systems

As Notes and Warrants may be held by or on behalf of the relevant clearing system as specified in the relevant Final Terms, investors will be able to trade their interests only through the relevant clearing system. In addition, English Law Notes may be issued as Uncertificated Registered Notes, in which case CREST will maintain records of the interests in such Notes and investors will be able to trade their interests only through CREST. Investors will have to rely on the procedures of such clearing systems for transfer, payment and communication with the Issuer to receive payments under the Notes and Warrants. Investors are therefore subject to the risk of those settlement procedures failing such that payments due under the Notes or Warrants 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. Holders of interests in the global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system to appoint appropriate proxies.

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 Warrantholders 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.

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). 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.

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 Warrantholders. 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 (including, any adjustments made in respect of the underlying components thereof); 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 General 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 Warrantholders 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.

The methodology of an Index may rely on information from third-party sponsors of such data and other external and internal sources to obtain certain inputs necessary to compute the level of such Index. The inability of the relevant index administrator to source such necessary data to calculate the relevant formulae of the relevant Index may affect the level of such Index.

Notes or Warrants may be exposed to more or less risk, or perform better or worse, based upon the inputs received from the above suppliers or sources, than an actual investment in or linked to one or more of the components of the relevant Index.

Calculation and administration of HSBC proprietary Indices / third party index sponsor

With respect to Notes or Warrants which are linked to one or more HSBC proprietary Indices, investors should understand that such Indices are calculated independently by a third party calculation agent (the "**Third Party Calculation Agent**") and administered independently by a third party index administrator (the "**Third Party Administrator**"). As such, neither HSBC Bank plc nor HSBC Continental Europe is responsible for the calculation or administration of the HSBC proprietary Indices and neither is the index sponsor for the purpose of Notes or Warrants which are linked to such Indices. The Third Party Administrator will act as index sponsor.

The identity of the Third Party Calculation Agent and Third Party Administrator for each HSBC proprietary Index is specified in the index rules thereof and such entities may, respectively, make determinations of the level of the HSBC proprietary Indices, and of any adjustments that need to be made to the HSBC proprietary Indices, without considering the interests of investors in the Notes or Warrants.

The Third Party Administrator, acting as index sponsor, does not act as fiduciary for or an adviser to the Warrantholder or Noteholder in respect of any determination or judgement or otherwise. The Third Party Administrator may have economic interests adverse to those of the Warrantholders and Noteholders, including with respect to certain determinations and judgements that the Third Party Administrator may be required to make pursuant to the terms of the HSBC proprietary Index, any of which may affect payments in respect of the Warrants or Notes. The Third Party Administrator may act in its own interests in such capacities and need not have regard to the interests of the Noteholders or Warrantholders.

Neither HSBC Bank plc nor HSBC Continental Europe has any responsibility for the calculation of the HSBC proprietary Indices, which is performed by the Third Party Calculation Agent, and does not guarantee or represent or warrant the accuracy or completeness of the HSBC proprietary Indices or the data comprised therein. Furthermore, neither HSBC Bank plc nor HSBC Continental Europe has any responsibility in relation to the administration by the Third Party Administrator of the HSBC proprietary Indices.

Details of where further information regarding HSBC proprietary Indices may be specified in the relevant Final Terms(s).

Changes in market structure and/or increased investment in similar products may negatively affect the level of an Index

As a result of changes in market structure and/or due to increased investment in products using the same or similar investment rationale to that of an Index and/or any underlying components thereof, the underlying market or economic characteristics that such Index and/or underlying components attempt to capture, measure or replicate may change, cease to exist, and/or lead to negative expected returns over any time period. This may have a

negative impact on the level of such Index and/or underlying components and such Index and/or the relevant underlying components may not be adjusted to take account of any such changes. Any such change in market structure may have an adverse effect on the value of the relevant Notes or Warrants.

An investment in an Index is not an investment in its underlying components

An Index may be calculated as a "notional" index, which means that such Index is calculated by reference to the value of each of its underlying components. However, the strategy embedded in an Index may mean that any return on such index might be higher or lower than the aggregate performance of its underlying components. Therefore, even in the case of a positive performance of one or more of the underlying components, the performance of the relevant Index as a whole may be negative, which may have a negative impact on the returns on the relevant Notes or Warrants.

There are risks related to the correlation of performance between the underlying components of an Index

Correlation of the underlying components of an Index indicates the level of interdependence among the individual underlying components with respect to their performance. For example, if all of the underlying components (or the constituent assets of such underlying components) originate from the same sector and the same country or region, a high positive correlation may generally be assumed. Past rates of correlation of underlying components may not be determinative of future rates of correlation. Prospective investors should be aware that, although the underlying components may not appear to be correlated based on past performance, it may be that they suffer the same adverse performance following a general downturn or other economic and/or political event(s). Where underlying components are subject to high correlation, any move in performance of the underlying components may exaggerate the performance of the relevant Index and may in turn exaggerate any adverse effect on the value of, and return on, the relevant Notes and Warrants.

Loss of benefit of dividends on the relevant underlying components

The value of and return on the Notes or Warrants may be linked to a "price return" Index comprised of shares. A price return index tracks the performance of the underlying components only. Investors in such Notes or Warrants which reference a price return index may lose the benefit of any dividends paid in relation to the underlying components. Notes and Warrants which reference a price return index may, therefore, underperform both a direct investment in the underlying components and Notes and Warrants which reference an equivalent "total return" index.

The rules governing the composition and calculation of an underlying component of an Index, which is an index itself, may stipulate that dividends distributed on such component are not included in the calculation of the relevant level of such underlying component, which may result in a decrease in such level if all other circumstances remain the same. In such cases, investors in the relevant Notes and Warrants linked to the relevant Index may not participate in dividends or other distributions paid on the relevant components comprising the relevant underlying index. Even if the rules of the relevant underlying components provide that distributed dividends or other distributions of such components are reinvested in the relevant underlying components sponsored by a third party, in some circumstances the dividends or other distributions may not be fully reinvested in such underlying components and therefore result in a lower performance than if they had been so reinvested.

Excess return indices may substantially underperform "total return indices" or "price return indices"

The value of and return on the Notes or Warrants may be linked to an Index comprised of shares and which is an "excess return" index. An excess return index is calculated in a similar manner to a total return index, except that each day the "excess return index" is reduced by a cash rate determined by reference to the currency of the relevant Index and the borrowing costs in that currency. Thus, the performance of an excess return index may often be less than the performance of the equivalent total return index. In the event of high interest rates, an "excess return index" may substantially underperform both a "total return index" and a "price return index" comprising the same share index components.

Additionally, although an Index may be calculated on a "total return" basis, it may include underlying components which are calculated on an "excess return" basis. In such case, even though the relevant Index is calculated on a total return basis, it may exhibit characteristics of an excess return index and investors may receive a significantly lower return as compared with what they would have received with either a total return index or price return index comprising the same underlying components but which do not reflect the deduction of the aforementioned cash rate.

Risks if an Index includes a "decrement" feature

The value of and return on the Notes or Warrants may be linked to an Index which is a "total return index" with a "decrement" or a "fixed dividend" feature. In such a case, all dividends paid by the constituent shares in the Index are re-invested in the Index, which then makes a fractional point deduction to the relevant Index on a daily basis, equivalent to the removal of an annual fixed dividend of a pre-defined amount (a "**Synthetic Dividend**"). The Synthetic Dividend may either be defined as a percentage of the relevant Index level or as a fixed number of index points. A number of factors may adversely affect the value of and return on Notes or Warrants linked to a "decrement" index. An index with a "decrement" feature typically:

- (i) may underperform an equivalent "total return index" with the same underlying components as the latter may not reflect the deduction of a Synthetic Dividend;
- (ii) may underperform a "price return index" with the same components if the aggregate dividends paid by the underlying components is less than the Synthetic Dividend;
- (iii) where the Synthetic Dividend is a fixed number of index points (rather than a percentage of the relevant Index), the Synthetic Dividend yield (i.e. the ratio of the fixed index point decrement to the decrement index level) may increase in a falling market as the Synthetic Dividend is a fixed amount. In that case, the fixed deduction may have a greater negative impact on the relevant Index level than if the Synthetic Dividend were a percentage of such Index level. In a steeply falling market, the Index level could become negative depending on the applicable index methodology.

An Index may be subject to dilution, which may limit the gains under the Notes or Warrants

An Index may be subject to dilution, such that investors in any Notes or Warrants may not benefit fully from increases or decreases (depending on whether the exposure is long or short) in the value of an underlying component. Dilution means that the return or loss on an investment is subject to a multiplier decreasing exposure to such investment and reducing the volatility and risk of loss should the value of such investment decline, but reducing the potential gain should the value of such investment increase. Investors in Notes or Warrants should be aware that if the value of an underlying component increases or decreases, then the Notes or Warrants may not have the same magnitude of increased or decreased value as such underlying component.

Following the use of a stop loss mechanism, an Index may suffer significant losses

An Index may include a stop loss mechanism which aims to limit the maximum loss in such Index. However, such Index may not be able to unwind its positions in any affected trades immediately, and this may be on the following calculation day under such Index. As a result, the relevant Index could suffer significant losses before its positions in any affected trades are fully unwound. This may in turn have an adverse impact on the returns on the relevant Notes or Warrants linked to such Index.

An Index may have a limited operating history and may perform in unanticipated ways

An Index may be a relatively new index. Where limited historical performance data exists with respect to the components referenced by such Index and/or such Index itself, any investment in respect of which returns are linked to the performance of such Index or its components may involve greater risk than an investment linked to returns generated by an investment index with a proven track record. While a longer history of actual performance could provide more reliable information on which to assess the validity of a strategy that the relevant Index is intended to reflect and on which to base an investment decision, the fact that such an Index and/or the relevant components are relatively new would not allow this. There can be no guarantee or assurance that an Index or its components may operate in a manner consistent with the data available.

Start Date and back-testing

The administrator for an Index is likely to designate a start or commencement date of such Index ("**Start Date**"), on which the initial level of such Index is specified in its rules. The levels of such Index in the period from the Start Date to a date on which such Index is first published (being the "**Live Date**" (which may be materially later than the Start Date)) may be calculated on the basis of back-tested data using simulated analyses and hypothetical circumstances.

Levels in respect of the relevant Index for such period, where back-tested data is used, may be hypothetical and may be calculated at or around the Start Date in accordance with the rules of such Index but using historical data

available to such Index's administrator at the time of calculation to estimate how such Index may have performed prior to its actual existence. If such historical data is not available or is incomplete for any certain day, the relevant Index's administrator could potentially use alternate sources of data in place of such historical data, and/or may substitute alternative values (which may be determined by such administrator), as it deems necessary to calculate such hypothetical level of the relevant Index.

If no such historical data was available or complete, or if different sources or values were used in such back-testing, the levels of the relevant Index for such period may be different, potentially materially so. Accordingly, the levels of the relevant Index may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, such Index over any time period from the Start Date. Furthermore, any back-testing may be based on information and data provided to the administrator of such Index. Neither the Issuer nor the relevant Index's administrator provides any assurance or guarantee that the relevant Index may operate or would have operated in the past in a manner consistent with those materials. Neither the Issuer nor the relevant Index's administrator may have independently verified or guaranteed the accuracy and/or the completeness of such information or data provided and is not responsible for any inaccuracy, omission, mistake or error in such information, data and/or back-testing. As such, investors should understand that back-testing may not be reliable and the relevant Index may not perform as well as suggested by the back-testing.

The administrator of an Index may have certain discretionary rights under the rules of such Index that may affect the performance of such Index

The administrator of an Index may have the right to make determinations, calculations, adjustments and modifications in relation to the relevant Index and related matters, which involve, in certain circumstances, a degree of discretion in order to ensure that the relevant Index can, where reasonably practicable, continue to be calculated and determined notwithstanding the relevant circumstances or, to allow a delay or a cancellation of the relevant Index (including, without limitation, upon the occurrence of certain adjustment events, certain dilutive or concentrative events or other market disruption events in relation to such Index and the components thereof). Such adjustments may include, without limitation, adjusting the composition of the relevant Index which exposes investors in Notes or Warrants to the risk that any component thereof may perform differently from the original underlying components, which may have an adverse effect on the performance of the relevant Index.

Unless otherwise specified in the rules of the relevant Index, the administrator of such Index may, as far as reasonably practicable, choose to exercise any such discretion with the aim of ensuring that such Index continues to reflect, as closely as possible, the underlying economic interest it is designed to represent. The exercise of these discretions may have a significant effect on the relevant Index and the relevant Notes or Warrants. Investors in such Notes or Warrants should note that they are exposed to the exercise by the administrator of the relevant Index of such discretions and in exercising such discretions, the administrator of such Index has no obligation to consider the interests of any other person including (but not limited to) investors in such Notes or Warrants. The administrator of the relevant Index may be required to act using reasonable discretion, however, there can be no assurance that the exercise of any such discretion (or the absence of exercise, as the case may be) may not increase or decrease the level of the relevant Index and/or alter the volatility of such Index, which may have an adverse effect on the performance of such Index.

The level of an Index references foreign currency exchange rates

The calculation of the level of an Index may be made by reference to certain foreign currency exchange rates. Such currency exchange rates may be highly volatile and determined by and influenced by a number of factors, including supply and demand for currencies in the international foreign exchange markets, economic factors including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, changes in balances of payments and trade, domestic and international rates of inflation, international trade restrictions, currency devaluations, currency convertibility, safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks, government policies. Furthermore, certain relevant information relating to relevant jurisdictions may not be as well-known or as rapidly or thoroughly reported worldwide. It is possible that there would be a lack of availability of important information that can affect the value of the one currency against another in respect of the relevant Index and/or its components, and special efforts may be required to obtain such information on a timely basis.

Any such circumstance (or a combination of them) may cause unexpected volatility or illiquidity in the foreign currency markets. This may affect the level of the relevant Index and/or any underlying components, which may in turn have an adverse effect on the performance of the relevant Notes or Warrants.

Weights and rebalancing periods

The weighting applied to components of an Index may be determined by a rules-based algorithm. The correlation between an Index and its underlying components, and between the components themselves, may vary over time and may increase or decrease by reference to a variety of factors, which may include macro-economic factors and speculation. Additionally, an Index may rebalance periodically in accordance with its rules. The actual weight of each of the components following each rebalancing may be different than the initially assigned weights or weights as at the immediately preceding rebalancing, and therefore the relative contribution of each component to the overall level of the relevant Index may vary from time to time, depending on the performance of the components thereof relative to the other components since such immediately preceding rebalancing. The longer the period between each rebalancing, the greater the likelihood that there may be a significant variance between the absolute values of the weights of the relevant index components.

Some of the index components comprising the relevant Index may be assigned a weight or quantity of zero in respect of a rebalancing day and, in such case, such Index will not have any exposure to such component until the next rebalancing day (if any) on which such components are assigned a non-zero weight or quantity.

As such, the weightings and rebalancing periods may not be the best weightings or rebalancing periods possible to maximise the performance of the relevant Index and this may have an adverse effect on the value of such Notes and Warrants.

Additionally, investors should note that an Index may specify that the weight of an underlying component may be less than zero (i.e. a short position in such underlying component). A short position in an underlying component means that such Index may have negative exposure to such underlying component and the level of such Index may be negatively affected if the value of such underlying component should increase and positively affected if the value of such underlying component should decrease. Therefore, investors in Notes or Warrants should be aware that any investment linked to such an Index may decline in value in a period, even if the value of such underlying component increases during that timeframe. Further, given that short positions may create exposure to uncapped losses, increases in the value of such underlying component could result in a decrease in the level of the relevant Index that is greater than the weight in respect of such Index component and may result in the level of such Index falling to zero.

The deduction of fees and costs may impact the performance of an Index and impact the value and return on the Notes or Warrants

The calculation of the level of an Index may include a deduction for certain costs. Such costs may be calculated in accordance with the methodology specified in the rules of such Index. Any such deduction(s) shall mean that the level of the relevant Index is less than would be the case if no costs were deducted. Additionally, notional embedded costs may be included within the relevant Index and may reduce the level of such Index. Any such amounts may be deducted from the performance of the relevant Index with the intention of reflecting synthetically index servicing costs (which are applicable to the relevant Index rather than the components thereof and are applicable on an ongoing basis). This may result in a lower return on the relevant Notes or Warrants compared to returns based on a comparable Index where such deductions are not made or such costs are not embedded.

Different methods for calculating volatility may give different results

There are different methods for calculating volatility of an Index. Using a different method from the method used for the purposes of the relevant Index may give a different result. The volatility targeting methodology (if any) specified in the rules of the relevant Index may not succeed in achieving its object. This may have an adverse impact on the relevant Notes and/or Warrants.

Volatility and index risk

An Index may have a daily volatility adjustment feature, aiming to provide a volatility-controlled exposure to the components of such Index. This may have an impact on the level of such Index (for example, an increase in the realised volatility of an index component may decrease the exposure of the relevant Index to such component). Potential investors in Notes and Warrants should note that such an Index may not reflect the return that could be realised from a direct investment in the components thereof.

In times of a whipsawing market in respect of an underlying asset of any index component, an Index may be unsuccessful in generating positive returns based upon any momentum risk premium

If an Index aims to capture positive returns arising from notional exposure to the momentum risk premium in respect of the underlying assets of an index component, it may rely on a degree of momentum in any trend identified in respect of such underlying assets (i.e. that any identified trend is sustained for a period). In a whipsawing market for any underlying asset, being a market characterised by high volatility and large and/or frequent swings, there may be the rapid and frequent appearance of trends that do not subsequently develop and/or are swiftly reversed. In such circumstances, and where the methodology of the relevant component is unable to adjust the notional exposure to the relevant underlying asset in sufficient time to limit any adverse effects of such a swing, the methodology of the relevant Index may be unsuccessful in generating any positive returns and may not perform as well as an index intended to capture alternative risk premia.

The Issuer's hedging activity may affect the level of an Index

By issuing investments linked to an Index or its underlying components (including, but not limited to, Notes and Warrants), the Issuer may have an exposure to such Index or its underlying components. The Issuer may take risk positions to hedge this exposure in its sole discretion and in a principal capacity. Investors in products linked to an Index may not have any rights in respect of the Issuer's or its affiliates' hedge positions, including without limitation, any shares, futures, options, commodities or currencies. The Issuer or its affiliates may execute its hedging activity by trading in the components of any Index at any time and this may have an adverse impact on the performance of such Index. The Issuer's hedging activity, and hence the size of such impact, may be linked to the amount of new and outstanding products (including any Notes or Warrants) linked to the relevant Index at the relevant time. The Issuer or its affiliates may generate revenues if hedging activities are executed at different levels from those used to determine the value of the relevant Index. The relevant hedging activity could generate significant returns to the Issuer and its affiliates that may not be passed on to investors in the Notes or Warrants.

Risks relating to Index-Linked Notes and Warrants where the underlying components include futures contracts

"Rolling" a futures contract may generate costs

Any "rolling" in respect of a futures contract may generate costs that may be taken into account in the calculation of the level of an Index that includes futures contracts in its underlying components. The potential negative impact on the level of an Index caused by such "rolling" may lead to the performance of a Note or Warrant being lower than the performance that would have been generated by Notes or Warrants that reference the relevant underlying components rather than futures contracts that relate to them or futures contracts where "rolling" does not apply.

Additional risks in relation to the "rolling" of a futures contract

Futures contracts have a predetermined expiry date which is the date on which trading of the relevant futures contract ceases. Holding a futures contract until expiry may result in delivery of the relevant underlying components or the requirement to make or receive a cash settlement amount. Alternatively, "rolling" a futures contract means that the relevant futures contract nearing expiration (the "**near-dated futures contract**") may be replaced before it expires by a futures contract that has an expiry date further in the future (the "**longer-dated futures contract**"). Investments in relevant underlying assets apply "rolling" of the relevant futures contract in order to maintain an ongoing exposure to such relevant underlying components. Where the price for the near-dated futures contract is greater than the price for the longer-dated futures contract (meaning the relevant underlying assets is said to be in "backwardation"), then "rolling" from the former to the latter may result in exposure to a greater number of the longer-dated futures contracts being taken. Therefore, any loss or gain on the new positions for a given movement in prices of the relevant futures contract may be greater than if one had synthetically held the same number of futures contracts as before the "roll". Conversely, where the price of the near-dated futures contract is lower than the price of the longer-dated futures contract (meaning the relevant underlying assets are said to be in "contango"), then "rolling" may result in exposure to a smaller number of longer-dated futures contract being taken. Therefore, any loss or gain on the new positions for a given movement in prices of the relevant futures contract may be less than if one had synthetically held the same number of futures contracts before the "roll" and any such effect may impact the performance of the relevant Index either positively or negatively (potentially materially so).

Where the market in a futures contract is in contango (or, alternatively, backwardation) such may be expected to (though it may not) have a negative (or, alternatively, positive) effect over time

Where a market is in "contango", then the price of the longer-dated futures contract may generally be expected to (but may not) decrease over time as it nears expiry. In such event, "rolling" is generally expected to have a negative effect on an investment in the relevant futures contract. Where a futures contract is in "backwardation", then the price for the longer-dated futures contract may generally be expected to (but may not) increase over time as it nears expiry. In such event, the investment in the relevant futures contract can generally be expected to be positively affected. In each case, any such effect may impact the performance of the relevant Index either positively or negatively (potentially materially so).

Risks relating to Index-Linked Notes and Warrants where the underlying components include funds

Investment risks in relation to funds

Investors in Index-Linked Notes and Warrants should be aware that there are substantial risks in directly or indirectly investing in funds that are underlying components of an Index. For example, and without limitation, investors in such Index-Linked Notes and Warrants should be aware of the following risks:

- Different types of funds are subject to different regulations and different levels of regulations.
- Funds may invest in assets that are illiquid or be subject to investment restrictions. If the assets a fund invests in are not realised due to illiquidity or transfer restrictions, there may be an effect on the realisation of the assets and, as a result, the performance and value of the fund.
- The assets of the fund may be concentrated in a few markets, commodities, economies, issuers, industries and countries and adverse changes in such could have a negative effect on the value and performance of the fund. For instance, if a fund uses a single adviser or only one strategy it may be undiversified and be considered higher risk compared to a fund invested in multiple strategies or using multiple advisers.
- Different funds may be subject to different leverage restrictions (if any). While leverage can lead to higher rates of return, it also increases the volatility of the fund and increases the risk of a total loss of the amount invested.
- A fund's performance depends on the performance of its investments as selected by its investment managers or advisers. The expertise and skill of these service providers may impact the success and performance of such fund and changes in key personnel for these service providers could have a significant negative impact on the fund's performance. The past performance of a fund adviser or investment manager, or any investment strategy adopted by such entity in respect of any other fund, may not be reflective of the present or future performance or strategy of a fund.
- Substantial redemptions by holders of interests in a fund within a short period of time could require the fund's investment manager(s) and/or adviser(s) to liquidate positions more rapidly than would otherwise be preferable or desirable, which could adversely affect the value of the fund's assets.

Risks relating to Index-Linked Notes and Warrants where the underlying components include exchange traded funds ("ETFs")

The performance of an ETF may not correlate with the performance of its underlying index

Each applicable ETF invests in a representative sample of securities that collectively has an investment profile similar to its underlying index; however, each applicable ETF may not hold all or substantially all of the securities included in its underlying index. Therefore, the performance of each ETF may not correlate with the performance of the relevant underlying index.

The ETFs may have a limited operating history

Although the ETFs may be listed for trading and a number of similar products may have been traded on the same and other securities exchanges for varying periods of time, there is no assurance that an active trading market may continue for the relevant ETFs or that there may be liquidity in the trading market. In any such circumstances, the value of the Notes or Warrants may be adversely affected.

The trading prices of the ETFs may be affected by management events

The relevant ETFs may be subject to management risk, which is the risk that the applicable investment adviser's investment strategy, the implementation of which is subject to a number of constraints, may not produce the intended results. This would have an adverse effect on the value of the Notes or Warrants and any amounts payable thereunder.

Factors affecting the performance of ETFs may adversely affect the value a Note or Warrant

The performance of ETFs is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and company-specific factors such as earnings position, market position, risk situation and distribution policy. These factors are not within the control of the Issuer and could affect the value of the relevant Index which in turn could impact an investor's return under the Notes or Warrants.

Changes in the value of the ETFs may offset each other

An Index may be linked to the performance of ETFs representing a diverse range of asset classes and geographic regions and price movements between the ETFs may not correlate with each other, therefore, declines in the value of ETFs that have a higher percentage weighting in such Index at any time may result in a greater loss in the value of such Index, which may also have an adverse effect on the value of the Notes or Warrants and any amounts payable thereunder.

Correlation of performances among ETFs may reduce the performance of an Index

Performances of ETFs which are components of an Index may become highly correlated from time to time, including, but not limited to, when there is a substantial decline in a particular sector or asset type represented by the ETFs, which could have an adverse effect on the relevant Index, which may also have an adverse effect on the value of the Notes or Warrants and any amounts payable thereunder.

Specific risk factors relating to Index-Linked Notes and Warrants linked to a time weighted average price

An Index may use time weighted average prices in the calculation of the level of such Index

An Index may, in certain circumstances, use a time weighted average price (a "TWAP") to calculate the price or rate (as applicable) in respect of any relevant day. The TWAPs used in the calculation of the relevant Index are expected to be calculated in accordance with a methodology (if any) set out in the rules of such Index. No assurances can be given that any such TWAP specification used in the calculation of the relevant Index is optimal. Any such TWAP may be higher or lower than the reference price or rate (as applicable) in respect of the relevant underlying component at such time. There is no guarantee that the relevant Index may outperform an index which is otherwise identical to such Index but uses the reference price or rate (as applicable) instead of the relevant TWAP in respect of such reference asset and there is a risk that the relevant Index might underperform such an index and therefore the value of the relevant Notes or Warrants may be negatively affected.

Similar considerations may apply to components of the Index which use TWAP to calculate the price or rate of such component.

The methodology for the calculation of any relevant TWAP could affect the level of an Index

The methodology for the calculation of any relevant TWAP and/or the policies of the relevant entity that calculates a TWAP could affect the level of the relevant Index and, therefore, the amount payable on any relevant Notes or Warrants on the stated maturity date, expiry date (or other specified payment dates) of such Notes or Warrants and the value of such Notes or Warrants before that date. The amount payable on any relevant Notes or Warrants and their value could also be affected if the relevant entity changes the relevant methodology or its policies or if the relevant entity terminates the calculation or publication of such TWAP, in which case the administrator of the relevant Index may have to use the reference price or rate (as applicable) for the relevant underlying component. If such policy changes relating to any relevant TWAP or the calculation or publication such TWAP is discontinued or suspended, the administrator of the relevant Index (or its component) may have discretion in determining the adjustments to be made to such Index (or component, as applicable) to calculate its level.

The entity which calculates a TWAP has the discretion to make determinations that could materially affect the relevant Index and create conflicts of interest

The relevant entity that calculates a TWAP does not generally exercise any discretion and owes no fiduciary duties in respect of the relevant Index or any Notes or Warrants. However, such entity may have a certain amount of discretion in the event of the occurrence of certain adjustment events or disruption events.

Determinations made by the relevant entity could adversely affect the relevant TWAP and a TWAP window and consequently the level of the relevant Index or any financial instrument that utilises such TWAP. The exercise by the relevant entity of its discretion could present it with a conflict of interest. In making those determinations, the relevant entity may not be required to, and may not, take the interests of holders of any Notes or Warrants into account or consider the effect its determinations may have on the value of such Notes or Warrants.

Specific risk factors relating to Index-Linked Notes and Warrants linked to an exchange traded contract

A discontinuance of an exchange traded contract or a settlement price in respect of an exchange traded contract could adversely affect the value of a Note or Warrant

An exchange traded contract, or the trading of an exchange traded contract, may be discontinued. Further, investors in any relevant Notes or Warrants should be aware that the settlement price in respect of the exchange traded contract may be discontinued or become unavailable, or trading of the exchange traded contract may never commence. If any of the aforementioned occurs, the level of the relevant Index may be affected and, as a result, payments made under such Notes or Warrants.

Performance of a similar exchange traded contract is not an indicator of the performance of another exchange traded contract

The performance of a similar exchange traded contract compared to another exchange traded contract which is a component of an Index (the "**Exchange Traded Contract**") or the performance of underlying components similar to those referenced by the Exchange Traded Contract may not necessarily be indicative of the performance of the relevant Exchange Traded Contract and may not perform as expected.

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 General 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 Depositary 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 Depositary 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 General Conditions Notes) the Warrants or Notes shall not continue or that (in the case of Alternative General 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 General Conditions Notes) or the Fair Market Value (in the case of Warrants and Notes other than Alternative General 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 General 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 General 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 General 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 General 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 General 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. Stamp duty, stamp duty reserve tax and/or similar transfer taxes may be payable on any conveyance or transfer (actual or deemed) or agreement to transfer assets in cases where obligations of the Issuer under the Notes are or may be physically settled.

Transactions involving Notes 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 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 – French Financial Transactions Tax

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 Transactions Tax

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 if Notes specify Decrement Observation

Where the Notes specify that "Decrement Observation" is applicable, the performance of the Reference Asset(s) will be measured by reference to an "adjusted" level or price. The risks associated with Notes which specify Decrement Observation as the valuation mechanism are similar to those associated with an Index which is a "total return index" with "decrement" or a "fixed dividend" (in which regard, please see the risk factor entitled *Risks if an Index includes a "decrement" feature* below).

- The "adjusted" level of a Reference Asset which is an Index will reflect a fractional point or percentage deduction equivalent to the removal of an annual fixed dividend (a "**Contractual Dividend**") from the component securities underlying the relevant index. The Contractual Dividend may either be defined as a percentage of the relevant Index level or as a fixed number of index points.
- The "adjusted" price of a Reference Asset which is a Security will reflect the re-investment of any dividend into such adjusted price of such Security and a fractional point or percentage deduction equivalent to the removal of the Contractual Dividend. The Contractual Dividend may either be defined as a percentage of the relevant share price or as a fixed number of points.

A number of factors may adversely affect the value of and return on Notes in respect of which an "adjusted" level or price of the Reference Asset(s) is to be used as the valuation mechanism. The performance of the Reference Assets as valued in accordance with the "adjusted" level or price methodology may underperform the Reference Assets when valued by reference to a mechanism which does not deduct a Contractual Dividend.

Where the Contractual Dividend is a fixed currency amount of the price or fixed number of index points (as applicable) rather than being expressed as a percentage, the Contractual Dividend yield (i.e. the ratio of the deduction to the Reference Asset level or price) may increase in a falling market as the Contractual Dividend is a fixed amount. In that case, the fixed deduction may have a greater negative impact on the relevant level or price of the Reference Asset(s) than if the Contractual Dividend were a percentage of the level or price of such Reference Asset. In a steeply falling market, where the level or price of a Reference Asset is "adjusted", such level or price could reach zero more quickly than if the level or price were not "adjusted".

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.

Certain additional risk factors associated with physically settled Notes

The applicable Final Terms may with respect to certain types of Equity-Linked Notes provide that certain payment obligations of the Issuer under the relevant Notes are (or may be) discharged, in whole or in part, by physical delivery. When any such obligations under the relevant Notes are physically settled, (except as otherwise provided in the relevant conditions) the Issuer will not pay the investor cash in discharge of such obligations under the Notes but will deliver to the investor the relevant Reference Assets.

There is no guarantee that there will be any market or liquidity in relation to such Reference Assets or that the investor will be able to dispose of, or realise, such Reference Assets for an amount equivalent to the relevant obligations of the Issuer under such Notes if the Issuer had settled the relevant Notes by way of cash settlement. Therefore, if the Issuer physically settles any obligations under the relevant Notes, the investor may upon realisation of such Reference Assets receive less than if the Issuer had settled the relevant Notes by way of cash settlement. Prospective investors should note that they may be required to take delivery of such Reference Assets and should ensure that they have the capacity to receive such obligations on purchasing the relevant Notes.

Adverse regulatory implications could also ensue when any Notes are physically settled which may not have arisen had such Notes been cash settled. Each prospective investor should consult its own advisers concerning the relevant implications of physical delivery under the relevant 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 General 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 Event 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.

(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 have to 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 Green Notes and Notes and Warrants linked to ESG Indices**

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 in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**") and any related technical screening criteria, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "**EU Green Bond Regulation**") (which is expected to come into effect on 21 December 2024), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**") and any implementing legislation and guidelines, or any similar legislation in the United Kingdom) or any requirements of such labels as they may evolve from time to time. Any Green Notes issued under the Programme will not be compliant with the EU Green Bond Regulation and are only intended to comply with the requirements and processes in the HSBC Green Bond Framework (as defined in "*Green Notes*" below). It is not clear if the establishment of the EU Green Bond ("**EuGB**") label and the optional disclosures regime for bonds issued as "environmentally sustainable" under the EU Green Bond Regulation could have an impact on investor demand for, and pricing of, green use of proceeds bonds that do not comply with the requirements of the EuGB label or the optional disclosures regime, such as the Green Notes issued under this Base Prospectus. It could result in reduced liquidity or lower demand or could otherwise affect the market price of any Green Notes issued under this Base Prospectus that do not comply with those standards proposed under the EU Green Bond Regulation.

While it is the intention of the Issuer to allocate an amount equal to the net proceeds of any Notes issued as Green Notes to Green Assets and to report on the use of proceeds or eligible businesses or projects as further described in "*Green Notes*" below, there is no contractual obligation to do so. There can be no assurance that any such Green Assets will be available, or capable of being implemented in, or substantially in, the manner and timeframe anticipated and, accordingly, that the Issuer will be able to use an amount equal to the net proceeds of the issue of such Green Notes for such Green Assets as intended. In addition, there can be no assurance that eligible businesses or projects will be completed as expected or achieve the impacts or outcomes (environmental, social or otherwise) originally expected or anticipated.

Each prospective investor should have regard to the factors described in the HSBC Green Bond Framework and the relevant information contained in this Base Prospectus and seek advice from their independent financial adviser or other professional adviser regarding its purchase of any Green Notes before deciding to invest. The HSBC Green Bond Framework 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, and is not incorporated by reference, in this Base Prospectus.

No assurance of suitability or reliability of any opinion or certification of any third party relating to any Green Notes

The criteria and/or consideration that form the basis of any opinion or certification relating to any Green Notes may change at any time and the opinion or certification may be amended, updated, supplemented, replaced and/or withdrawn at any time. Any withdrawal of any such opinion or certification may have a material adverse effect on the value of any Green Notes in respect of which such opinion or certification is given and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

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. 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.

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

Prospective investors should note that 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 environmental or similar targets. Holders of any Green Notes will not receive any preferential rights or priority against any of the Green Assets nor any benefit from any arrangements to enhance the performance of the Green Notes and therefore, this will mean that any failure to pay by the Issuer will be suffered by all holders equally.

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

"ESG" or "sustainable" Indices

There is currently no universally accepted, global framework or definition (legal, regulatory or otherwise) as to what constitutes an "ESG", "sustainable", "green", "social" or similarly labelled product. Certain Indices may either be labelled as "ESG", "sustainable", "green", "social" or have a similar label or may be comprised of components which are selected based on such criteria (each, an "**ESG Index**"). Whilst there are a large number of evolving "ESG", "sustainable", "social", "green" and similar regulatory regimes, the Issuer is not asserting that any particular Notes or Warrants which reference ESG Indices comply with any specific regime. Investors in Notes or Warrants which have a return linked to an ESG Index should, in addition to reviewing this Base Prospectus, also review the relevant index rules. Such index rules set out the index methodology, including the criteria relating to ESG, sustainability, green, social or similar factors that are used to select components of the relevant ESG Index. For example, the relevant index rules will typically set out the rules governing the selection, weighting, rebalancing, substitution and exclusion of components from the relevant ESG Index. The methodology (and/or its other features) of an index described as having "ESG", "sustainable", "green", "social" or similar objectives may not meet investor objectives, expectations or requirements as regarding investments which are "ESG", "sustainable", "green" or "social" or have similar labels or are selected based on such criteria. In addition, it is possible that such methodology may change in the future and/or may not be adapted to future legal, regulatory or other requirements.

Therefore, there is a risk that an investment in Notes or Warrants linked to an ESG Index may not achieve an investor's objectives, expectations or requirements in this regard.

Unless explicitly stated, investment in Notes or Warrants linked to an ESG Index does not mean that the proceeds will be directed towards, allocated to, invested in or in any way passed through to "ESG", "sustainable", "green", "social" or similar projects, services or activities. Investors must make their own determination as to whether investment in Notes or Warrants linked to an ESG Index will satisfy their "ESG", "sustainability", "green" or "social" investment objectives.

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.

(10) Additional risks relating to Alternative General 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 2023 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 112 to 187;
- (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 2023, as set out on pages 99 to 192 of the HBEU annual report and accounts for the year ended 31 December 2023 published on 21 February 2024 (the "**2023 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 2023 HBEU Annual Report and Accounts entitled "*Risk Review*", which section is set out on pages 22 to 86 of the 2023 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 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;
- (d) the registration document of HBEU dated 24 May 2024 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 2023* filed with the *Autorité des marchés financiers* on 1 March 2024, which includes the HBCE consolidated annual financial statements for the year ended 31 December 2023 (the "**HBCE 2023 Universal Registration Document**");
- (f) 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**");
- (g) the Terms and Conditions of the Notes (the "**2019 Note Conditions**") as set out on pages 123 to 171 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;
- (h) the Terms and Conditions of the Notes (the "**2020 Note Conditions**") as set out on pages 93 to 141 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;
- (i) the Terms and Conditions of the Notes (the "**2021 Note Conditions**") as set out on pages 114 to 346 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;
- (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**") as set out on pages 146 to 418 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; 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; and
- (m) the Terms and Conditions of the Notes (the "**2023 Note Conditions**") as set out on pages 144 to 410 of the base prospectus relating to Notes and Warrants issued under the Programme dated 28 June 2023 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation; and
- (n) the form of Final Terms for Notes (General English Law Conditions and French Law Conditions) issued pursuant to the 2023 Note Conditions (the "**2023 Final Terms**") as set out on pages 411 to 439 of the base prospectus relating to Notes and Warrants issued under the Programme dated 28 June 2023 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 HBCE 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 2023 Form 20-F:
<https://www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=1&take=20>
2. In relation to the 2023 HBEU Annual Report and Accounts:
www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=2&take=20
3. In relation to the 2022 HBEU Annual Report and Accounts:
www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=1&take=20
4. In relation to the HBEU Registration Document:
www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20

5. In relation to the HBCE 2023 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 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>
7. In relation to the 2019 Note Conditions:
www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20
8. In relation to the 2020 Note Conditions:
www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20
9. In relation to the 2021 Note Conditions and the 2021 Final Terms:
www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20
10. In relation to the 2022 Note Conditions and the 2022 Final Terms:
www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20
11. In relation to the 2023 Note Conditions and the 2023 Final Terms:
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

Use of Proceeds

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 against assets that support the financing and/or refinancing of eligible businesses and projects within Eligible Sectors as defined below and 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 "**HSBC 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 Green Bond Framework was aligned to the edition of the International Capital Markets Association (ICMA) Green Bond Principles available at the time of publication of the HSBC Green Bond Framework.

"**Eligible Sectors**" include the following sectors:

- Renewable Energy
- Energy Efficiency
- Efficient Buildings
- Sustainable Waste Management
- Sustainable Land Use
- Clean Transportation
- Sustainable Water Management
- Climate Change Adaptation

Businesses and projects that are involved in the following operations will be ineligible for an allocation of an amount equivalent to the net proceeds of the issuance of the Green Notes pursuant to the HSBC Green Bond Framework (and are therefore classified as "**Excluded Sectors**" within the HSBC Green Bond Framework):

- nuclear power generation
- weapons
- alcohol
- gambling / adult entertainment

Governance, Process for Identification and Approval of Use of Proceeds

The HSBC Green Bond Framework is overseen by the HSBC treasury function, applicable working groups, and regional and global committees, comprising of sustainability specialists, representatives from the risk, legal and compliance functions and senior management from across HSBC.

Within this governance structure, determinations are made as to (i) whether an asset is an Eligible Asset pursuant to the HSBC Green Bond Framework and (ii) the Eligible Assets against which an amount equivalent to the net proceeds of the issuance of the Green Notes are allocated. In making these determinations, account will be taken of the eligibility considerations set out in the HSBC Green Bond Framework and whether the relevant business or project is considered to be suitable in accordance with any internal guidelines, policies or definitions established by HSBC.

Management and Tracking of Proceeds

The Issuer will use its internal information systems to track the allocation of an amount equivalent to the net proceeds of the issuance of the Green Notes against Eligible Assets that have been approved within the above-mentioned governance structure.

If the total equivalent amount of net proceeds cannot be allocated against Eligible Assets, an amount equal to the unallocated portion will be temporarily integrated into the Issuer's treasury liquidity reserve and invested (at the Issuer's own discretion), according to normal liquidity practices.

Reporting on Use of Proceeds

The Issuer will provide a green bonds report (the "**HSBC Green Bonds Report**") on an annual basis, which will include details of:

- amounts of funds allocated to each of the applicable Eligible Sectors;
- the remaining balance of unallocated proceeds of Green Notes at the reporting period end; and
- confirmation that the use of the net proceeds of the Green Notes conforms with the HSBC Green Bond Framework.

Assurance

A second party opinion has been obtained from an appropriate provider on the HSBC Green Bond Framework and its ability to support HSBC's environmental objectives. The second party opinion is published on the following webpage: <http://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>.

The Issuer will engage an appropriate external assurance provider to provide limited assurance, on an annual basis, on whether the total reported allocation of amounts equivalent to the net proceeds of the issuance of the Green Notes as set out in the HSBC Green Bonds Report has been prepared in accordance with the HSBC Green Bond Framework.

The annual HSBC Green Bonds Report and related assurance report will be made available to the public on the following webpage: <http://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, Italy, Luxembourg and Malta.

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 Warrantholders 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 Warrantholders should ensure that they understand their tax position before acquiring any Notes and Warrants. Noteholders and Warrantholders 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 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 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 and the Luxembourg Stock Exchange should also be recognised stock exchanges 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 section entitled "United Kingdom Taxation – Notes" provides information only on Notes 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.

FRANCE

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

French Taxation – Notes 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 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.

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.

The following section entitled "French Taxation – Notes and Warrants issued by HBCE" provides information only on Notes and Warrants 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 17 February 2024, and currently includes Anguilla, the Bahamas, 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 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 14 June 2022, § 150 and BOI-INT-DG-20-50-20 dated 6 June 2023, § 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 Financial Transactions Tax*".

French Taxation – Warrants issued by HBCE

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 Warrantholder's personal circumstances and any special tax treatment applicable to the Warrantholder. 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 do not constitute debt instruments within the meaning of Article 125 A of the French tax code, payments in respect of such Warrants 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 (income 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).

Pursuant to Article 244 bis C of the French tax code, a holder of the Warrants who is not a resident of France for French tax purposes and who does not hold its Warrants 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 Warrants.

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 Warrants, 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 Financial Transactions Tax".

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 libératoire*) which holds the Notes and/or Warrants as a private investment. 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 securities 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 certain 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 a Belgian withholding tax of 30 per cent. 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 securities 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 within the framework 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. Each securities account is assessed separately. When multiple holders hold a securities account, each holder shall be jointly and severally liable for the payment of the annual tax on securities accounts and each holder may fulfil the tax return requirements for all holders.

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 31st 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. In this respect, please note that Law No. 111 of August 9, 2023 delegated the Italian Government to enact, within the next twenty-four months, one or more legislative decrees to reform the Italian tax system (the "Tax Reform"). According to this Law, the Tax Reform could significantly change the taxation of financial income and capital gains and introduce several amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with any certainty at this stage. Therefore, the information provided in this Base Prospectus may not reflect the future tax framework.

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 applicable requirements set forth from time to time under Italian law.

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 applicable requirements set forth from time to time under Italian law.

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 applicable requirements set forth from time to time under Italian law.

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 applicable requirements set forth from time to time under Italian law.

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*) that meets the applicable requirements set forth from time to time under Italian law.

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 4th 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. In this respect, please note that Law No. 111 of August 9, 2023 delegated the Italian Government to enact, within the next twenty-four months, one or more legislative decrees to reform the Italian tax system (the "**Tax Reform**"). According to this Law, the Tax Reform could significantly change the taxation of financial income and capital gains and introduce several amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with any certainty at this stage. Therefore, the information provided in this Base Prospectus may not reflect the future tax framework.*

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 Warrantholders purchase indirectly underlying financial instruments; or
- (b) they represent a debt instrument implying a "use of capital" (*impiego di capitale*), through which the Warrantholders 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 Warrantholders as well as capital gains realised by Italian Warrantholders (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 Warrantholders 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 applicable requirements set forth from time to time under Italian law.

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*) that meets the applicable requirements set forth from time to time under Italian law.

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 applicable requirements set forth from time to time under Italian law.

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. (*IVAFE*). Starting from fiscal year 2024, the wealth tax applies at the rate of 0.4 per cent. for financial assets held in countries or territories with a privileged tax regime and listed in the Ministerial Decree dated 4 May 1999. 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.

LUXEMBOURG

The following is a general description of certain Luxembourg tax considerations relating to the Notes or Warrants. It is based on the laws and practice currently in force and is subject to any change in laws and the interpretation and application thereof, which changes could apply with retroactive effect. The following overview does not purport to be a complete analysis of all tax considerations relating to the Notes or Warrants, whether in Luxembourg or elsewhere, that may be relevant for a decision to acquire, hold or dispose of the Notes or

Warrants, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules. Prospective investors should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes or Warrants and receiving payments of interest, principal and/or other amounts under the Notes or Warrants and the consequences of such actions under the tax laws of Luxembourg. The information contained within this section is limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes or Warrants.

Withholding Tax

All payments of interest and principal by the Issuer under the Notes or payments in respect of the Warrants can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to the application as regards Luxembourg resident individuals of the amended Luxembourg law of 23 December 2005 (the "**Law of 23 December 2005**") which has introduced a 20 per cent. withholding tax on savings income. Such withholding tax will be in full discharge of income tax, if the beneficial owner is an individual acting in the course of the management of his/her private wealth.

Responsibility for the withholding of tax in application of the Law of 23 December 2005 is assumed by the Luxembourg paying agent within the meaning of this law and not by the Issuer.

In addition, pursuant to the Law of 23 December 2005, Luxembourg resident individuals can opt to self-declare and pay a 20 per cent. tax on interest payments made by paying agents located in a Member State of the European Union other than Luxembourg or a Member State of the European Economic Area.

The 20 per cent. tax as described above is final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Taxes on Income and Capital Gains

Noteholders and Warrantholders who derive income from such Notes or Warrants or who realise a gain on the disposal or redemption thereof will not be subject to Luxembourg taxation on such income or capital gains, subject to the application of the Law of 23 December 2005, and unless:

- (a) such Noteholders or Warrantholders are, or are deemed to be, resident in Luxembourg for Luxembourg tax purposes (or for the purposes of the relevant provisions), or
- (b) such income or gain is attributable to an enterprise or part thereof which is carried on through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg.

Net Wealth Tax

A corporate Noteholder or Warrantholder, whether it is resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to whom such Notes or Warrants are attributable, is subject to Luxembourg wealth tax on these Notes or Warrants, except if the Noteholder or Warrantholder is governed by (i) the law of 11 May 2007 on family estate management companies as amended; (ii) the law of 17 December 2010 on undertakings for collective investment, as amended; (iii) the law of 13 February 2007 on specialised investment funds, as amended; (iv) the law of 13 July 2005 on professional pension institutions, as amended; (v) the law of 22 March 2004 on securitisation, as amended; (vi) the law of 15 June 2004 on venture capital vehicles, as amended; or (vii) the law of 23 July 2016 on reserved alternative investment funds, as amended.

However, please note that (i) securitisation companies governed by the law of 22 March 2004 on securitisation, as amended; (ii) capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended; (iii) companies governed by the law of 13 July 2005 on professional pension institutions, as amended; or (iv) reserved alternative investment funds governed by the law of 23 July 2016 and which fall under the special tax regime set out under article 48 thereof remain subject to minimum net wealth tax, which may, depending on the total amount of its balance sheet and type of assets held, either be EUR 4,815 or range from EUR 535 to EUR 32,100.

Luxembourg levies a minimum net wealth tax on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, receivables against related companies, transferable securities and cash at bank exceeds (i) 90 per cent. of their total balance sheet and (ii) EUR 350,000, the minimum net wealth tax is currently set at EUR 4,815. Entities with total balance sheets ranging from EUR 350,000 to EUR 2,000,000 may benefit from a lower minimum net wealth tax of EUR 1,605. For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the EUR 4,815 or EUR 1,605 minimum net wealth tax, the minimum net wealth tax ranges from EUR 535 to EUR 32,100, depending on the company's total gross assets.

An individual Noteholder or Warrantholder, whether she/he is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes or Warrants.

Inheritance and Gift Tax

Where the Notes or Warrants are transferred for no consideration:

- (a) no Luxembourg inheritance tax is levied on the transfer of the Notes or Warrants upon death of a Noteholder or Warrantholder in cases where the deceased Noteholder or Warrantholder was not a resident of Luxembourg for inheritance tax purposes; or
- (b) Luxembourg gift tax will be levied in the event that the gift is made pursuant to a notarial deed signed before a Luxembourg notary or is registered in Luxembourg.

Other Taxes and Duties

It is not compulsory that the Notes or Warrants be filed, recorded or enrolled with any court or other authority in Luxembourg or that registration tax, transfer tax, capital tax, stamp duty or any other similar tax or duty (other than court fees) be paid in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of Luxembourg) of the Notes or Warrants.

MALTA

The following is a summary of the Malta withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes and payments in respect of the Warrants and also highlights the Malta income tax and duty treatment of disposals. It is based on current law and the practice of the Malta Tax & Customs Administration which may be subject to change, sometimes (albeit not typically) with retrospective effect. The commentary below does not deal with other Malta fiscal aspects of acquiring, holding or disposing of Notes and Warrants. The commentary below relates only to the position of persons who are absolute beneficial owners of the Notes and Warrants. The following is a general guide for information purposes only 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 investor. Prospective investors should ensure that they understand their tax position before acquiring any Notes or Warrants. 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 or Warrants. Noteholders and 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 Notes and Warrants even if such payments may be made without withholding or deduction for or on account of taxation under the laws of Malta.

This summary is prepared on the assumption that the Issuer is not incorporated or established in Malta and will not be a Malta resident for Malta tax purposes and any payment or transaction in respect of or in connection with

the Notes and Warrants will not be attributed or attributable to, or otherwise effectively connected with, a Malta branch, permanent establishment or other fixed place of business of the relevant Issuer in Malta.

Malta Withholding Tax – Notes and Warrants

Any payments made with respect to the Notes or Warrants which are considered to represent taxable payments of interest, discounts or premiums for Malta income tax purposes should be deemed to represent income arising outside Malta.

The Issuer should not be required to withhold Malta income tax from any payment of such income (arising outside Malta) unless the same represents 'investment income' and is payable by a 'payor' to a 'recipient' in terms of the Income Tax Act, Chapter 123 of the laws of Malta ("ITA"). Such investment income:

- (a) includes (in terms of article 41(a)(iv)(i) ITA) interest, discounts or premiums payable in respect of a public issue by a company, entity or other legal person howsoever constituted and whether resident in Malta or otherwise; and
- (b) should be subject to final withholding tax levied at the rate of:
 - (i) 15 per cent. unless the recipient elects to be paid the investment income without deduction of the final withholding tax; or
 - (ii) 10 per cent. if the recipient is a collective investment scheme (formed in accordance with the laws of Malta and licensed in terms of the Investment Services Act (Chapter 370 of the laws of Malta) or notified in terms of the domestic Investment Services Act (List of Notified AIFs) Regulations (S.L. 370.34) or being an undertaking for collective investment in transferable securities (UCITS) authorised in accordance with EU Directive 85/611/EEC) which is classified as a 'prescribed fund' in terms and for the purposes of the ITA and insofar as such investment income would not have been paid by another collective investment scheme – any such recipient collective investment scheme may not elect to receive investment income without deduction of the withholding tax.

A 'payor' of investment income is defined as the person who is liable to make, or if different, who makes a payment of investment income. In turn, a 'recipient' is:

- (a) a person who is resident in Malta during the year in which investment income is payable to him/her/it – excluding domestic banks and any insurance companies as well as other excluded companies which are owned and controlled, directly or indirectly, by such banks and insurance companies);
- (b) a receiver, guardian, tutor, curator, judicial sequestrator or committee acting on behalf of any such person resident in Malta;
- (c) a trustee or foundation pursuant to or by virtue of which any money or other property whatsoever shall for the time being be paid or applied to or for the benefit of such any person resident in Malta; or
- (d) a non-resident individual (and his/her spouse) being an EU/EEA national if s/he (or the couple) derives, to the satisfaction of the Malta Tax & Customs Administration, at least 90 per cent. of his/her (or their) worldwide income in/from Malta.

Such tax (if) withheld is final tax and an individual recipient should not be required to declare the investment income in his/her income tax return. Should a recipient entitled to elect to receive such investment income without deduction of withholding tax in fact make such election, such person would, to the extent that such income is taxable on receipt thereby, be obliged to declare the income on his/her/its income tax return and would be subject

to tax on such income at his/her/its applicable rate of tax. Any such election is to be made by notice in writing by a recipient to the payor and it may be revoked by the recipient likewise by notice in writing.

If a payor effects any payment of investment income under the Notes or Warrants to any recipients (as defined above), the payor should be required to render an account to the Malta Tax and Customs Administration of all payments of investment income – including details of recipients.

Malta Tax on Capital Gains

A transfer or redemption of Notes or a transfer or exercise of Warrants should not be subject to Malta tax on capital gains in terms of the ITA to the extent that the Notes and Warrants would not represent shares and stocks and such like instruments that participate in any way in the profits of the Issuer – notwithstanding that the redemption or settlement value thereof may be computed by reference to the value of the relevant Underlying or Basket (as the case may be) or that the Notes or Warrants may be issued at a discount or redeemed or exercised at a premium or that Notes may carry interest calculated by reference to a floating rate or otherwise subject to a step-up or step-down mechanism or a return subject to a Coupon Event.

Malta Duty

No Malta duty should be payable on the transfer or redemption of Notes or a transfer or exercise of Warrants in terms of the Duty on Documents and Transfers Act, Chapter 364 of the laws of Malta, to the extent that the Notes and Warrants would not represent a holding of share capital in any company and any document representing the same.

At any rate, in terms of the Financial Markets Act, Chapter 345 of the laws of Malta, no duty should be payable in respect of any transfer of any financial instruments of a quoted company where such transfer is made either on a regulated market or outside the regulated market on which they are listed or on a regulated multilateral system or an equivalent regulated market or multilateral system in a non-EU Member State or non-EEA State.

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 – GENERAL INFORMATION

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

1. The continuation of the Programme and the issue of Notes under the Programme by HBEU have been authorised by a resolution of the board of directors of HBEU passed on 19 March 2024.
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 2023. HBCE is authorised to issue Warrants under the Programme in accordance with French law.
3. The English Law Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg, and may also be accepted for clearance through CREST. 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.
4. French Law Notes and Warrants will be issued in bearer dematerialised form (*au porteur*) and will be inscribed in the books of Euroclear France (acting as central depository), which shall credit the accounts of Account Holders, and accepted for clearance through Euroclear France. The address of Euroclear France is 10-12 place de la Bourse, 75002 Paris, France.
5. 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.
6. Settlement arrangements will be agreed between the relevant Issuer, the relevant Dealer(s) or Manager(s), the Registrar or CREST Register and the Principal Paying Agent, HBCE Principal Warrant Agent or HBCE Warrant Agent, as applicable.
7. 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.
8. 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.
9. Notices to the Noteholders or Warrantholders are made in accordance with the Conditions of the relevant Notes or Warrants, as applicable.
10. 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.
11. 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.

12. 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").
13. Application may be made by HBCE for admission of French Law Notes or Warrants to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange.
14. 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 2023.
15. 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 2023.
16. Save as disclosed in Note 25 "*Provisions*" on pages 170 to 171, and Note 33 "*Legal proceedings and regulatory matters*" on pages 179 to 181, of the 2023 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.
17. Save as disclosed in Note 27 "*Provisions*" on pages 258 to 259 and Note 34 "*Legal proceedings and regulatory matters relating to HSBC group entities generally*" on page 265 of the HBCE 2023 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.
18. 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.
19. The date of the articles of association of HBEU is 11 June 2024.
20. The date of the constitutive documents (*statuts*) of HBCE is 23 November 2022.
21. 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 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.
22. The Legal Entity Identifier ("LEI") code of HBEU is: MP6I5ZYZBEU3UXPYFY54.
23. The Legal Entity Identifier ("LEI") code of HBCE is: F0HUI1NY1AZMJMD8LP67.
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.
25. The business address of the directors of HBCE is 38 avenue Kléber, 75116 Paris, France.

26. The public offers of the following Tranches of Notes are expected to continue after 27 June 2024 (being the last day of validity of the base prospectus dated 28 June 2023 relating to Notes and Warrants issued under the Programme) and from such date the Final Terms in respect of such Notes must be read in conjunction with this Base Prospectus:

Description of Notes	ISIN
EUR 70,000,000 Autocallable Security-linked Notes due August 2034 linked to a Basket of Securities The final terms for the Notes are available on the Issuer's website https://www.about.hsbc.fr/investor-relations/debt-issuance	FR001400Q2T1

27. Notes and/or Warrants issued pursuant to this Base Prospectus may be linked to Proprietary Indices (as defined below). In respect of any such Proprietary Index, either:

- (i) the administrator of the relevant Proprietary Index will be included (as of the issue date of the relevant Notes or Warrants) in the public register maintained by the European Securities and Markets Authority under Article 36 of Regulation (EU) 2016/1011 (as amended); or
- (ii) the complete set of rules of such Proprietary Index and information on the performance of such Proprietary Index will be freely accessible on the Issuer's website or on the website of the provider of such Proprietary Index. The governing rules in respect of such Proprietary Index (including the methodology of the index for the selection and the re-balancing of the components of the index, description of market disruption events and of adjustment rules) will be based on predetermined and objective criteria.

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;
- Protected Growth Redemption;
- Protected Knock-Out Growth Redemption;
- Protected Bear Redemption;
- Protected Knock-Out Bear Redemption;
- Partial Protection Redemption;
- Buffer Redemption;
- Booster Redemption;
- Booster with Buffer Redemption;
- Digital with Buffer Redemption;
- Digital Growth with Buffer Redemption;

- Protected Step-Down Growth Redemption;
- Protected Step-Down Bear Redemption;
- Straddle with Barrier Redemption;
- Straddle with Buffer Redemption;
- Protected Knock-Out Straddle Redemption; or
- 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**" 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 (5) 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 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 (6) below, together with a worked example; and/or
- "**Autocall Event**" 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 (7) 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 (8) 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 9(a) and 9(b) (and, in respect of Fixed Rate Notes for which "**Interest Step-up**" or "**Interest Step-down**" are specified to apply, sub-sections 9(f) and 9(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 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 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 9(c) below, together with a worked example illustrating how the calculations are made in practice.

Where "Coupon 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 exceeds a specified threshold, then coupon payments will be made with respect to each future Coupon Event payment date regardless of the future performance of the Underlying or Basket. Details of the amounts which may be payable in these circumstances are set out in sub-section 9(d) below, together with a worked example illustrating how the calculations are made in practice; or
- **"Coupon Recovery Event"** is applicable in relation to the Notes. In this case, if the performance of the Underlying or Basket 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 (and which have not subsequently been paid in accordance with the Coupon Recovery Event provisions). Details of the amounts which may be payable in these circumstances are set out in sub-section 9(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 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.

Ascertaining the Reference Value	Pages 84 to 90
Single Observation	Pages 85 to 86
Highest Value	Page 86
Lowest Value	Page 86
Average Value	Pages 87 to 88
Intraday Observation	Page 88
Decrement Observation	Pages 89 to 90
Ascertaining the performance of the Underlying (or each Underlying in the Basket)	Pages 90 to 95
Determining Underlying Performance	Pages 90 to 91
Determining Reference Performance	Pages 91 to 94
Reference Performance – single Underlying	Pages 91 to 92
Reference Performance – Worst of Basket	Pages 92 to 93
Reference Performance – Best of Basket	Pages 93 to 94
Reference Performance – Weighted Basket	Page 94
Calculation of return using Reference Performance	Pages 94 to 95
Barrier Event and/or Upper Barrier Event	Pages 95 to 96

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.

If the Final Terms specify that the following is applicable	... an explanation and worked example in this Base Prospectus may be found at:
<i>Final Redemption Amount provisions</i>	Pages 96 to 143
Booster with Barrier Redemption	Pages 96 to 99
Airbag with Barrier Redemption	Pages 99 to 103
Barrier Redemption	Pages 103 to 107
Digital with Barrier Redemption (including Physical Delivery)	Pages 107 to 110
Digital Growth with Barrier Redemption	Pages 110 to 113
Protected Growth Redemption	Pages 113 to 115
Protected Knock-Out Growth Redemption	Pages 115 to 117

If the Final Terms specify that the following is applicable	... an explanation and worked example in this Base Prospectus may be found at:
Protected Bear Redemption	Pages 117 to 119
Protected Knock-Out Bear Redemption	Pages 119 to 122
Partial Protection Redemption	Pages 122 to 123
Buffer Redemption	Pages 123 to 124
Booster Redemption	Pages 124 to 127
Booster with Buffer Redemption	Pages 127 to 129
Digital with Buffer Redemption	Pages 129 to 131
Digital Growth with Buffer Redemption	Pages 131 to 133
Protected Step-Down Growth Redemption	Pages 133 to 135
Protected Step-Down Bear Redemption	Pages 135 to 136
Straddle with Barrier Redemption	Pages 136 to 139
Straddle with Buffer Redemption	Pages 139 to 141
Protected Knock-Out Straddle Redemption	Pages 141 to 143
Fixed Amount Redemption	Page 143
<i>Additional Redemption Features</i>	Pages 143 to 147
Lock-In Redemption Event	Pages 143 to 144
Autocall Event	Pages 144 to 146
Redemption at the Option of the Issuer (Call Option)	Pages 146 to 147
<i>Interest/Coupon Provisions</i>	Pages 147 to 151
Fixed Rate Notes	Pages 147 to 148
Floating Rate Notes	Pages 148 to 150
Coupon Event	Pages 150 to 151
<i>Additional Interest/Coupon Features</i>	Pages 151 to 157
Coupon Event - Lock-In Coupon Event	Pages 151 to 153
Coupon Event – Coupon Recovery Event	Pages 153 to 155
Interest Step-up	Pages 155 to 156
Interest Step-down	Pages 156 to 157

(2) ***Ascertaining the Reference Value***

Each Final Redemption Amount (other than Fixed Amount Redemption), Autocall Amount and Coupon Amount which may be payable in respect of a Note will be determined by reference to the performance of the Underlying

or Basket (as applicable) to which the Note is linked. Details of how to ascertain the performance of an Underlying or Basket are set out below, together with worked examples illustrating how the calculations are made in practice.

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, each Underlying comprising such Basket.

In order to determine the value of an Underlying the Calculation Agent will need to determine the "**Reference Value**" with respect to such Underlying.

The Reference 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 "Reference Value" of an Underlying 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 Reference Value of an Underlying which is an Index with respect to the relevant date for determination shall be (i) in the case of an Underlying other than a Multiple Exchange Index, the level of the Underlying quoted on a particular exchange or quotation system or (ii) in the case of an Underlying which is 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; and
 - the Reference Value of an Underlying which is 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,in each case, the "**Closing Value**".

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 2025.
- 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 2025 at 5.00 p.m. (London time) is 6,000.

What is the Reference Value?

The Reference Value 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 2025 at 5.00 pm (London time) is 6,000, thus the Reference Value will be 6,000.

- Where "**Highest Value**" is specified as being applicable with respect to such determination in relation to an Underlying, the Reference Value of such Underlying with respect to the relevant date for determination shall be the highest Closing Value observed with respect such Underlying over particular observation dates or during a particular observation period.

Highest Value 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 Value" 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 2025.
- The Observation Dates specified in the Final Terms with respect to the relevant determination are 28 June 2025, 29 June 2025 and 30 June 2025.
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).
- The price of Company A shares on:
 - 28 June 2025 at 5.00 p.m. (London time) is GBP 200.
 - 29 June 2025 at 5.00 p.m. (London time) is GBP 250.
 - 30 June 2025 at 5.00 p.m. (London time) is GBP 180.

What is the Reference Value?

The Reference Value of the Company A shares will be the highest price of the Company A shares recorded at the Valuation Time over each Observation Date.

Thus in order to determine the Reference Value, the Calculation Agent will obtain the price of the Company A shares on each of 28 June 2025, 29 June 2025 and 30 June 2025, 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 2025, thus the Reference Value will be GBP 250.

- Where "**Lowest Value**" is specified as being applicable with respect to such determination in relation to an Underlying, the Reference Value of such Underlying with respect to the relevant date for determination shall be the lowest Closing Value observed with respect such Underlying over particular observation dates or during a particular observation period.

Lowest Value 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 Value" 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 2025.
- 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 2025 to and including the Valuation Date (being 30 June 2025).

- 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 2025 – is a bank holiday and thus no price is ascertained with respect to such date.
 - 27 June 2025 at 5.00 p.m. (London time) is EUR 450.
 - 28 June 2025 at 5.00 p.m. (London time) is EUR 435.
 - 29 June 2025 at 5.00 p.m. (London time) is EUR 475.
 - 30 June 2025 at 5.00 p.m. (London time) is EUR 450.

What is the Reference Value?

The Reference Value of the Company B shares will be the lowest price of the Company B shares recorded at the Valuation Time over the Observation Period.

Thus in order to determine the Reference Value, the Calculation Agent will obtain the price of the Company B shares on each scheduled trading day from and including 26 June 2025 to and including the Valuation Date (being 30 June 2025), 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 2025, thus the Reference Value will be EUR 435.

- Where "**Average Value**" is specified as being applicable with respect to such determination in relation to an Underlying, the Reference Value of such Underlying with respect to the relevant date for determination shall be the arithmetic average of the Closing Values observed with respect such Security over particular averaging dates or during a particular averaging period.

Average Value 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 Value" 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 2025, 29 June 2025 and 30 June 2025.
- 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 2025 at 5.00 p.m. (London time) is 5,800.
 - 29 June 2025 at 5.00 p.m. (London time) is 6,200.
 - 30 June 2025 at 5.00 p.m. (London time) is 6,000.

What is the Reference Value?

The Reference Value 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 Reference Value, the Calculation Agent will calculate the arithmetic average of the levels of the Index over each of the three Averaging Dates.

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

- Where "**Intraday Observation**" is specified as being applicable with respect to such determination:
 - the Reference Value of an Underlying which is an Index with respect to the relevant date for determination shall be (i) in the case of an Underlying other than a Multiple Exchange Index, the level of the Underlying quoted on a particular exchange or quotation system or (ii) in the case of an Underlying which is a Multiple Exchange Index, the level of the Index as calculated by an index sponsor, in each case at any time (observed constantly on an intraday basis) during a particular valuation date; and
 - the Reference Value of an Underlying which is 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 any time (observed constantly on an intraday basis) during a particular valuation date,in each case, the "**Intraday Value**".

Intraday Value will only be specified to apply with respect to determination of whether a Barrier Event or an Upper Barrier Event has occurred where "American" is specified as the Barrier Observation Method (i.e. to determine whether the Reference Value has breached the relevant Barrier Level or Upper Barrier Level). For a detailed example of how Intraday Value is used to determine whether an American Barrier has occurred, please see the worked example entitled "Airbag with Barrier Redemption" on pages 101 to 103

Intraday Value 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.
- The Barrier Event occurrence is specified as "less than".
- The Barrier Observation Method is specified to be "American".
- "Intraday Value" is specified in the Final Terms to be applicable 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 the EURO STOXX 50® Index from and including the Strike Date (being 24 June 2025) to and including the Final Valuation Date (being 30 June 2027) (each a "**Barrier Valuation Date**").

What is the Reference Value?

The Reference Value of the FTSE®100 Index will be the continuously observed level on each Barrier Valuation Date.

- Where "**Decrement Observation**" is specified as being applicable with respect to such determination:
 - the "Adjusted Value" of an Underlying which is an Index shall be determined on each Scheduled Trading Day (which is not a Disrupted Day) in the period from the Strike Date up to the relevant Valuation Date (each a "**Decrement Observation Date**"). The Adjusted Value determined with respect to each Decrement Observation Date shall be the Closing Value adjusted by deduction of a specified annual (i) percentage or (ii) number of index points (such deduction made on a daily basis); and

- the "Adjusted Value" of an Underlying which is a Security shall be determined on each Scheduled Trading Day (which is not a Disrupted Day) in the period from the Strike Date up to the relevant Valuation Date (each a "**Decrement Observation Date**"). The Adjusted Value determined with respect to each Decrement Observation Date shall be the Closing Value adjusted by deduction of a specified annual (i) percentage or (ii) currency amount (such deduction made on a daily basis).

In each case, the Reference Value shall be the Adjusted Value determined with reference to the relevant Valuation Date.

Adjusted Value 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 Total Return Index.
- "Adjusted Value" is specified in the Final Terms with respect to the relevant determination, and the "Adjustment Method" is specified to be "Adjustment in Points".
- The Valuation Date specified in the Final Terms with respect to the relevant determination is 27 June 2025. The Valuation Date is also a Decrement Observation Date.
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).
- The closing level of the FTSE 100 Total Return Index on:
 - 26 June 2025 at 5.00 p.m. (London time) is 5,600 (being Closing Value_{t-1}).
 - 27 June 2025 at 5.00 p.m. (London time) is 5,800 (being Closing Value_t).
- The Adjusted Value determined with respect to the Decrement Observation Date immediately preceding the Valuation Date (being 26 June 2025) (the "**Adjusted Value_{t-1}**" or "**AV_{t-1}**") is determined to be 5,550.
- The day immediately preceding the Valuation Date is a valid Decrement Observation Date, so the "Actual Days" (being the number of calendar days from (but excluding) the immediately preceding Decrement Observation Date to (and including) the current Decrement Observation Date) is equal to one.
- The Day Count Divisor is specified to be 365.
- The Contractual Dividend (or CD) is specified to be 50.

What is the Reference Value?

The Reference Value of the FTSE 100 Total Return Index will be calculated by reference to the following formula:

$$AV_{t-1} \times \frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

On the basis of the assumptions provided above, the variables can be determined as follows:

- Actual Days (1) divided by the Day Count Divisor (365) is equal to 0.0027. 0.0027 multiplied by the CD (50) is 0.1370. Therefore 0.1370 is the amount determined by reference to the third part of the formula.
- Closing Value_t (5,800) divided by Closing Value_{t-1} (5,600) is equal to 1.0357. Therefore the amount used for the second part of the formula is 1.0357.
- Adjusted Value_{t-1} (5,550) multiplied by 1.0357 (being the value determined by reference to the second part of the formula) is equal to 5,748.214. Therefore 5,748.214 is the amount determined by reference to the first and second parts of the formula.
- 5,748.214 (being the amount determined by reference to the first and second parts of the formula) minus 0.1370 (being the amount determined by reference to the third part of the formula) is equal to 5,748.077.

The Reference Value for the relevant Valuation Date is therefore 5,748.077.

Where the Note is linked to a Basket, the Calculation Agent will determine the Reference Value of each Underlying in the Basket in accordance with the foregoing provisions.

(3) *Ascertaining the performance of the Underlying (or each Underlying in the Basket)*

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, Upper Barrier Event, an Autocall Event, a Coupon Event, Coupon Recovery Event or a Lock-In Coupon Event has occurred, the Calculation Agent will need to determine the relevant "**Reference Performance**", representing the appreciation or depreciation in the performance of the Underlying or Basket with respect to the relevant valuation date specified in relation to such determination.

Once it has ascertained the Reference Value for the Underlying or in respect of each Underlying in a Basket in accordance with the foregoing provisions (see sub-section (2)), the Calculation Agent will determine the Reference Performance of the relevant Underlying or Basket in accordance with the provisions specified in the relevant Final Terms.

(a) *Determining Underlying Performance*

In order to ascertain the relevant Reference Performance, the Calculation Agent must first determine the "**Underlying Performance**" of the Underlying or, in respect of each Underlying in a Basket. The Underlying Performance is a percentage representing any appreciation or depreciation in the Reference Value of an Underlying, in comparison to the initial level or initial price (as applicable) of such Underlying.

Underlying Performance worked example:

The hypothetical scenario

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

- An investor purchases a Note linked to the EURO STOXX 50® Index.

- The initial level of EURO STOXX 50® Index is specified in the Final Terms to be 4,600.
- "Lowest Value" is specified to apply with respect to the relevant determination and the Reference Value of the EURO STOXX 50® Index is 4,700, as determined by the Calculation Agent using the "Lowest Value" valuation method.

What is the Underlying Performance of the Underlying (EURO STOXX 50® Index)?

In order to determine the Underlying Performance of the Underlying, the Reference Value with respect to the Underlying is divided by its initial level to produce a percentage representing the appreciation or depreciation of such Underlying against its initial level.

- EURO STOXX 50® Index: 4,700 divided by 4,600 = 102.17%

Thus, the Underlying Performance of the Underlying (EURO STOXX 50® Index) shall be 102.17%.

(b) Determining Reference Performance

In the case of Notes which relate to a single Underlying, the relevant Reference Performance will be equal to the relevant Underlying Performance determined with respect to the Underlying and relevant valuation date. Where Notes relate to a Basket in respect of which "Worst of Basket", "Best of Basket" or "Weighted Basket" is specified in the relevant Final Terms, the Underlying Performance for each Underlying comprising such Basket will be determined in accordance with these foregoing provisions (please see the immediately preceding sub-section 3(a)) in order to then ascertain the Reference Performance of the Basket.

The Reference Performance to be determined in respect of a valuation date will be:

- where the Notes relate to a single Underlying, the Underlying Performance of that Underlying;
- where the Notes relate to a Basket in respect of which "Worst of Basket" is specified to apply, the Underlying Performance of the worst performing Underlying in such Basket;
- where the Notes relate to a Basket in respect of which "Best of Basket" is specified to apply, the Underlying Performance of the best performing Underlying in such Basket; and
- where the Notes relate to a Basket in respect of which "Weighted Basket" is specified to apply, the weighted average of the Underlying Performances of the Underlyings in the Basket in line with the weighting specified in the Final Terms.

Each of the potential valuation methods (together with a worked example) for the Reference Performance of the Underlying or Basket are described below.

- Where the Notes relate to only a **single Underlying** (i.e. the Notes do not relate to a Basket), the Reference Performance will be the Underlying Performance of the Underlying to which the Notes relate, which is determined by comparing the Reference Value (as determined in accordance with the valuation provisions specified in relation to the relevant valuation date) with the initial underlying value (being the initial index level or security price (as applicable)) (either as specified in the relevant Final Terms or determined in accordance with one of the valuation methods described above) of such Underlying.

Reference Performance – single Underlying 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 X.
- The initial security price of Company X is specified in the Final Terms to be USD 500.

- "Single Observation" is specified to apply with respect to the relevant determination and the Reference Value of the Company X shares is USD 480, as determined by the Calculation Agent using the "Single Observation" valuation method.

What is the Underlying Performance of the Underlying (Company X)?

In order to determine the Underlying Performance of the Underlying, the Reference Value with respect to the Underlying is divided by its security price to produce a percentage representing the appreciation or depreciation of such Underlying against its initial price.

- Company X shares: USD 480 divided by USD 500 = 96%

Thus, the Underlying Performance of the Underlying (Company X) shall be 96%.

What is the Reference Performance?

The Notes relate only to a single Underlying. Therefore, the Reference Performance shall be equal to the Underlying Performance and thus, the Reference Performance is 96%.

- Where "**Worst of Basket**" is specified as applicable with respect to a Basket and the Underlying Performance of each Underlying in such Basket has been determined in accordance with the foregoing provisions (please see the preceding sub-section 3(a)), the Reference Performance is ascertained by determining the lowest Underlying Performance amongst the Underlyings in such Basket.

Reference Performance – 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 Reference Value of the FTSE®100 Index is 6,120, as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Single Observation" valuation method.

What is the Underlying Performance of each Underlying (Index) in the Basket?

In order to determine which is the worst performing Underlying, the Underlying Performance with respect to each Underlying in the Basket must first be determined by dividing the Reference Value of each such Underlying by its initial index level to produce a percentage representing the appreciation or depreciation of such Underlying 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%

Which is the "Worst Performing Underlying" and what is the Reference Performance in respect of the Basket?

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 Underlying".

The Reference Performance of the Basket will thus be the Underlying Performance of the FTSE®100 Index (being the Worst Performing Underlying): 102%.

- Where "**Best of Basket**" is specified as applicable with respect to a Basket and the Underlying Performance of each Underlying in such Basket has been determined in accordance with the foregoing provisions (please see the preceding sub-section 3(a)), the Reference Performance is ascertained by determining the highest Underlying Performance amongst the Underlyings in such Basket.

Reference Performance – 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 Value" is specified to apply with respect to the relevant determination:
 - The Reference Value of the Company A shares is USD 180, as determined by the Calculation Agent using the "Average Value" valuation method.
 - The Reference Value of the Company B shares is EUR 400, as determined by the Calculation Agent using the "Average Value" valuation method.

• ***What is the Underlying Performance of each Underlying (Security) in the Basket?***

In order to determine which is the best performing Underlying, the Underlying Performance with respect to each Underlying in the Basket must first be determined by dividing the Reference Value of each such Underlying by its initial price to produce a percentage representing the appreciation or depreciation of such Underlying 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%

Which is the "Best Performing Underlying" and what is the Reference Performance in respect of the Basket?

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 Underlying".

The Reference Performance of the Basket will thus be the Underlying Performance of the Company A shares (being the Best Performing Underlying): 85.71%.

- Where "**Weighted Basket**" is specified as applicable with respect to a Basket and the Underlying Performance of each Underlying in the Basket has been determined in accordance with the foregoing provisions (please see the preceding sub-section 3(a)), the Reference Performance is ascertained by

determining the weighted average of the Underlying Performances of the Underlyings comprising the Basket.

Reference Performance – Weighted 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.
- "Weighted Basket" is specified in the Final Terms with respect to the Basket, and the Basket is specified to be an equally-weighted basket.
- The Final Valuation Date is 30 June 2025.
- "Single Observation" is specified to apply with respect to the Final Valuation Date:
 - The Reference Value of the FTSE®100 Index is 6,120, as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The initial index underlying level of the FTSE®100 Index is specified in the Final Terms to be 6,000.
- The initial index underlying level of the S&P 500® Index is specified in the Final Terms to be 2,000.

What is the Underlying Performance of each Underlying (Index) in the Basket?

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

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

What is the Reference Performance of the Basket (Weighted Basket)?

The Reference Performance is determined by determining the weighted average of the Underlying Performances of each Underlying: $[(50\% \times 102\%) = 51\%] + [(50\% \times 125\%) = 62.5\%] = 113.5\%$

(c) *Calculation of return using Reference Performance*

The Reference Performance will, in all cases (other than in respect of Fixed Income Notes), be calculated in relation to the Final Valuation Date (such Reference Performance being referred to as the "**Final Performance**") in order to determine the Final Redemption Amount.

Performance may be calculated by the Calculation Agent in relation to other valuation dates depending on the terms applicable to the Notes. The Reference Performance may also be determined in relation to:

- Each Barrier Valuation Date (where Barrier Event and/or Upper Barrier Event is specified to apply in the relevant Final Terms) in order to determine whether a Barrier Event and/or Upper Barrier Event has occurred;
- each Autocall Valuation Date (where Autocall Event is specified to apply in the relevant Final Terms) in order to determine whether an Autocall Event has occurred;
- each Coupon Valuation Date (where Coupon Event is specified to apply in the relevant Final Terms) in order to determine whether a Coupon Event (and, where applicable, a Coupon Recovery 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 Reference Performance is determined and used are set out as follows:

- in relation to determination of whether a Barrier Event has occurred, in sub-section (4);
- in relation to determination of the Final Performance for the purposes of ascertaining the Final Redemption Amount, in sub-section (5);
- in relation to determination of whether a Lock-In Redemption Event has occurred, in sub-section (6);
- in relation to determination of whether an Autocall Event has occurred, in sub-section (7);
- in relation to determination of whether a Coupon Event has occurred, in sub-section (9(c));
- in relation to determination of whether a Lock-In Coupon Event has occurred, in sub-section (9(d));
- in relation to determination of whether a Coupon Recovery Event has occurred, in sub-section (9(e)).

(4) ***Barrier Event and Upper Barrier Event***

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

In order to ascertain whether a Barrier Event and/or Upper Barrier Event has occurred, the Calculation Agent will determine whether:

- the Final Performance (where "**European**" is specified as the relevant Barrier Observation Method);
- the Reference Performance on any one or more specified "**Barrier Valuation Dates**" (where "**Bermudan**" is specified as the relevant Barrier Observation Method); or
- the Reference Performance on any "**Barrier Valuation Date**" during a specified valuation period (where "**Daily**" is specified as the relevant Barrier Observation Method),
- the Reference Performance at any time (determined on an intraday basis) during any "**Barrier Valuation Date**" during a specified valuation period (where "**American**" is specified as the relevant Barrier Observation Method),

has breached a specified percentage threshold (the "**Barrier Level**" or "**Upper Barrier Level**" as applicable).

Such breach will occur:

- in relation to a "Barrier Event", if the Reference Performance is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) such Barrier Level; and
- in relation to an "Upper Barrier Event" if the Reference Performance is (a) greater than or (b) greater than or equal (as specified in the relevant Final Terms) to such Upper Barrier Level.

Has a Barrier Event occurred? – single Underlying (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 Event is specified as applicable in the Final Terms and the Barrier Event occurrence is specified as "less than or equal to".
- 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 Final Valuation Date is 30 June 2025.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Reference Value 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 Reference Performance?

The Reference Performance is the Underlying Performance of the FTSE®100 Index, which is determined by dividing the Reference Value of the Underlying determined in respect of the Final 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 Reference Performance with respect to the Final Valuation Date is 102%.

Has a Barrier Event occurred?

As the Barrier Event occurrence is specified as "less than or equal to", a Barrier Event will occur if the Reference Performance in respect of the Final Valuation Date is less than or equal to the Barrier Level.

The Reference Performance (102%) is greater than the Barrier Level (100%), so Barrier Event has not occurred.

Further worked examples in relation to the determination of whether a Barrier Event and Upper Barrier Event have occurred are set out in section (5) below.

(5) 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.

Notes linked to a Security or Basket of Securities ("**Equity-Linked Notes**") may specify "Physical Delivery" to be applicable. If Physical Delivery is specified, then the Notes will be physically settled only if the performance of the Underlying fails to meet certain conditions. If such conditions are met, the Notes will be cash settled in accordance with the relevant Redemption Provisions.

(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 (as applicable) subject to the Final Performance being greater than or equal to a specified return threshold known as the "**Strike Level**". 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 which reflects the appreciation of the relevant Underlying or Basket

(as applicable) as against a specified level known as the "**Call Strike**" (which may be subject to a specified participation factor and/or a cap).

If the Final Performance is below the Strike Level:

- 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 Final Performance (or a physical delivery amount where specified to apply); and
- if a Barrier Event has not 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 Final Performance;
- the Strike Level;
- the Barrier Level;
- whether a Barrier Event has occurred;
- the Call Strike;
- 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 Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Strike Level**", then an investor will be entitled on redemption to:
 - (i) the calculation amount of the Note *multiplied by*:
 - (ii) a percentage equal to (x) 100% + (y) a percentage representing the performance of the relevant Underlying or Basket (as applicable) as against the Call Strike 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:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- If the Final Performance is less than the Strike Level:
 - if the Reference Performance determined with respect to any relevant barrier valuation date (or where "European" is specified as the Barrier Observation Method, the Final Performance) is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") (i.e. a "**Barrier Event**" has occurred), then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note multiplied by the Final Performance; or
 - if a Barrier Event has not occurred (and Physical Delivery is not specified to be applicable in the relevant Final Terms), then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note.
- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Strike Level and a Barrier Event

has occurred then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

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 Reference Value 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 Strike Level is 100%.
- The Participation is 200%.
- The Cap is 60%.
- The Call Strike is 100%.
- The Barrier Event occurrence is specified as "less than".
- The Barrier Observation Method is specified to be "Daily".
- "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 2025) to and including the Final Valuation Date (being 30 June 2026) (each a "**Barrier Valuation Date**").
- The Barrier Level is 95%.

(1) ***What is the Final Performance?***

The Reference Value of the Underlying (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 96.875%. Therefore, the Final Performance is 96.875%.

(2) ***Is the Final Performance greater than or equal to the Strike Level?***

The Final Performance is 96.875%, which is lower than the Strike Level set at 100%.

(3)	<i>What is the Reference Performance with respect to each Barrier Valuation Date?</i>
The Calculation Agent will determine the Reference Performance in relation to each Barrier Valuation Date. The Calculation Agent will do so by dividing the Reference Value of the Underlying determined in respect of such Barrier Valuation Date by its initial index level.	
(4)	<i>Has a Barrier Event occurred?</i>
As the Barrier Event occurrence is specified as "less than", a Barrier Event will occur if the Reference Performance determined with respect to any Barrier Valuation Date is less than the Barrier Level.	
On one of the Barrier Valuation Dates, the Reference Value 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 Reference Performance with respect to such Barrier Valuation Date is 94%.	
The Reference Performance with respect to such Barrier Valuation Date (94%) is below the Barrier Level (95%) and thus a Barrier Event has occurred.	
Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by the Final Performance.	
(4)	<i>Multiplying the result of the formula by the Final Performance</i>
The Final Redemption Amount per calculation amount of a Note will be:	
GBP	100 × (the specified calculation amount of the Note)
96.88%	(the Final Performance)
GBP	96.88 The Final Redemption Amount per calculation amount of a Note

(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 Final Performance being greater than or equal to a specified return threshold and (ii) a Barrier Event not 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 which reflects the appreciation of the relevant Underlying or Basket (as applicable) multiplied by a specified participation factor (which may be subject to a cap) and (ii) a minimum return percentage (the "**Conditional Protection**").

If the 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 which reflects the appreciation of the relevant Underlying or Basket (as applicable) multiplied by a specified participation factor (which may be subject to a cap).

If the 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 Final Performance (or a physical delivery amount where specified to apply); and
- if a Barrier Event has not occurred, the investor will be entitled to an amount equal to the specified calculation amount of the Note multiplied by the Conditional Protection.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Conditional Protection;

- 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 Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Return Threshold**", and (ii) the Reference Performance determined with respect to any relevant barrier valuation date (or where "European" is specified as the Barrier Observation Method, the Final Performance) is (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") (i.e. a "**Barrier Event**" has not occurred), then an investor will be entitled on redemption to an amount equal to:
 - (i) the calculation amount of the Note *multiplied by*:
 - (ii) the higher of:
 - (A) a percentage equal to (x) 100% + (y) a percentage representing the performance of the relevant Underlying or Basket (as applicable) multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**"; and
 - (B) the Conditional Protection.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}\{\text{Conditional Protection}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\};$$

- If the 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 equal to (x) 100% + (y) a percentage representing the performance of the relevant Underlying or Basket (as applicable) 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:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

- If the Final Performance is less than the Return Threshold but a Barrier Event has not 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.
- If the Final Performance is less than the Return Threshold and a Barrier Event has occurred (and Physical Delivery is not specified to be applicable in the relevant Final Terms), the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Final Performance.
- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Return Threshold and a Barrier

Event has occurred then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

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 EUR linked to the EURO STOXX 50® Index and which specifies Airbag with Barrier Redemption and has a term of 2 years.
- The calculation amount of the Note is EUR 1,000.
- The initial index level of the EURO STOXX 50® Index set out in the relevant Final Terms is 5,000.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Reference Value of the EURO STOXX 50® Index is 5,400, as determined by the Calculation Agent using the "Single Observation" valuation method
- The Return Threshold is 100%.
- The Conditional Protection is 110%.
- The Participation is 200%.
- The Cap is 30%.
- The Barrier Event occurrence is specified as "less than".
- The Barrier Observation Method is specified to be "American".
- The Barrier Valuation Period specified in the Final Terms includes each scheduled trading day (which is not a disrupted day) with respect to the EURO STOXX 50® Index from and including the Strike Date (being 24 June 2025) to and including the Final Valuation Date (being 30 June 2027) (each a "**Barrier Valuation Date**").
- "Intraday Value" is specified to apply with respect to each Barrier Valuation Date and so the level of the EURO STOXX 50® Index will be observed at all times during each Barrier Valuation Date during the Barrier Valuation Period.
- The Barrier Level is 60%.

(1)	<i>What is the Final Performance?</i>
	The Reference Value of the Underlying (Index) (5,400) determined with respect to the Final Valuation Date is divided by the initial index level (5,000), which is equal to 1.08 and, when expressed as a percentage, is 108%. Therefore, the Final Performance is 108%.
(2)	<i>Is the Final Performance greater than or equal to the Return Threshold?</i>
	The Final Performance is 108%, which is greater than the Return Threshold set at 100%.
(3)	<i>What is the Reference Performance of the Underlying with respect to the Barrier Valuation Dates?</i>
	The Calculation Agent will continuously determine the Reference Performance on each Barrier Valuation Date. The Calculation Agent will do so by dividing the Reference Value of the Underlying (observed continuously throughout each Barrier Valuation Date) by its initial index level.
(4)	<i>Has a Barrier Event occurred?</i>
	As the Barrier Event occurrence is specified as "less than" and the Barrier Observation Method is specified as "American", a Barrier Event will occur if the Reference Performance is, at any time, with respect to any Barrier Valuation Date less than the Barrier Level.
	The intraday level of the Underlying during the Barrier Valuation Period (as observed by the Calculation Agent) does not fall below the Barrier Level (being 60% of the initial index level), so a Barrier Event has not occurred in respect of any Barrier Valuation Dates during the Barrier Valuation Period.
	Therefore, the following formula will apply for the purposes of determining the redemption amount:
	$\text{Max}\{\text{Conditional Protection}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\}$
(5)	<i>Calculating the formula</i>
	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.
	On the basis of the assumptions provided above, the variables can be determined as follows:
• The Final Performance (108%) minus 100% (108% less 100% is equal to 8%) is greater than 0, and so 8% is used in the third part of the formula rather than 0. • The Participation (200%) multiplied by 8% equals 16%, which is less than the Cap (30%), and so 16% 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% + 16%, which is equal to 116%. • The percentage produced by the second and third parts of the formula (116%) is greater than the Conditional Protection (110%) specified in the first part of the formula, so 116% is used rather than the Conditional Protection. Therefore the overall percentage produced by the formula is 116%.	
(6)	<i>Multiplying the result of the formula by the specified calculation amount of the Note</i>
	The Final Redemption Amount per calculation amount of a Note will be:
	EUR 1,000 × (the specified calculation amount of the Note)
	116% (the percentage ascertained from the formula representing the product of the performance of the Underlying and the participation factor)
	EUR 1,160 The Final Redemption Amount per calculation amount of a Note

(c) *Barrier Redemption*

(x) *Where "Bermudan", "Daily" or "American" is specified as the applicable Barrier Observation Method:*

Overview of Barrier Redemption

Barrier Redemption provides the investor with protection on its investment subject to (i) the Final Performance being greater than or equal to a specified return threshold known as the "**Strike Level**" and/or (ii) a Barrier Event not having occurred. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes.

If the Final Performance is below the Strike Level 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 Final Performance (or a physical delivery amount where specified to apply).

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Strike Level;
- the Barrier Level; and
- whether a Barrier Event has occurred.

Calculation of the Final Redemption Amount

If "Barrier Redemption" is stated to be applicable and "Bermudan", "Daily" or "American" is specified as the applicable Barrier Observation Method in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Strike Level**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note.
- If the Final Performance is less than the Strike Level:
 - if the Reference Performance is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") in respect of any relevant barrier valuation dates (i.e. a "**Barrier Event**" has occurred) (and Physical Delivery is not specified to be applicable in the relevant Final Terms), the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Final Performance; or
 - if a Barrier Event has not occurred, then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note.
- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Strike Level and a Barrier Event has occurred, then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

Barrier Redemption (with "Bermudan" specified as the applicable Barrier Observation Method) 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 Reference Value of the Company A shares with respect to the Final Valuation Date is USD 5,500, as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the Company B shares with respect to the Final Valuation Date is GBP 2,300, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Strike Level is 100%.
- The Barrier Event occurrence is specified as "less than or equal to".
- The Barrier Observation Method is specified to be "Bermudan".
- "Average Value" is specified to apply with respect to each Barrier Valuation Date.
- The Barrier Valuation Dates are specified to be 30 June 2025 (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.
 - The Reference Value of the Company A shares with respect to the First Barrier Valuation Date is USD 5,000, as determined by the Calculation Agent using the "Average Value" valuation method.
 - The Reference Value of the Company B shares with respect to the First Barrier Valuation Date is GBP 2,100, as determined by the Calculation Agent using the "Average Value" valuation method.
 - The Reference Value of the Company A shares with respect to the Second Barrier Valuation Date is USD 5,300, as determined by the Calculation Agent using the "Average Value" valuation method.
 - The Reference Value of the Company B shares with respect to the Second Barrier Valuation Date is GBP 2,000, as determined by the Calculation Agent using the "Average Value" valuation method.

- The Barrier Level with respect to each Barrier Valuation Date is 100%.
- Physical Delivery is not applicable.

(1)	<i>What are the Underlying Performances of each Underlying (Security) in the Basket with respect to the Final Valuation Date?</i>
	In order to determine the worst performing Underlying, the Underlying Performance of each Underlying with respect to the Final Valuation Date is first determined by dividing the Reference Value of such Underlying by its initial security price: Company A shares: $\text{USD } 5,500 / \text{USD } 5,400 = 1.0185$ (expressed as a percentage is 101.85%) Company B shares: $\text{GBP } 2,300 / \text{GBP } 2,200 = 1.0455$ (expressed as a percentage is 104.55%)
(2)	<i>What is the Final Performance?</i>
	"Worst of Basket" is specified to apply. This means that the Final Performance of the Basket with respect to the Final Valuation Date will be the Underlying Performance of the worst performing Underlying in the Basket determined with respect to the Final Valuation Date. The price of the Company B shares has risen more in percentage terms than the price of the Company A shares, thus the Company A shares are the "Worst Performing Underlying". The Final Performance is the Underlying Performance of the Worst Performing Underlying (i.e. Company A shares). Therefore, the Final Performance is 101.85%
(3)	<i>Is the Final Performance greater than or equal to the Strike Level?</i>
	The Final Performance is 101.85%, which is greater than the Strike Level set at 100%. Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note.

(y) Where "European" is specified the applicable Barrier Observation Method:

Overview of Barrier Redemption

Barrier Redemption provides the investor with protection on its investment subject to a Barrier Event not having occurred. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes (or a physical delivery amount where specified to apply).

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 Final Performance.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Barrier Level; and
- whether a Barrier Event has occurred.

Calculation of the Final Redemption Amount

- If "Barrier Redemption" is stated to be applicable and "European" is specified as the applicable Barrier Observation Method in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:
 - If the Final Performance is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") (i.e. a "**Barrier Event**" has occurred) (and Physical Delivery is not specified to be applicable in the relevant Final Terms), the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Final Performance; or
 - If a Barrier Event has not occurred, then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note.

- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where a Barrier Event has occurred then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

Barrier Redemption (with "European" specified as the applicable Barrier Observation Method) 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 Reference Value of the Company A shares with respect to the Final Valuation Date is USD 5,500, as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the Company B shares with respect to the Final Valuation Date is GBP 2,300, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Barrier Event occurrence is specified as "less than or equal to".
- The Barrier Observation Method is specified to be "European".
- The Barrier Level is 100%.
- Physical Delivery is not applicable.

(1) *What are the Underlying Performances of each Underlying (Security) in the Basket with respect to the Final Valuation Date?*

In order to determine the worst performing Underlying, the Underlying Performance of each Underlying with respect to the Final Valuation Date is first determined by dividing the Reference Value of such Underlying by its initial security price:

Company A shares: $\text{USD } 5,500 / \text{USD } 5,400 = 1.0185$ (expressed as a percentage is 101.85%)

Company B shares: $\text{GBP } 2,300 / \text{GBP } 2,200 = 1.0455$ (expressed as a percentage is 104.55%)

(2) *What is the Final Performance?*

"Worst of Basket" is specified to apply. This means that the Final Performance of the Basket with respect to the Final Valuation Date will be the Underlying Performance of the worst performing Underlying in the Basket determined with respect to the Final Valuation Date.

The price of the Company B shares has risen more in percentage terms than the price of the Company A shares, thus the Company A shares are the "Worst Performing Underlying".

The Final Performance is the Underlying Performance of the Worst Performing Underlying (i.e. Company A shares). Therefore, the Final Performance is 101.85%

(3) ***Has a Barrier Event occurred?***

The Final Performance is 101.85%, which is greater than the Barrier Level set at 100%.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note.

(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 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 Rate**").

If the 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 Final Performance (or a physical delivery amount where specified to apply); and
- if a Barrier Event has not 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**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Return Threshold;
- the Conditional Protection;
- the Digital Rate;
- 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 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 Rate.
- If the Final Performance is less than the Return Threshold:
 - if the Reference Performance determined with respect to any relevant barrier valuation date (or where "European" is specified as the Barrier Observation Method, the Final Performance) is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") (i.e. a "**Barrier Event**" has occurred) (and Physical Delivery is not specified to be applicable in the relevant Final Terms), then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note multiplied by the Final Performance; or

- if a Barrier Event has not 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.
- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Return Threshold and a Barrier Event has occurred then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found immediately below).

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 (the "**Relevant Initial Value**") of Company A set out in the relevant Final Terms is GBP 54.
- 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 Reference Value of the Company A shares with respect to the Final Valuation Date is GBP 52, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Return Threshold is 100%.
- The Conditional Protection is 100%.
- The Digital Rate is equal to 5%.
- The Strike Level is 100%.
- The Barrier Level is 100%.
- The Barrier Event occurrence is specified as "less than".
- The Barrier Observation Method is specified to be "European".
- Physical Delivery is specified to be applicable.
- The Currency Pair Exchange Rate is 1 (as the currency in which the Company A security is denominated is the same as the settlement currency of the Note).

(1) ***What is the Final Performance?***

The Reference Value of the Security (GBP 52) determined with respect to the Final Valuation Date is divided by the initial price (GBP 54), which is equal to 0.9629 and, when expressed as a percentage, is 96.29%. Therefore, the Final Performance is 96.29%.

(2) ***Is the Final Performance greater than or equal to the Return Threshold?***

The Final Performance is 96.29%, which is less than the Return Threshold set at 100%.

(3) ***Has a Barrier Event occurred?***

As the Barrier Event occurrence is specified as "less than", a Barrier Event will occur if the Final Performance determined with respect to the Final Valuation Date is less than the Barrier Level.

The Final Performance (96.29%) with respect to the Final Valuation Date is less than the Barrier Level (100%) and thus a Barrier Event has occurred.

Therefore, an investor will receive a whole number of units of the relevant Underlying (the "**Securities Transfer Amount**") *plus* a cash amount (in place of any fractional amount of such Underlying) (the "**Residual Cash Amount**").

(4) Determining the Securities Transfer Amount

The Securities Transfer Amount is determined by reference to the following formula:

$$\text{Calculation Amount} / \text{Strike Level} \times \text{Relevant Initial Value} \times \text{Currency Pair Exchange Rate}$$

rounded down to the nearest integer.

On the basis of the assumptions provided above, the variables can be determined as follows:

- The Strike Level (100%) multiplied by the Relevant Initial Value (GBP 54) multiplied by the Currency Pair Exchange Rate (1) is equal to GBP 54, therefore GBP 54 is used for the second part of the formula.
- The Calculation Amount (GBP 1,000) divided by GBP 54 (being the amount determined with respect to the second part of the formula) is equal to 18.51.
- 18.51 rounded down to the nearest integer is 18. Thus the investor will receive 18 shares in Company A plus the Residual Cash Amount.

(5) Determining the Residual Cash Amount

The Residual Cash Amount is determined by reference to the following formula:

$$\text{Residual Amount} \times \text{Final Performance} / \text{Strike Level}$$

On the basis of the assumptions provided above, the variables can be determined as follows:

- First, the Residual Amount will be determined. Residual Amount is determined by reference to the following formula:

Calculation Amount – Securities Transfer Amount x Strike Level x Relevant Initial Value / Currency Pair Exchange Rate

- Relevant Initial Value (GBP 54) divided by the Currency Pair Exchange Rate (1) is equal to GBP 54, therefore GBP 54 is used for the third part of the formula.
- Securities Transfer Amount (18) multiplied by Strike Level (100%) multiplied by GBP 54 (being the amount determined by reference to the third part of the formula) is equal to GBP 972.
- GBP 1,000 minus GBP 972 (being the amount determined by reference to the second and third parts of the formula) is equal to GBP 28. Therefore the Residual Amount is GBP 28.
- Residual Amount (GBP 28) multiplied by Final Performance (96.29%) is equal to GBP 26.96
- GBP 26.96 (being the Residual Amount multiplied by the Final Performance) divided by Strike Level (100%) is equal to GBP 26.96. Therefore, the Residual Cash Amount payable to the investor is GBP 26.96.

(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 Final Performance being greater than or equal to 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 which reflects the appreciation of the relevant Underlying or Basket (as applicable) multiplied by a specified participation factor (which may be subject to a cap) and (ii) 100% plus a fixed return percentage (the "**Digital Rate**").

If the 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 Final Performance (or a physical delivery amount where specified to apply); or
- if a Barrier Event has not 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**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Return Threshold specified;
- the Conditional Protection;
- the Digital Rate;
- the Barrier Level specified;
- whether a Barrier Event has occurred;
- any participation factor specified; and

- the maximum cap specified (if any).

Calculation of the Final Redemption Amount

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 Final Performance is greater than or equal to 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 equal to (x) 100% + (y) a percentage representing the performance of the relevant Underlying or Basket (as applicable) multiplied by a percentage factor (the "**Participation**") and subject to a maximum of a "**Cap**"; and
 - (B) a percentage equal to (x) 100% + (y) the Digital Rate.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$100\% + \text{Max}\{\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\}$$

- If the Final Performance is less than the Return Threshold:
 - if the Reference Performance determined with respect to any relevant barrier valuation date (or where "European" is specified as the Barrier Observation Method, the Final Performance) is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") (i.e. a "**Barrier Event**" has occurred) (and Physical Delivery is not specified to be applicable in the relevant Final Terms), then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note multiplied by the Final Performance; or
 - if a Barrier Event has not 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.
- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Return Threshold and a Barrier Event has occurred then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

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 Reference Value of the Company A shares 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 is 100%. • The Digital Rate is equal to 5%. • The Participation is 100%. • The Cap is 50%. • The Barrier Observation Method is specified to be "European". • The Barrier Level is 90%. • The Barrier Event occurrence is specified as "less than". • Physical Delivery is not applicable.
(1) <i>What is the Final Performance?</i> The Reference Value of the Underlying (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 Final Performance is 102.5%.
(2) <i>Is the Final Performance greater than or equal to the Return Threshold?</i> The 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: 100% + Max{Digital Rate; Min[Cap; Participation × Max[0; Final Performance - 100%]]}
(3) <i>Calculating the formula</i> 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. On the basis of the assumptions provided above, the variables can be determined as follows: • The Final Performance (102.5%) 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 rather than 0. • 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. • The percentage produced by the second and third parts of the formula (2.5%) is less than the Digital Rate (5%) specified in the first part of the formula, so the Digital Rate (5%) is used rather than 2.5%. • The final calculation is therefore 100% + the Digital Rate (5%), which is equal to 105% so the overall percentage produced by the formula is 105%.
(3) <i>Multiplying the result of the formula by the specified calculation amount of the Note</i> The Final Redemption Amount per calculation amount of a Note will be: GBP 1,000 × (the specified calculation amount of the Note) 105% (100% + Digital Rate) GBP 1,050 The Final Redemption Amount per calculation amount of a Note

(f) *Protected Growth Redemption*

Overview of Protected Growth Redemption

Protected Growth Redemption provides the investor with protection on its investment plus a return upside subject to the Final Performance being greater than or equal to a specified return threshold known as the "**Call Strike**". In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by a percentage which reflects the appreciation of the relevant Underlying or Basket (as applicable) as against the Call Strike multiplied by a specified participation factor (which may be subject to a cap).

If the Final Performance is below the Call Strike, 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) an amount which reflects the depreciation of the relevant Underlying or Basket (as applicable) as against a specified put strike level (the "**Put Strike**"); and (ii) a minimum fixed return percentage (the "**Protection Level**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Put Strike specified;
- the Call Strike specified;
- the Protection Level specified;
- any participation factor; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Protected Growth Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Call Strike**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note *multiplied by* a percentage equal to (x) 100% + (y) a percentage representing the appreciation of the relevant Underlying or Basket (as applicable) from the specified Call Strike 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:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - \text{Call Strike})]$$

- If the Final Performance is less than the Call Strike, 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) a percentage equal to (x) 100% + (y) a percentage, which may be negative or equal to zero, representing the depreciation of the relevant Underlying or Basket (as applicable) from the specified Put Strike; and
 - (ii) the Protection Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$

Protected Growth 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 Protected Growth 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 Value" is specified to apply with respect to the Final Valuation Date and the Reference Value of the Company A shares with respect to the Final Valuation Date is GBP 105, as determined by the Calculation Agent using the "Average Value" valuation method.
- The Put Strike is 90%.
- The Call Strike is 100%.
- The Participation is 100%.
- The Cap is 50%.
- The Protection Level is 80%.

(1) *What is the Final Performance?*

The Reference Value of the Underlying (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 Final Performance is 87.5%.

(2) *Is the Final Performance greater than or equal to the Call Strike?*

The Final Performance is 87.5%, which is lower than the Call Strike set at 100%.

Therefore, the following formula will apply for the purposes of determining the redemption amount:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$

(3) *Calculating the formula*

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.

On the basis of the assumptions provided above, the variables can be determined as follows:

- The Final Performance (87.5%) minus the Put Strike (90%) (87.5% less 90% is equal to -2.5%) is lower than 0, and so -2.5% is used in the third part of the formula rather than 0.
- The percentage produced by the second part of the formula is 100% *plus* -2.5% - equal to 97.5%.
- The percentage produced by the second part of the formula (97.5%) is greater than the Protection Level (80%). Therefore the overall percentage produced by the formula is equal to 97.5%.

(4) *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:

$$\text{GBP } 100 \times (\text{the specified calculation amount of the Note})$$

	97.5%	(the percentage ascertained from the formula representing the negative performance of the Underlying)
GBP	97.5	The Final Redemption Amount per calculation amount of a Note

(g) *Protected Knock-Out Growth Redemption*

Overview of Protected Knock-Out Growth Redemption

Protected Knock-Out Growth Redemption provides the investor with protection on its investment plus a return upside subject to the Final Performance being greater than or equal to a specified return threshold known as the "**Call Strike**" and an Upper Barrier Event not having occurred. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by a percentage which reflects the appreciation of the relevant Underlying or Basket (as applicable) as against the Call Strike multiplied by a specified participation factor (which may be subject to a cap).

If the Final Performance is below the Call Strike and an Upper Barrier Event has not occurred, 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) an amount which reflects the depreciation of the relevant Underlying or Basket (as applicable) as against a specified put strike level (the "**Put Strike**"); and (ii) a minimum fixed return percentage (the "**Protection Level**").

If an Upper 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 a percentage equal to the Protection Level plus a fixed return percentage (the "**Digital Rate**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Put Strike specified;
- the Call Strike specified;
- the Protection Level specified;
- the Digital Rate specified;
- the Upper Barrier Level specified;
- whether an Upper Barrier Event has occurred;
- any participation factor; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Protected Knock-Out Growth Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Reference Performance determined with respect to any relevant barrier valuation date (or where "European" is specified as the Barrier Observation Method, the Final Performance) is (a) less than or equal to or (b) less than (as specified in the relevant Final Terms with respect to the Upper Barrier Event) a specified upper barrier threshold (the "**Upper Barrier Level**") (i.e. an "**Upper Barrier Event**" has not occurred):
 - if the Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Call Strike**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note *multiplied by* a percentage equal to (x) 100% + (y) a percentage representing the appreciation of the relevant Underlying or Basket (as

applicable) as against the specified Call Strike 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:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - \text{Call Strike})]$$

- if the Final Performance is less than the Call Strike, 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) a percentage equal to (x) 100% + (y) a percentage, which may be negative or equal to zero, representing the depreciation of the relevant Underlying or Basket (as applicable) as against the specified Put Strike; and
 - (ii) the Protection Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$

- If an Upper Barrier Event has occurred, then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note multiplied by a percentage equal to (x) the Protection Level plus (y) the Digital Rate.

Protected Knock-Out Growth 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 Protected Growth 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 Value" is specified to apply with respect to the Final Valuation Date and the Reference Value of the Company A shares with respect to the Final Valuation Date is GBP 140, as determined by the Calculation Agent using the "Average Value" valuation method.
- The Put Strike is 90%.
- The Call Strike is 100%.
- The Participation is 100%.
- The Cap is 50%.
- The Protection Level is 100%.
- The Digital Rate is 5%.
- The Upper Barrier Level is 110%.
- The Upper Barrier Event occurrence is specified as "greater than";
- The Barrier Observation Method is specified to be "European".

(1)	<i>What is the Final Performance?</i>
The Reference Value of the Underlying (Security) (GBP 140) determined with respect to the Final Valuation Date is divided by the initial price (GBP 120), which is equal to 1.1666 and, when expressed as a percentage, is 116.66%. Therefore, the Final Performance is 116.66%.	
(2)	<i>Has an Upper Barrier Event occurred?</i>
As the Upper Barrier Event occurrence is specified as "greater than", an Upper Barrier Event will occur if the Final Performance determined with respect to the Final Valuation Date is greater than the Upper Barrier Level.	
The Final Performance (116.66%) with respect to the Final Valuation Date is greater than the Upper Barrier Level (110%) and thus an Upper Barrier Event has occurred.	
Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied Protection Level + Digital Rate (100% + 5%), which is 105%.	
(3)	<i>Multiplying the result of the formula by the specified calculation amount of the Note</i>
The Final Redemption Amount per calculation amount of a Note will be:	
GBP	100 × (the specified calculation amount of the Note)
	105% (the Protection Level + the Digital Rate)
GBP	105 The Final Redemption Amount per calculation amount of a Note

(h) *Protected Bear Redemption*

Overview of Protected Bear Redemption

Protected Bear Redemption provides the investor with protection on its investment plus a positive return calculated by reference to downside performance subject to the Final Performance being less than or equal to a specified return threshold known as the "**Put Strike**". In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by a percentage which reflects the absolute value (i.e. the difference between the Put Strike and the Final Performance expressed as a positive number (or zero if the Final Performance is equal to the Put Strike)) of the depreciation of the relevant Underlying or Basket (as applicable) as against the Put Strike multiplied by a specified participation factor (which may be subject to a cap).

If the Final Performance is above the Put Strike, 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) a percentage which will be equal to the appreciation of the relevant Underlying or Basket (as applicable) as against a specified call strike level (the "**Call Strike**") but shall be expressed as a negative; and (ii) a minimum fixed return percentage (the "**Protection Level**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Call Strike specified;
- the Put Strike specified;
- the Protection Level specified;
- any participation factor; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Protected Bear Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Final Performance is less than or equal to the percentage specified in the relevant Final Terms as the "**Put Strike**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note *multiplied by* a percentage equal to (x) 100% + (y) a percentage representing the absolute negative performance (i.e. expressed as a positive number or zero) of the relevant Underlying or Basket (as applicable) as against the specified Put Strike 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:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$

- If the Final Performance is greater than the Put Strike, 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) a percentage equal to (x) 100% + (y) a percentage, which will be a negative number or equal to zero, representing the performance of the relevant Underlying or Basket (as applicable) from the specified Call Strike; and
 - (ii) the Protection Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Call Strike} - \text{Final Performance})]$$

Protected Bear 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 Protected Bear 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 Value" is specified to apply with respect to the Final Valuation Date and the Reference Value of the Company A shares with respect to the Final Valuation Date is GBP 105, as determined by the Calculation Agent using the "Average Value" valuation method.
- The Call Strike is 90%.
- The Put Strike is 100%.
- The Participation is 100%.
- The Cap is 30%.
- The Protection Level is 80%.

(1)	<i>What is the Final Performance?</i>
The Reference Value of the Underlying (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 Final Performance is 87.5%.	
(2)	<i>Is the Final Performance less than or equal to the Put Strike?</i>
The Final Performance is 87.5%, which is lower than the Put Strike set at 100%.	
Therefore, the following formula will apply for the purposes of determining the redemption amount:	
$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$	
(3)	<i>Calculating the formula</i>
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.	
On the basis of the assumptions provided above, the variables can be determined as follows:	
• The Put Strike (100%) minus the Final Performance (87.5%) (100% less 87.5% is equal to 12.50%) is greater than 0, and so 12.50% is used in the third part of the formula rather than 0. • The Participation (100%) multiplied by 12.50% equals 12.50%, which is less than the Cap (30%), and so 12.50% is used in the second part of the formula rather than the Cap. • The final calculation is therefore 100% + 12.50%, which is equal to 112.50% so the overall percentage produced by the formula is 112.50%.	
(4)	<i>Multiplying the result of the formula by the specified calculation amount of the Note</i>
The Final Redemption Amount per calculation amount of a Note will be:	
GBP	100 × (the specified calculation amount of the Note)
	112.5% (the positive percentage ascertained from the formula representing the absolute value of the negative performance of the Underlying)
GBP	112.50 The Final Redemption Amount per calculation amount of a Note

(i) *Protected Knock-Out Bear Redemption*

Overview of Protected Knock-Out Bear Redemption

Protected Knock-Out Bear Redemption provides the investor with protection on its investment plus a positive return calculated by reference to downside performance subject to the Final Performance being less than or equal to a specified return threshold known as the "**Put Strike**" and a Barrier Event not having occurred. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by a percentage which reflects the absolute value (i.e. the difference (if any) between the Put Strike and the Final Performance expressed as a positive number (or zero if the Final Performance is equal to the Put Strike)) of the depreciation of the relevant Underlying or Basket (as applicable) as against the Put Strike multiplied by a specified participation factor (which may be subject to a cap).

If the Final Performance is above the Put Strike and a Barrier Event has not occurred, 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) a percentage which will be equal to the appreciation of the relevant Underlying or Basket (as applicable) as against a specified call strike level (the "**Call Strike**") but shall be expressed as a negative; and (ii) a minimum fixed return percentage (the "**Protection Level**").

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 a percentage equal to the Protection Level plus a fixed return percentage (the "**Digital Rate**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Call Strike specified;
- the Put Strike specified;
- the Protection Level specified;
- the Digital Rate specified;
- the Barrier Level specified;
- whether a Barrier Event has occurred;
- any participation factor; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Protected Knock-Out Bear Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Reference Performance determined with respect to any relevant barrier valuation date (or where "European" is specified as the Barrier Observation Method, the Final Performance) is (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") (i.e. a "**Barrier Event**" has not occurred):

- If the Final Performance is less than or equal to the percentage specified in the relevant Final Terms as the "**Put Strike**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note *multiplied by* a percentage equal to (x) 100% + (y) a percentage representing the absolute negative performance (i.e. expressed as a positive number or zero) of the relevant Underlying or Basket (as applicable) as against the specified Put Strike 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:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$

- if the Final Performance is greater than the Put Strike, 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) a percentage equal to (x) 100% + (y) a percentage, which will be a negative number or equal to zero, representing the performance of the relevant Underlying or Basket (as applicable) from the specified Call Strike; and
 - (ii) the Protection Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Call Strike} - \text{Final Performance})]$$

- If a Barrier Event has occurred, then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note multiplied by a percentage equal to (x) the Protection Level plus (y) the Digital Rate.

Protected Knock-Out Bear 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 Protected Bear 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 Value" is specified to apply with respect to the Final Valuation Date and the Reference Value of the Company A shares with respect to the Final Valuation Date is GBP 105, as determined by the Calculation Agent using the "Average Value" valuation method.
- The Call Strike is 90%.
- The Put Strike is 100%.
- The Participation is 100%.
- The Cap is 30%.
- The Protection Level is 95%.
- The Digital Rate is 5%.
- The Barrier Level is 90%.
- The Barrier Event occurrence is specified as "less than";
- The Barrier Observation Method is specified to be "European".

(1) What is the Final Performance?

The Reference Value of the Underlying (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 Final Performance is 87.5% which is lower than the Put Strike set at 100%.

(2) Has a Barrier Event occurred?

As the Barrier Event occurrence is specified as "less than", a Barrier Event will occur if the Final Performance determined with respect to the Final Valuation Date is less than the Barrier Level.

The Final Performance (87.5%) with respect to the Final Valuation Date is less than the Barrier Level (90%) and thus a Barrier Event has occurred.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by the Protection Level + Digital Rate (95% + 5%), which is 100%.

(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:

$$\text{GBP } 100 \times (\text{the specified calculation amount of the Note})$$

	100%	(the Protection Level + the Digital Rate)
GBP	100	The Final Redemption Amount per calculation amount of a Note

(j) *Partial Protection Redemption*

Overview of Partial Protection Redemption

Partial Protection 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 Final Performance being greater than or equal to a specified threshold known as the "**Put Strike**".

If the Final Performance is below the Put Strike, 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 Final Performance; and (ii) a fixed return percentage (the "**Protection Level**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Put Strike; and
- the Protection Level.

Calculation of the Final Redemption Amount

If "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 Final Performance is equal to or greater than the percentage specified in the relevant Final Terms as the "**Put Strike**", then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.
- If the Final Performance is less than the Put Strike, 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 Final Performance; and
 - (ii) the Protection Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}[\text{Protection Level}; \text{Final Performance}]$$

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 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 Reference Value of the Company X shares with respect to the Final Valuation Date is USD 1,575, as determined by the Calculation Agent using the "Single Observation" valuation method.

• The Put Strike is 100%. • The Protection Level is equal to 60%
(1) <i>What is the Final Performance?</i> The Reference Value 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 Final Performance is 105%.
(2) <i>Is the Final Performance greater than or equal to the Put Strike?</i> The Final Performance is 105%, which is higher than the Put Strike set at 100%. Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note.

(k) ***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 Final Performance being equal to or greater than the specified return threshold known as the "**Strike Level**".

If the Final Performance is below the Strike Level, 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 (as applicable) as against Strike Level (or a physical delivery amount where specified to apply).

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance; and
- the Strike Level.

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 Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Strike Level**", then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.
- If the Final Performance is less than the Strike Level (and Physical Delivery is not specified to be applicable in the relevant Final Terms), the investor will be entitled to an amount on redemption equal to the calculation amount of the Note *multiplied by* a percentage equal to the Final Performance divided by the Strike Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Strike Level then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

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 Reference Value of the EURO STOXX 50® Index is 3,200, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Strike Level is 95%.

(1) What is the Final Performance?

The Reference Value 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 Final Performance is 91.43%.

(2) Is the Final Performance greater than the Strike Level?

The Final Performance is 91.43%, which is lower than the Strike Level set at 95%.

Therefore, the following formula will apply for the purposes of determining the redemption amount:

$$\text{Final Performance} / \text{Strike Level}$$

(2) Calculating the formula

In order to ascertain the result of the above formula, the Final Performance (91.43%) is divided by Strike Level (95%), which is equal to 96.24%.

(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:

EUR	100	×	(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		The Final Redemption Amount per calculation amount of a Note

(1) Booster Redemption

Overview of Booster Redemption

Booster Redemption provides the investor with a return upside subject to the Final Performance being greater than or equal to a specified return threshold known as the "**Strike Level**". 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 (as applicable) as against a specified call strike level (the "**Call Strike**") multiplied by a specified participation factor (which may be subject to a cap).

If the Final Performance is below the Strike Level, 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 (as applicable) as against the Strike Level (or a physical delivery amount where specified to apply).

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Strike Level specified;
- the Call Strike specified;
- any participation factor; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Booster Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Strike Level**", then an investor will be entitled on redemption to the calculation amount of the Note *multiplied by* a percentage equal to (x) 100% + (y) a percentage representing the performance of the relevant Underlying or Basket (as applicable) as against the specified Call Strike 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:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- If the Final Performance is less than the Strike Level (and Physical Delivery is not specified to be applicable in the relevant Final Terms), the investor will be entitled to an amount on redemption equal to the calculation amount of the Note *multiplied by* a percentage equal to the Final Performance divided by the Strike Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Strike Level then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

Booster 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 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.

- "Weighted Basket" is specified in the Final Terms. 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

- "Single Observation" is specified to apply with respect to the Final Valuation Date:
 - The Reference Value of the EURO STOXX 50® Index is 3,400, as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the S&P 500® Index is 2,150, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Strike Level is 95%.
- The Call Strike is 95%.
- The Participation is 100%.
- The Cap is 60%.

(1) ***What is the Underlying Performance of each Underlying (Index) in the Basket?***

The Underlying Performance of the EURO STOXX 50® Index is determined by dividing the Reference Value by the initial index level: 3,400 divided by 3,500 = 97.14%

The Underlying Performance of the S&P 500® Index is determined by dividing the Reference Value by the initial index level: 2,150 divided by 2,200 = 97.73%

(2) ***What is the Final Performance of the Basket?***

The Final Performance is determined by determining the weighted average of the Underlying Performances of each Underlying (Index):

$$[(80\% \times 97.14\%) = 77.71\%] + [(20\% \times 97.73\%) = 19.55\%] = 97.26\%$$

(3) ***Is the Final Performance greater than or equal to the Strike Level?***

The Final Performance is 97.26%, which is greater than the Strike Level (95%).

Therefore, the following formula will apply for the purposes of determining the redemption amount:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

(4) ***Calculating the formula***

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.

On the basis of the assumptions provided above, the variables can be determined as follows:

- The Final Performance (97.26%) minus Call Strike (95%) (97.26% less 95% is equal to 2.26%) is greater than 0, and so 2.26% is used in the third part of the formula rather than 0.
- The Participation (100%) multiplied by 2.26% equals 2.26%, which is less than the Cap (60%), and so 2.26% is used in the second part of the formula rather than the Cap.
- The final calculation is therefore 100% + 2.26%, which is equal to 102.26% so the overall percentage produced by the formula is 102.26%.

(5) ***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	100	×	(the specified calculation amount of the Note)
	102.26%		(the percentage ascertained from the formula representing the positive performance of the Basket)
GBP	<u>102.26</u>		The Final Redemption Amount per calculation amount of a Note

(m) *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 Final Performance being greater than or equal to a specified return threshold known as the "**Call Strike Level**". 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 (as applicable) as against the Call Strike multiplied by a specified participation factor (which may be subject to a cap).

If the Final Performance is below the specified Call Strike but greater than or equal to a specified percentage of the initial performance (the "**Strike Level**"), the investor will be entitled to an amount equal to the specified calculation amount of the Notes.

If the Final Performance is below the specified Call Strike and the specified Strike Level, 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 as against the Strike Level (or a physical delivery amount where specified to apply).

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Call Strike;
- the Strike Level;
- 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 Final Performance is greater than or equal to the Call Strike, then an investor will be entitled on redemption to the calculation amount of the Note *multiplied by* a percentage equal to (x) 100% + (y) a percentage representing the performance of the relevant Underlying or Basket (as applicable) multiplied by the participation 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:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- If the Final Performance is less than the Call Strike but greater than or equal to the Strike Level, then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.
- If the Final Performance is less than the Strike Level and less than the Call Strike (and Physical Delivery is not specified to be applicable in the relevant Final Terms), the investor will be entitled to an amount on redemption equal to the calculation amount of the Note *multiplied by* a percentage equal to the Final Performance divided by the Strike Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Strike Level and less than the Call Strike then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

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.
- "Weighted Basket" is specified in the Final Terms. 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

- "Single Observation" is specified to apply with respect to the Final Valuation Date:
 - The Reference Value of the EURO STOXX 50® Index is 3,400 as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the S&P 500® Index is 2,150 as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Call Strike is 100%.
- The Strike Level is 95%.
- The Cap is 20%.
- The Participation is 100%.

(1) ***What is the Underlying Performance of each Underlying (Index) in the Basket?***

The Underlying Performance of the EURO STOXX 50® Index is determined by dividing the Reference Value by the initial index level: 3,400 divided by 3,500 = 97.14%

The Underlying Performance of the S&P 500® Index is determined by dividing the Reference Value by the initial index level: 2,150 divided by 2,200 = 97.73%
(2) <i>What is the Final Performance of the Basket?</i> The Final Performance is determined by determining the weighted average of the Underlying Performances of each Underlying (Index): $[(80\% \times 97.14\%) = 77.71\%] + [(20\% \times 97.73\%) = 19.55\%] = 97.26\%$
(3) <i>Is the Final Performance greater than or equal to the Call Strike?</i> The Final Performance is 97.26% which is less than the Call Strike set at 100%.
(4) <i>Is the Final Performance greater than or equal to the Strike Level?</i> The Final Performance is 97.26% which is greater than the Strike Level. Therefore, the redemption amount of the Note will be equal to the specified calculation amount.

(n) ***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 Final Performance being greater than or equal to a specified return threshold known as the "**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 Rate**").

If the Final Performance is below the specified Return Threshold but greater than or equal to a specified percentage of the initial performance (the "**Strike Level**"), the investor will be entitled to an amount equal to the specified calculation amount of the Notes.

If the Final Performance is below the specified Return Threshold and the specified Strike Level, 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 (as applicable) as against the Strike Level (or a physical delivery amount where specified to apply).

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Return Threshold
- the Digital Rate; and
- the Strike Level.

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 Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Return Threshold**", then an investor will be entitled on redemption to the calculation amount of the Note *multiplied by* a percentage equal to 100% + the Digital Rate.
- If the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.

- If the Final Performance is less than the Return Threshold and less than the Strike Level (and Physical Delivery is not specified to be applicable in the relevant Final Terms), the investor will be entitled to an amount on redemption equal to the calculation amount of the Note *multiplied by* a percentage equal to the Final Performance divided by the Strike Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Strike Level and less than the Strike Level then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

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 Reference Value of the Company X shares 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 Level is 80%.
- The Digital Rate is equal to 7.5%.
- Physical Delivery is not applicable.

(1) What is the Final Performance?

The Reference Value of the Underlying (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 Final Performance is 105%.

(2) Is the Final Performance greater than or equal to the Return Threshold?

The 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 Rate (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:

$$\begin{array}{rcl} \text{USD} & 100 & \times \text{ (the specified calculation amount of the Note)} \\ & 107.5\% & (100\% + \text{Digital Rate}) \\ \hline \end{array}$$

USD	107.50	The Final Redemption Amount per calculation amount of a Note

(o) *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 Final Performance being greater than or equal to a specified threshold known as the "**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 which reflects the appreciation of the relevant Underlying or Basket (as applicable) multiplied by a specified participation factor (which may be subject to a cap) and (ii) 100% + a fixed return percentage (the "**Digital Rate**").

If the Final Performance is below the specified Return Threshold but greater than or equal to a specified percentage of the initial performance (the "**Strike Level**"), the investor will be entitled to an amount equal to the specified calculation amount of the Notes.

If the Final Performance is below the specified Return Threshold and the Strike Level, 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 as against the Strike Level (or a physical delivery amount where specified to apply).

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Return Threshold;
- the Digital Rate;
- the Strike Level;
- any participation factor; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

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 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 equal to (x) 100% + (y) a percentage representing the performance of the relevant Underlying or Basket (as applicable) multiplied by a specified participation factor (the "**Participation**") and subject to a maximum of a "**Cap**"; and
 - (B) a percentage equal to (x) 100% + (y) the Digital Rate.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$100\% + \text{Max}[\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - 100\%)]]$$

- If the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, then an investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note.

- If the Final Performance is less than the Strike Level and less than the Return Threshold (and Physical Delivery is not specified to be applicable in the relevant Final Terms), the investor will be entitled to an amount on redemption equal to the calculation amount of the Note *multiplied by* a percentage equal to the Final Performance divided by the Strike Level.
- This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Strike Level and less than the Return Threshold then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

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 Reference Value 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 Rate is equal to 5%.
- The Participation is 100%.
- The Cap is 50%.
- The Strike Level is 85%.

(1) What is the Final Performance?

The Reference Value 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 Final Performance is 101.85%.

(2) Is the Final Performance greater than or equal to the Return Threshold?

The 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:

$$100\% + \text{Max}[\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - 100\%)]]$$

(3) Calculating the formula

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.

On the basis of the assumptions provided above, the variables can be determined as follows:

- The Final Performance (101.85%) 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 rather than 0.
- 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.
- The percentage produced by the second and third parts of the formula (1.85%) is less than the Digital Rate (5%) specified in the first part of the formula, so the Digital Rate (5%) is used rather than 1.85%.
- The final calculation is therefore 100% + the Digital Rate (5%), which is equal to 105% so the overall percentage produced by the formula is 105%.

(4) ***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	1,000	×	(the specified calculation amount of the Note)
	105%		(100% + the Digital Rate)
GBP	1,050		The Final Redemption Amount per calculation amount of a Note

(p) ***Protected Step-Down Growth Redemption***

Overview of Protected Step-Down Growth Redemption

Protected Step-Down Growth Redemption provides the investor with protection on its investment equal to a specified Protection Level (as defined below) plus a return upside subject to the Final Performance being greater than or equal to a specified return threshold known as the "**Call Strike**". 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 "**Protection Level**") and (ii) an amount equal to the specified calculation amount of the Notes multiplied by a percentage which reflects the appreciation of the relevant Underlying or Basket (as applicable) as against a specified call strike level (the "**Call Strike**") multiplied by a specified participation factor, subject to a maximum specified cap (if any).

If the Final Performance is below the specified Call Strike, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Protection Level.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Call Strike specified;
- the Protection Level specified;
- any participation factor; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Protected Step-Down Growth Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Call Strike**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note *multiplied by* a percentage equal to (x) the Protection Level plus (y) a percentage representing the performance of the relevant Underlying or Basket (as applicable) as against

the specified Call Strike multiplied by a percentage participation factor (the "**Participation**") and subject to a maximum of a specified "**Cap**" (if any).

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Protection Level} + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- If the Final Performance is less than the Call Strike, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Protection Level.

Protected Step-Down Growth 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 Reference Value 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 Call Strike is 100%.
- The Participation is 100%.
- The Cap is 10%.
- The Protection Level is 90%.

(1) What is the Final Performance?

The Reference Value of the Underlying (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 Final Performance is 96%.

(2) Is the Final Performance greater than or equal to the Call Strike?

The Final Performance is 96%, which is lower than the Call Strike set at 100%.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied the Protection Level (90%).

(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:

GBP	1,000	×	(the specified calculation amount of the Note)
	90%		(the Protection Level)
GBP	900		The Final Redemption Amount per calculation amount of a Note

(q) *Protected Step-Down Bear Redemption*

Overview of Protected Step-Down Bear Redemption

Protected Step-Down Bear Redemption provides the investor with protection on its investment equal to a specified Protection Level (as defined below) plus a positive return calculated by reference to downside performance subject to the Final Performance being less than or equal to a specified return threshold known as the "**Put Strike**". 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 "**Protection Level**") and (ii) an amount equal to the specified calculation amount of the Notes multiplied by a percentage which reflects the absolute value (i.e. the difference (if any) between the Put Strike and the Final Performance expressed as a positive number) of the depreciation of the relevant Underlying or Basket (as applicable) as against the Put Strike multiplied by a specified participation factor, subject to a maximum specified cap (if any).

If the Final Performance is above the Put Strike, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Protection Level.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Put Strike specified;
- the Protection Level specified;
- any participation factor; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Protected Step-Down Bear Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Final Performance is less than or equal to the percentage specified in the relevant Final Terms as the "**Put Strike**", then an investor will be entitled on redemption equal to the specified calculation amount of the Note *multiplied* by a percentage equal to (x) the Protection Level plus a (y) a percentage representing the absolute negative performance (i.e. expressed as a positive number or zero) of the relevant Underlying or Basket (as applicable) as against the specified Put Strike multiplied by a percentage participation factor (the "**Participation**") and subject to a maximum of a specified "**Cap**" (if any).

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Protection Level} + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$

- If the Final Performance is greater than the Put Strike, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Protection Level.

Protected Step-Down Bear 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 Protected Step-Down Bear 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 Reference Value 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 Put Strike is 100%. • The Participation is 100%. • The Cap is 10%. • The Protection Level is 90%.
(1) <i>What is the Final Performance?</i> The Reference Value of the Underlying (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 Final Performance is 96%.
(2) <i>Is the Final Performance less than or equal to the Put Strike?</i> The Final Performance is 96%, which is less than the Put Strike set at 100%. Therefore, the following formula will apply for the purposes of determining the redemption amount: Protection Level + Min[Cap; Participation × Max[0; Put Strike – Final Performance]]
(3) <i>Calculating the formula</i> 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 greater or, respectively. On the basis of the assumptions provided above, the variables can be determined as follows: • The Put Strike (100%) minus the Final Performance (96%) (100% less 96% is equal to 4%) is greater than 0, and so 4% is used in the third part of the formula rather than 0. • The Participation (100%) multiplied by 4% equals 4%, which is less than the Cap (10%), and so 4% is used in the second part of the formula rather than the Cap. • The final calculation is therefore the Protection Level (90%) + 4%, so the overall percentage produced by the formula is 94%.
(4) <i>Multiplying the result of the formula by the specified calculation amount of the Note</i> The Final Redemption Amount per calculation amount of a Note will be: GBP 1,000 × (the specified calculation amount of the Note) 94% (the percentage ascertained from the formula representing the negative performance of the Underlying from the Put Strike plus the Protection Level) GBP 940 The Final Redemption Amount per calculation amount of a Note

(r) *Straddle with Barrier Redemption*

Overview of Straddle with Barrier Redemption

Straddle with Barrier Redemption provides the investor with protection on its investment plus a return linked to either the upside or downside performance (as applicable) subject to a Barrier Event not having occurred. In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by a percentage equal to the absolute value (i.e. a positive number or zero) of the Final Performance reflecting either (a) the appreciation or (b) the depreciation, as the case may be, of the relevant Underlying or Basket (as applicable) as against its initial value multiplied by a specified participation factor (which, in the case of the appreciation of such Underlying or Basket (as applicable), may be subject to a cap).

If a Barrier Event has occurred and Final Performance is greater than zero, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by a percentage equal to 100% plus a percentage which reflects the appreciation of the relevant Underlying or Basket (as applicable) multiplied by a specified participation factor (which may be subject a cap).

If a Barrier Event has occurred and Final Performance is less than or equal to zero, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by the Final Performance.

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Barrier Level;
- whether a Barrier Event has occurred;
- the Upside Participation;
- the Downside Participation; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Straddle 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 Reference Performance determined with respect to any relevant barrier valuation date (or where "European" is specified as the Barrier Observation Method, the Final Performance) is (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") (i.e. a "**Barrier Event**" has not occurred), then an investor will be entitled to an amount on redemption equal to:
 - (i) the specified calculation amount of the Note *multiplied by*:
 - (ii) a percentage equal to (x) 100% + (y) a percentage representing the absolute value (i.e. a positive number or zero) of the performance of the relevant Underlying or Basket (as applicable) as against its initial level multiplied by an upside or downside percentage factor (as applicable, the "**Upside Participation**" and "**Downside Participation**" respectively) and, in the case of appreciation of such Underlying or Basket (as applicable) subject to a maximum of a "**Cap**" (if any).

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$100\% + \text{Downside Participation} \times \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

- If a Barrier Event has occurred, the investor will be entitled on redemption to:
 - (i) the specified calculation amount of the Note *multiplied by*:

- (ii) the Final Performance which, in the case of appreciation of the Underlying or Basket (as applicable) only, shall be multiplied by the specified Upside Participation and subject to a maximum of the Cap (if any).

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$100\% - \text{Max}(0; 100\% - \text{Final Performance}) \\ + \text{Min}[\text{Cap; Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

Straddle 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 EUR linked to the EURO STOXX 50® Index and which specifies Straddle with Barrier Redemption and has a term of 6 years.
- The calculation amount of the Note is EUR 1,000.
- The initial index level of the EURO STOXX 50® Index set out in the relevant Final Terms is 5,000.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Reference Value of the EURO STOXX 50® Index is 3,900, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Upside Participation is 200%.
- The Downside Participation is 100%.
- The Cap is 30%.
- The Barrier Event occurrence is specified as "less than or equal to".
- The Barrier Observation Method is specified to be "European".
- The Barrier Level is 70%.

(1) What is the Final Performance?

The Reference Value of the Index (3,900) determined with respect to the Final Valuation Date is divided by the initial index level (5,000), which is equal to 0.78 and, when expressed as a percentage, is 78%. Therefore, the Final Performance is 78%.

(2) Has a Barrier Event occurred?

As the Barrier Event occurrence is specified as "less than", a Barrier Event will occur if the Final Performance determined with respect to the Final Valuation Date is less than the Barrier Level.

The Final Performance (78%) determined with respect to the Final Valuation Date is higher than the Barrier Level (70%) thus a Barrier Event has not occurred.

Therefore, the following formula will apply for the purposes of determining the redemption amount:

$$100\% + \text{Downside Participation} \times \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap; Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

(3) Calculating the formula

When working out the above formula, the first step is to determine the variables in the formula described using "Min" and "Max", which means the lower of and greater of, respectively.

On the basis of the assumptions provided above, the variables can be determined as follows:

- The Final Performance (78%) minus 100% (78% less 100% is equal to -22%) is less than 0, and so 0 is used in the fifth part of the formula rather than -22%.
- The Upside Participation (200%) multiplied by 0 equals 0, which is less than the Cap (30%), so 0 is used in the fourth part of the formula rather than the Cap. Therefore the overall percentage produced by the fourth and fifth parts of the formula is equal to 0.
- 100% minus the Final Performance (78%) (100% less 78% is equal to 22%) is greater than 0, and so 22% is used in the third part of the formula.
- The Downside Participation (100%) multiplied by 22% (being the percentage produced by the third part of the formula) is equal to 22%.
- Once these variables are inserted into the second through fifth parts of the formula, the calculation is $100\% + 22\%$ (being the percentage produced by the second and third parts of the formula) $+ 0\%$ (being the percentage produced by the fourth and fifth parts of the formula), which is equal to 122%, so the overall percentage produced by the formula is 122%

(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:

EUR	1,000	×	(the specified calculation amount of the Note)
	122%		(the percentage ascertained from the formula)
EUR	<u>1,220</u>		The Final Redemption Amount per calculation amount of a Note

(s) ***Straddle with Buffer Redemption***

Overview of Straddle with Buffer Redemption

Straddle with Buffer Redemption provides the investor with protection on its investment plus a return linked to either the upside or downside performance (as applicable) subject to the Final Performance being greater than or equal to a specified return threshold known as the "**Strike Level**". In that case, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by a percentage equal to the absolute value (i.e. a positive number or zero) of the Final Performance reflecting either (a) the appreciation or (b) the depreciation, as the case may be, of the relevant Underlying or Basket (as applicable) multiplied by a specified participation factor (which, in the case of the appreciation of such Underlying or Basket (as applicable), may be subject to a cap).

If the Final Performance is below than the Strike Level, 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 (as applicable) as against the Strike Level (or a physical delivery amount where specified to apply).

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Strike Level;
- the Upside Participation;
- the Downside Participation; and
- the maximum cap (if any).

Calculation of the Final Redemption Amount

If "Straddle 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 Final Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Strike Level**", then an investor will be entitled on redemption to:
 - (i) the specified calculation amount of the Note *multiplied by*:
 - (ii) a percentage equal to (x) 100% + (y) a percentage representing the absolute value (i.e. a positive number or zero) of the performance of the relevant Underlying or Basket (as applicable) multiplied by an upside or downside percentage factor (as applicable, the "**Upside Participation**" and "**Downside Participation**" respectively) and, in the case of appreciation of such Underlying or Basket (as applicable) subject to a maximum of a "**Cap**" (if any).

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$100\% + \text{Downside Participation} \times \text{Max}[0 ; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0 ; \text{Final Performance} - 100\%]]$$

- If the Final Performance is less than the Strike Level (and Physical Delivery is not specified to be applicable in the relevant Final Terms), then an investor will be entitled on redemption to the calculation amount of the Note *multiplied by* a percentage equal to the Final Performance divided by the Strike Level.

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- With respect to Equity-Linked Notes in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where Final Performance is less than the Strike Level then an investor will receive a whole number of units of the relevant Underlying *plus* a cash amount (in place of any fractional amount of such Underlying) (a worked example with respect to Physical Delivery can be found in sub-section 5(d) (*Digital with Barrier Redemption*)).

Straddle 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 the EURO STOXX 50® Index and which specifies Straddle with Barrier Redemption and has a term of 6 years.
- The calculation amount of the Note is EUR 1,000.
- The initial index level of the EURO STOXX 50® Index set out in the relevant Final Terms is 5,000.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Reference Value of the EURO STOXX 50® Index is 3,900, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Strike Level is 80%.
- The Upside Participation is 200%.
- The Downside Participation is 100%.
- The Cap is 30%.

(1)	<i>What is the Final Performance?</i>
The Reference Value of the Index (3,900) determined with respect to the Final Valuation Date is divided by the initial index level (5,000), which is equal to 0.78 and, when expressed as a percentage, is 78%. Therefore, the Final Performance is 78%.	
(2)	<i>Is the Final Performance greater than or equal to the Strike Level?</i>
The Final Performance is 78%, which is lower than the Strike Level set at 80%.	
Therefore, the following formula will apply for the purposes of determining the redemption amount:	
Final Performance / Strike Level	
(3)	<i>Calculating the formula</i>
In order to ascertain the result of the above formula, the Final Performance (78%) is divided by the Strike Level (80%), which is equal to 97.5%	
(6)	<i>Multiplying the result of the formula by the specified calculation amount of the Note</i>
The Final Redemption Amount per calculation amount of a Note will be:	
EUR	1,000 × (the specified calculation amount of the Note)
	97.5% (the percentage ascertained from the formula)
EUR	975 The Final Redemption Amount per calculation amount of a Note

(t) ***Protected Knock-Out Straddle Redemption***

Overview of Protected Knock-Out Straddle Redemption

Protected Knock-Out Straddle Redemption provides the investor with the greater of (i) protection on its investment plus a return linked to either the upside or downside performance (as applicable) and (ii) protection on its investment equal to a specified Protection Level (as defined below), subject to neither a Barrier Event nor an Upper 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 a percentage equal to the greater of (i) 100% plus a percentage equal to the absolute value (i.e. a positive number or zero) of the Final Performance minus 100%, reflecting either (a) the appreciation or (b) the depreciation, as the case may be, of the relevant Underlying or Basket (as applicable); and (ii) a specified fixed percentage (the "**Protection Level**").

If either a Barrier Event and/or Upper Barrier Event have occurred, the investor will be entitled to an amount equal to the specified calculation amount of the Notes multiplied by a percentage equal to the sum of (i) the Protection Level and (ii) a fixed return percentage (the "**Digital Rate**").

Accordingly, the Final Redemption Amount payable to the investor will depend on:

- the Final Performance;
- the Protection Level;
- the Barrier Level;
- whether a Barrier Event has occurred;
- the Upper Barrier Level;
- whether an Upper Barrier Event has occurred; and
- the Digital Rate (if any).

Calculation of the Final Redemption Amount

If "Protected Knock-Out Straddle Redemption" is stated to be applicable in the relevant Final Terms, then the Final Redemption Amount will be calculated as follows:

- If the Reference Performance determined with respect to any relevant barrier valuation date (or where "European" is specified as the Barrier Observation Method, the Final Performance) is:

(a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms with respect to the Barrier Event) a specified barrier threshold (the "**Barrier Level**") (i.e. a "**Barrier Event**" has not occurred); or

(a) lower than or equal to or (b) lower than (as specified in the relevant Final Terms with respect to the Upper Barrier Event) a specified upper barrier threshold (the "**Upper Barrier Level**") (i.e. an "**Upper Barrier Event**" has not occurred), then an investor will be entitled on redemption to:

(A) the calculation amount of the Note *multiplied by*:

(B) the higher of:

(X) the Protection Level; and

(Y) a percentage equal to (x) 100% + (y) a percentage representing the absolute value (i.e. a positive number or zero) of the performance of the relevant Underlying or Basket (as applicable).

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{ABS}(\text{Final Performance} - 100\%)]$$

- If either an Upper Barrier Event and/or a Barrier Event has occurred, then an investor will be entitled on redemption to the calculation amount of the Note *multiplied by* a percentage equal to the Protection Level plus the Digital Rate (if any).

Protected Knock-Out Straddle 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 Straddle with Barrier Redemption and has a term of 6 years.
- The calculation amount of the Note is EUR 1,000.
- The initial index level of the EURO STOXX 50® Index set out in the relevant Final Terms is 5,000.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Reference Value of the EURO STOXX 50® Index is 3,900, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Protection Level is 102%.
- The Barrier Event occurrence is specified as "less than or equal to".
- The Barrier Level is 85%.
- The Upper Barrier Event occurrence is specified as "greater than or equal to".
- The Upper Barrier Level is 115%.
- The Barrier Observation Method is specified to be "European".

- The Digital Rate is 5%.

(1)

What is the Final Performance?

The Reference Value of the Index (3,900) determined with respect to the Final Valuation Date is divided by the initial index level (5,000), which is equal to 0.78 and, when expressed as a percentage, is 78%. Therefore, the Final Performance is 78%.

(2)

Has either a Barrier Event or an Upper Barrier Event occurred?

As the Barrier Event and Upper Barrier Event occurrences are specified as "less than or equal to" and "greater than or equal to" respectively, a Barrier Event will occur if the Final Performance is less or equal to than the Barrier Level; and an Upper Barrier Event will occur if the Final Performance is greater than or equal to the Upper Barrier Level.

The Final Performance (78%) determined with respect to the Final Valuation Date is lower than both the Barrier Level (85%) and the Upper Barrier Level (85%) thus an Upper Barrier Event has not occurred, but a Barrier Event has occurred.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by a percentage equal to the sum of the Protection Level (102%) and the Digital Rate (5%) (102% + 5% = 107%).

(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:

EUR	1,000	×	(the specified calculation amount of the Note)
	107%		(the percentage ascertained from the formula)
EUR	<u>1,070</u>		The Final Redemption Amount per calculation amount of a Note

(u) ***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).

(6) ***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 Reference 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 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 (as applicable) 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 (5)(a) but Lock-In Redemption Event is specified as applicable.
- "Highest Value" is specified to apply with respect to the Lock-In Redemption Valuation Date and the Reference Value 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 Value" valuation method.
- The Lock-In Redemption Level is 110%.
- The Lock-In Redemption Rate is 103%.

(1) *What is the Reference Performance of the Underlying with respect to the Lock-In Redemption Valuation Date?*

The Reference Value of the Underlying (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 Reference 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 Reference Performance determined with respect to the Lock-In Redemption Valuation Date is greater than or equal to the Lock-In Redemption Level.

The Reference 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).

(7) *Autocall Event*

The calculation of an Autocall Amount in respect of a Note is only required if "Autocall Event" is stated to be applicable in the relevant Final Terms, subject to the occurrence of an Autocall Event.

If "Autocall Event" is stated to be applicable in the relevant Final Terms, the following will apply.

- If, on an Autocall Valuation Date, the Reference Performance determined with respect to such Autocall Valuation Date is equal to or greater than a percentage specified in the relevant Final Terms as the "**Autocall Level**", an "**Autocall 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, the "**Autocall Rate**".
- If on an Autocall Valuation Date no Autocall Event occurs, the Note will not be redeemed at that time but will continue until the next Autocall Valuation Date (if any). If no Autocall Event occurs with respect to any of the specified Autocall Valuation Dates, the Note will be redeemed at its Final Redemption Amount on the Maturity Date.

Autocall 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 Autocall Event 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.
- "Daily Autocall Observation" is not specified to apply.
- "Single Observation" is specified to apply with respect to each Autocall Valuation Date:

The Reference Value of the Company A shares with respect to the first Autocall Valuation Date is GBP 3,604, as determined by the Calculation Agent using the "Single Observation" valuation method.

The Reference Value of the Company B Security with respect to first Autocall Valuation Date is GBP 4,326.50, as determined by the Calculation Agent using the "Single Observation" valuation method.

- The Autocall Level set out in the relevant Final Terms in respect of the first Autocall Valuation Date is 110%.
- The Autocall Rate set out in the Final Terms in respect of the first Autocall Valuation Date is 108%.

(1) *What is the Underlying Performance of each Underlying in the Basket with respect to the Autocall Valuation Date?*

In order to determine the worst performing Underlying, the Reference Value of each Underlying with respect to the Autocall Valuation Date is divided by the initial security price of such Underlying:

Company A shares: $\text{GBP } 3,604 / \text{GBP } 3,404 = 1.0588$ (expressed as a percentage is 105.88%)

Company B shares: $\text{GPB } 4,326.50 / \text{GPB } 4,226.50 = 1.0237$ (expressed as a percentage is 102.37%)

(2) *What is the Reference Performance with respect to the Autocall Valuation Date?*

"Worst of Basket" is specified to apply. This means that the Reference Performance with respect to the Autocall Valuation Date will be the Underlying Performance of the worst performing Underlying in the Basket as determined with respect to the Autocall Valuation Date.

102.37% is lower than 105.88% and thus Company B shares are the "Worst Performing Underlying" for the purposes of the Autocall Valuation Date.

The Reference Performance is the Underlying Performance of the Worst Performing Underlying (i.e. Company B shares). Therefore, the Reference Performance in respect of the relevant Autocall Valuation Date is 102.37%.

(3) ***Is the Reference Performance with respect to the Autocall Valuation Date greater than or equal to the Autocall Level?***

The Reference Performance is 102.37%, which is less than the Autocall Level set at 110%.

Therefore, the Note will not be redeemed and will continue until the following Autocall Valuation Date in respect of which the performance of the Securities will be determined in a similar manner.

(8) ***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 2027, 15 June 2028, and 15 June 2029.
- 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):

Optional Redemption Date (Call Option)	Redemption Amount (Call Option)
15 June 2027	100.25%
15 June 2028	100.50%
15 June 2029	100.75%

(1) ***What is the relevant redemption amount payable on each Note on the relevant Optional Redemption Date (Call Option)?***

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.

Therefore, the Notes will be redeemed early on 15 June 2028 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).

(2) ***Calculating the Redemption Amount (Call Option)***

The Redemption Amount (Call Option) per Note will be:

EUR	1,000	×	(the specified calculation amount of the Note)
	100.50%		(the relevant Redemption Amount (Call Option) percentage)
EUR	<u>1,005</u>		The Redemption Amount (Call Option)

In addition, any interest payable on 15 June 2028 will be payable. However, no further interest will be payable in respect of subsequent Interest Payment Dates.

(9) ***Interest Amounts, Coupon 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 2025.
- 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 2026).

(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:

$$(i) \quad \frac{EUR\ 5,000\ (Denomination\ of\ Note)}{EUR\ 1,000\ (Calculation\ Amount)} = 5$$

then:

$$(ii) \quad 5 \times EUR\ 8.75\ (Fixed\ Coupon\ Amount) = 43.75$$

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 2023).

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 Event*

The calculation of a Coupon Amount in respect of a Note is only required if Coupon Event is specified as being applicable in the relevant Final Terms.

If "Coupon Event" is stated to be applicable in the relevant Final Terms, then a Coupon Amount will be calculated as follows.

If in respect of any Coupon Valuation Date, the Reference Performance determined with respect to the Coupon Valuation Date is equal to or greater than a percentage specified in the relevant Final Terms as the "**Coupon Level**", then an investor will be entitled to an amount (a "**Coupon Amount**") equal to:

- (a) 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 Rate**";
- (b) If "Relevant Rate – Fixed" is specified as applicable in the Final Terms, an amount calculated in accordance with the Fixed Rate Note provisions; and
- (c) 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 Valuation Date, the Reference Performance determined with respect to such Coupon Valuation Date is less than the Coupon Level specified in the relevant Final Terms, a Coupon Event will not have occurred and therefore no Coupon Amount will become payable in respect of such Coupon Valuation Date.

Coupon 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 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 Recovery Event is not applicable.
- "Single Observation" is specified to apply with respect to each Coupon Valuation Date and the Reference Value of the Company C shares with respect to the first Coupon Valuation Date is GBP 325, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Coupon Level set out in the relevant Final Terms is 103%.
- Digital Coupon is applicable and the Coupon Rate in respect of the first Coupon Valuation Date is 5%.

(1) *What is the Reference Performance with respect to the first Coupon Valuation Date?*

To determine the Reference Performance with respect to the first Coupon Valuation Date, the Reference Value of the Underlying (Security) determined with respect to the first Coupon 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 Reference Performance with respect to the first Coupon Valuation Date is 106.16%.

(2) *Has a Coupon Event occurred?*

In this case, the Reference Performance (106.16%) is greater than the Coupon Level (103%), so a Coupon Event has occurred.

Therefore, the investor will be entitled to a Coupon Amount equal to the specified calculation amount of the Note multiplied by the Coupon Rate with respect to the first Coupon Valuation Date.

(3) *Calculating the Coupon Amount*

The Coupon Amount per Note will be:

GBP	100	×	(the specified calculation amount of the Note)
	5%		(the relevant Coupon Rate)
GBP	5		The Coupon Amount per Note

(d) *Coupon Event - Lock-In Coupon Event*

Where "Coupon 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 Event has occurred in relation to subsequent Lock-In Coupon Valuation Dates, pay in respect of each Note an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Amount on each relevant Coupon Payment Date falling on or after the relevant Lock-In Coupon Valuation Date.

Coupon 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 Event*) above, but Lock-In Coupon Event is specified as applicable.
- The Coupon Valuation Dates are specified as being 23 June 2025, 21 June 2026 and 20 June 2027.
- Each Coupon Valuation Date is also specified to be a Lock-In Coupon Valuation Date.
- "Single Observation" is specified to apply with respect to each Coupon Valuation Date and Lock-In Coupon Valuation Date and the Reference Value of the Company C shares has been determined by the Calculation Agent using the "Single Observation" valuation method with respect to each Coupon Valuation Date and Lock-In Coupon Valuation Date as follows:

Date	Reference Value
23 June 2025	GBP 325
21 June 2026	GBP 350
20 June 2027	GBP 312

- The Coupon 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 Reference Performance with respect to the first Coupon Valuation Date/Lock-In Coupon Valuation Date?***

To determine the Reference Performance with respect to the first Coupon Valuation Date / Lock-In Coupon Valuation Date, the Reference Value of the Underlying (Security) determined with respect to the first Coupon 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 percentage, is 106.16%. Therefore, the Reference Performance with respect to the first Coupon Valuation Date/ Lock-In Coupon Valuation Date is 106.16%.

(2) ***Has a Coupon Event/Lock-In Coupon Event occurred with respect to the first Coupon Valuation Date/Lock-In Coupon Valuation Date?***

In this case, the Reference Performance (106.16%) is greater than the Coupon Level (103.00%), so a Coupon Event has occurred.

The Reference Performance (106.16%) is less than the Lock-In Coupon Level (107.00%), so no Lock-In Coupon Event has occurred.

Therefore, the investor will be entitled to a Coupon Amount equal to the specified calculation amount of the Note multiplied by the Coupon Rate with respect to this Coupon Valuation Date.

(3) ***Calculating the Coupon Amount***

The Coupon Amount per Note will be:

$$\begin{array}{rcl}
 \text{GBP} & 100 & \times \quad (\text{the specified calculation amount of the Note}) \\
 & 5\% & (\text{the relevant Coupon Rate}) \\
 \hline
 \text{GBP} & 5 & \text{The Coupon Amount per Note}
 \end{array}$$

(4) ***What is the Reference Performance with respect to the second Coupon Valuation Date/Lock-In Coupon Valuation Date?***

To determine the Reference Performance with respect to the second Coupon Valuation Date/Lock-In Coupon Valuation Date, the Reference Value of the Security determined with respect to the second Coupon 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 Reference Performance with respect to the second Coupon Valuation Date/ Lock-In Coupon Valuation Date is 114.32%.

(5) ***Has a Coupon Event/Lock-In Coupon Event occurred with respect to the second Coupon Valuation Date/Lock-In Coupon Valuation Date?***

In this case, the Reference Performance (114.32%) is greater than the Coupon Level (103%), so a Coupon Event has occurred.

The Reference Performance (114.32%) is greater than the Lock-In Coupon Level (107%), so a Lock-In Coupon Event has occurred.

Therefore, the investor will be entitled to a Coupon Amount equal to the specified calculation amount of the Note multiplied by the Coupon Rate with respect to the second Coupon Valuation Date and all subsequent Coupon Valuation Dates (regardless of whether a Coupon Event occurs with respect to each such Coupon Valuation Dates).

(e) ***Coupon Event - Coupon Recovery Event***

Where "Coupon Event" is stated to be applicable in the relevant Final Terms, "Coupon Recovery Event" may further be specified to be applicable.

If Coupon Recovery Event is specified as applicable, and if a Coupon Recovery Event occurs with respect to the Coupon Valuation Date, in addition to paying the Coupon Amount, the Issuer shall pay an amount equivalent to the sum of each Coupon Amount which did not become payable because a Coupon Event had not occurred in respect of each Coupon Valuation Date falling after the most recently occurring Coupon Event (if any) (the "**Outstanding Missed Coupon Amounts**").

Coupon Event – Coupon 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 Event*) above but Coupon Recovery Event is specified as applicable.
- The Coupon Valuation Dates are specified as being 23 June 2025, 21 June 2026 and 20 June 2027.
- The Coupon Level set out in the relevant Final Terms is 103%.
- The Coupon Recovery Level set out in the relevant Final Terms is 107%.
- "Single Observation" is specified to apply with respect to each Coupon Valuation Date and the Reference Value of the Company C shares has been determined by the Calculation Agent using the "Single Observation" valuation method with respect to each Coupon Valuation Date as follows:

Date	Reference Value
23 June 2025	GBP 325
21 June 2026	GBP 312
20 June 2027	GBP 330

(1) ***What is the Reference Performance with respect to the first Coupon Valuation Date?***

To determine the Reference Performance with respect to the first Coupon Valuation Date, the Reference Value of the Underlying (Security) determined with respect to the first 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 percentage, is 106.15%. Therefore, the Reference Performance with respect to the first Coupon Valuation Date is 106.15%.

(2) <i>Has a Coupon Event occurred with respect to the <u>first</u> Coupon Valuation Date?</i> In this case, the Reference Performance (106.15%) is greater than the Coupon Level (103%), so a Coupon Event has occurred. Therefore, the investor will be entitled to a Coupon Amount equal to the specified calculation amount of the Note multiplied by the Coupon Rate with respect to this Coupon Valuation Date.
(3) <i>Calculating the Coupon Amount</i> The Coupon Amount per Note will be: $\begin{array}{rcl} \text{GBP} & 100 & \times \quad (\text{the specified calculation amount of the Note}) \\ & 5\% & (\text{the relevant Coupon Rate}) \\ \hline \text{GBP} & 5 & \text{The Coupon Amount per Note} \end{array}$
(4) <i>Has a Coupon Recovery Event occurred with respect to the <u>first</u> Coupon Valuation Date?</i> In this case, the Reference Performance (106.15%) is less than the Coupon Recovery Level (107.00%), so a Coupon Recovery Event has not occurred.
(5) <i>What is the Reference Performance with respect to the <u>second</u> Coupon Valuation Date?</i> To determine the Reference Performance with respect to the second Coupon Valuation Date, the Reference Value of the Underlying (Security) determined with respect to the second Coupon 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 Reference Performance with respect to the second Coupon Valuation Date is 101.91%.
(6) <i>Has a Coupon Event occurred with respect to the <u>second</u> Coupon Valuation Date?</i> In this case, the Reference Performance (101.91%) is less than the Coupon Level (103.00%), so a Coupon Event has not occurred with respect to the second Coupon Valuation Date. Therefore, the investor will not be entitled to a Coupon Amount with respect to the second Coupon Valuation Date.
(7) <i>Has a Coupon Recovery Event occurred with respect to the <u>second</u> Coupon Valuation Date?</i> In this case, the Reference Performance (101.91%) is less than the Coupon Recovery Level (107%), so a Coupon Recovery Event has not occurred.
(8) <i>What is the Reference Performance with respect to the <u>third</u> Coupon Valuation Date?</i> To determine the Reference Performance with respect to the third Coupon Valuation Date, the Reference Value of the Underlying determined with respect to the third Coupon 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 Reference Performance with respect to the third Coupon Valuation Date is 107.79%.
(9) <i>Has a Coupon Event occurred with respect to the <u>third</u> Coupon Valuation Date?</i> In this case, the Reference Performance (107.79%) is greater than the Coupon Level (103%), so a Coupon Event has occurred. Therefore, the investor will be entitled to a Coupon Amount equal to the specified calculation amount of the Note multiplied by the Coupon Rate with respect to this Coupon Valuation Date.
(10) <i>Calculating the Coupon Amount</i> The Coupon Amount per Note will be:

GBP	100	×	(the specified calculation amount of the Note)
	5%		(the relevant Coupon Rate)
GBP	5		The Coupon Amount per Note

(11) <i>Has a Coupon Recovery Event occurred with respect to the <u>third</u> Coupon Valuation Date?</i>			
In this case, the Reference Performance (107.79%) is greater than the Coupon Recovery Level (107%), so a Coupon Recovery Event has occurred.			
Therefore, the investor will be entitled to an amount equal to the Coupon Amount that would have been payable in respect of the second Coupon Valuation Date if a Coupon Event had occurred with respect to the second Coupon Valuation Date (the " Outstanding Missed Coupon Amount ")			

(12) <i>Calculating the Outstanding Missed Coupon Amount</i>			
The Outstanding Missed Coupon Amount per Note will be:			
GBP	100	×	(the specified calculation amount of the Note)
	5%		(the relevant Coupon Rate)
GBP	5		The Outstanding Missed Coupon Amount per Note

(13) <i>Total Amount Payable with Respect to the third Coupon Valuation Date?</i>			
The total payable to the investor will be the sum of the Coupon Amount (GBP 5) + the Outstanding Missed Coupon Amount (GBP 5) = GBP 10 .			

(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*

$$\begin{aligned} \text{Interest Amount} &= \text{Rate of Interest (5\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (90 / 360)} \text{ (90 being the number of days in the Calculation Period)} \\ &= \text{EUR 12.50} \end{aligned}$$

- (B) *Interest Payment Date falling on 2 July 2027*

$$\begin{aligned} &\text{Rate of Interest (6\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (91 / 360)} \text{ (91 being the number of days in the Calculation Period)} \\ &= \text{EUR 15.17 (rounded to two decimal places, with 0.005 rounded upwards)} \end{aligned}$$

- (C) *Interest Payment Date falling on 2 October 2027*

$$\begin{aligned} &\text{Rate of Interest (7\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (92 / 360)} \text{ (92 being the number of days in the Calculation Period)} \\ &= \text{EUR 17.89 (rounded to two decimal places, with 0.005 rounded upwards)} \end{aligned}$$

- (D) *Interest Payment Date falling on 2 January 2028*

$$\begin{aligned} &\text{Rate of Interest (8\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (92 / 360)} \text{ (92 being the number of days in the Calculation Period)} \\ &= \text{EUR 20.44 (rounded to two decimal places, with 0.005 rounded upwards)} \end{aligned}$$

For a worked example of how a Rate of Interest is determined in respect of a Fixed Rate Note, please see sub-section 9(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:

Interest Payment Date	Rate of Interest
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*

Interest Amount = Rate of Interest (8%) × Calculation Amount (EUR 1,000) × Day Count Fraction (90 /360) (90 being the number of days in the Calculation Period)
= EUR 20.00

(B) *Interest Payment Date falling on 2 July 2027*

Interest Amount = Rate of Interest (7%) × Calculation Amount (EUR 1,000) × Day Count Fraction (91 /360) (91 being the number of days in the Calculation Period)
= EUR 17.69 (rounded to two decimal places, with 0.005 rounded upwards)

(C) *Interest Payment Date falling on 2 October 2027*

Interest Amount = Rate of Interest (6%) × Calculation Amount (EUR 1,000) × Day Count Fraction (92 /360) (92 being the number of days in the Calculation Period)
= EUR 15.33 (rounded to two decimal places, with 0.005 rounded upwards)

(D) *Interest Payment Date falling on 2 January 2028*

Interest Amount = Rate of Interest (5%) × Calculation Amount (EUR 1,000) × Day Count Fraction (92 /360) (92 being the number of days in the Calculation Period)
= 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.

Section II.2 – Form of English Law Notes and Summary of Provisions relating to the English Law Notes while in Global Form

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.

Abu Dhabi Global Market

The Notes have not been and may not be offered to any person in the Abu Dhabi Global Market unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules Module of the Financial Services Regulatory Authority (the "FSRA") rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Module of the FSRA rulebook.

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
 - (i) 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
 - (ii) 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 is 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 General 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 General 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 General 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, as amended from time to time, and any other applicable French law or regulation; 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 Luxembourg Securities Law

The Notes may not be offered or sold to the public within the territory of the Grand Duchy of Luxembourg ("Luxembourg") and the Base Prospectus, any Final Terms or other offering material relating to an offer of the Notes may not be distributed within the territory of Luxembourg unless:

- (a) a prospectus in relation to the Notes has been duly approved by the Commission de Surveillance du Secteur Financier (the "CSSF") pursuant to part II of the Luxembourg law dated 16 July 2019 on prospectuses for securities, which applies the EU Prospectus Regulation (as defined below) (the "**Luxembourg Prospectus Law**") and remains valid; or
- (b) a prospectus in relation to the Notes has been duly approved in accordance with Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**") by a competent authority of a Member State of the EEA and notified to the CSSF and remains valid; or
- (c) the offer of Notes benefits from an exemption from, or constitutes a transaction not subject to, the requirement to publish a prospectus under the Luxembourg Prospectus Law and any notice requirements under the Luxembourg Prospectus Law have been complied with; or
- (d) with respect to Notes with a maturity of less than 12 months that qualify as securities and money market instruments or other comparable instruments in accordance with article 17(1) of the Luxembourg Prospectus Law:
 - (i) an alleviated prospectus (*prospectus allégé*) has been duly approved by the CSSF pursuant to part III of the Luxembourg Prospectus Law and remains valid; or
 - (ii) the offer benefits from an exemption from or constitutes a transaction not subject to, the requirement to publish an alleviated prospectus under part III of the Luxembourg Prospectus Law and any additional requirements under part III of the Luxembourg Prospectus Law have been complied with.

Selling Restrictions Addressing Additional Maltese Securities Laws

No marketing activity or communication disseminated to the public by means of any type of media (other than a prospectus) which promotes the offering of the Notes may be directed to any person/s in Malta unless its contents

have been approved by a person licensed to provide an investment service in terms of the Investment Services Act (Chapter 370 of the Laws of Malta).

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 and 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**"), 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 and the Financial Services (Restricted Promotions) Regulations 2023 (to the extent that they apply) 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 this purpose, an **"accredited investor"** means:

- (a) an individual who has a minimum net worth (or joint net worth with their spouse) of U.S.\$1,000,000 excluding that person's principal place of residence;
- (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;
- (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); or
- (d) any other entity which is an "accredited investor" as defined in the Central Bank of Bahrain Rulebook.

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),

the Central Bank (Investment Market Conduct) Rules 2019 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.

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 the Notes in Taiwan.

The 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 Abu Dhabi Global Market and 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") (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre) 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 English Law Notes and Summary of Provisions Relating to the English Law 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 24 May 2024 (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);

"€STR" means, in respect of any specified period, the interest rate benchmark known as the daily euro short-term rate;

"ABS" means the absolute value of any positive or negative number;

"Actual Days" means:

- (i) for the purposes of determining the Autocall Rate with respect to an Autocall Valuation Date where "Daily Autocall Observation" is specified in the relevant Final Terms, the total number of calendar days from (and including) the Autocall Valuation Period Start Date to and (and including) such Autocall Valuation Date;
- (ii) in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the number of calendar days from (but excluding) the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}) to (and including) such Decrement Observation Date (Decrement Observation Date_t);

"Additional Disruption Event" means such of Change in Law, Hedging Disruption, Increased Cost of Hedging, Insolvency Filing and/or Failure to Deliver as are specified as such in the relevant Final Terms;

"Adjusted Value" or **"AV"** means, in respect of an Underlying and each Decrement Observation Date, the price or level (as applicable) determined by the Calculation Agent in respect of such Underlying and Decrement Observation Date (Decrement Observation Date_t) ("**Adjusted Value_t**" or "**AV_t**") in accordance with the following formula (**provided that** such price or level (as applicable) shall not, in respect of any Decrement Observation Date, be less than zero):

- (i) in relation to an Underlying which is an Index:
 - (a) if "Adjustment in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:
$$AV_{t-1} \times \frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$
 - (b) if "Adjustment in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:
$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$
- (ii) in relation to an Underlying which is a Security:
 - (a) if "Denominator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1} - AD_t} \right] - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

- (b) if "Denominator in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1} - AD_t} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

- (c) if "Numerator in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t + AD_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

- (d) if "Numerator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t + AD_t}{\text{Closing Value}_{t-1}} \right] - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

Where:

"**Actual Dividend_t**" or "**AD_t**" means, in respect of an Underlying which is a Security and a Decrement Observation Date (Decrement Observation Date_t):

- (i) if, in the determination of the Calculation Agent, such Decrement Observation Date is also an Ex-Dividend Date for such Underlying, the product of the relevant (a) Gross Cash Dividend and/or Gross Cash Equivalent Dividend (as applicable) (if any) and (b) the Re-Investment Percentage for such Underlying;
- (ii) otherwise, zero.

"**Adjusted Value_{t-1}**" or "**AV_{t-1}**" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Adjusted Value for such Underlying in respect of the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}), as determined by the Calculation Agent, provided that in respect of the first Decrement Observation Date, Adjusted Value_{t-1} shall be equal to Closing Value₀.

"**Adjustment Method**" means the Adjustment Method specified in relation to the Notes in the relevant Final Terms.

"**Contractual Dividend**" or "**CD**" means, in respect of an Underlying, the level, price or percentage (as applicable) specified as such in respect of such Underlying in the relevant Final Terms.

"**Closing Value_t**" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Closing Value for such Underlying on such Decrement Observation Date.

"**Closing Value_{t-1}**" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Closing Value for such Underlying on the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}).

"**Closing Value₀**" means, in relation to an Underlying, the Initial Value in respect of such Underlying.

"**Decrement Observation Date**" means, in respect of an Underlying and a Decrement Observation Period, each Scheduled Trading Day (which is not a Disrupted Day in respect of such Underlying) during such Decrement Observation Period (provided that the final day in such Decrement Observation Period which is a Scheduled Trading Day (the "**Final Decrement Observation Date**"), shall be a Scheduled Observation 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 Final Decrement Observation Date).

"Decrement Observation Period" means, in relation to an Underlying and a Valuation Date in respect of which the Adjusted Value is to be determined, the period from (and excluding) the Strike Date to (and including) the Scheduled Valuation Date with respect to such Valuation Date.

"Ex-Dividend Date" means, in respect of an Underlying which is a Security and a Gross Cash Dividend or Gross Cash Equivalent Dividend], the date on which such Security has commenced trading ex-dividend (with respect to such Gross Cash Dividend or Gross Cash Equivalent Dividend, as applicable) on the relevant Exchange as determined by the Calculation Agent.

"Gross Cash Dividend" means, in respect of a Security, a sum equal to the gross cash dividend per one Security payable to the holder of record before application of withholding or deduction of taxes at the source by or on behalf of any relevant authority having power to tax in respect of such a dividend or distribution, and excludes any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such a dividend or distribution and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon as determined by the Calculation Agent, **provided that**, if such Gross Cash Dividend is denominated in a currency other than the Specified Currency, then the Calculation Agent shall convert the amount of such Gross Cash Dividend into the Specified Currency using the relevant Currency Pair Exchange Rate.

"Gross Cash Equivalent Dividend" means, in respect of a Security, an amount per Security equal to (i) the cash value of any stock dividend (whether or not such stock dividend comprises securities of the Underlying Company of such Security) declared by the Underlying Company or (ii) where the Underlying Company does not declare a cash value of such stock dividend, an amount determined by the Calculation Agent on the basis of the closing price of the security comprising such stock dividend as published by the relevant primary exchange on the Ex-Dividend Date for such stock dividend or if such price is not available for any reason, the value of such Gross Cash Equivalent Dividend as determined by the Calculation Agent in its sole discretion **provided that** if the amount so determined by the Calculation Agent with respect to such Gross Cash Equivalent Dividend is denominated in a currency other than the Specified Currency, then the Calculation Agent shall convert the value of such Gross Cash Equivalent Dividend into the Specified Currency using the relevant Currency Pair Exchange Rate.

"Re-Investment Percentage" means, in respect of an Underlying which is a Security, the percentage specified as such in the relevant Final Terms or, if no percentage is specified in respect of an Underlying in the relevant Final Terms, 100 per cent.

"t" means, in respect of a Decrement Observation Period, a series of whole numbers from one to T, each representing the relevant Decrement Observation Date (each **"Decrement Observation Date"**) in such Decrement Observation Period in chronological order from (and including) the first Decrement Observation Date in such Decrement Observation Period.

"T" means the total number of Decrement Observation Dates during the relevant Decrement Observation Period, as determined by the Calculation Agent.

"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 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 13A (*Consequences of a Benchmark Trigger Event*); and
- (f) a Replacement Index used pursuant to Condition 13A (*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 Event Effective Date or the Administrator/Benchmark Event Date, as applicable;

"Autocall Amount" means, in respect of an Autocall 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 Autocall Rate corresponding to such Autocall Valuation Date;

"Autocall Redemption Date" means, in respect of an Autocall Valuation Date:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the corresponding date specified as such in relation to such Autocall 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; or

- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the Specified Number of Settlement Days following the Autocall Valuation Date on which an Autocall Event (if any) has occurred, as determined by the Calculation Agent;

an "**Autocall Event**" will be deemed to have occurred in relation to an Autocall Valuation Date if the Reference Performance determined in respect of such Autocall Valuation Date is greater than or equal to the relevant Autocall Level specified in respect of such Autocall Valuation Date, as determined by the Calculation Agent;

"**Autocall Level**" means, in respect of an Autocall Valuation Date, the percentage specified as such for such Autocall Valuation Date in the relevant Final Terms;

"**Autocall Rate**" means, in respect of an Autocall Valuation Date:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the percentage rate specified as such for such Autocall Valuation Date in the relevant Final Terms; or
- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the percentage rate (rounded to the nearest four decimal places (with 0.00005 being rounded up)) determined by the Calculation Agent in respect of such Autocall Valuation Date in accordance with the following formula:

$$100 \text{ per cent.} + \left[\text{Autocall Annual Rate} \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

"**Autocall Valuation Date(s)**" means:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms:
 - (a) in respect of a Note which relates to a single Underlying, 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
 - (b) in respect of a Note which relates to a 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 Underlying comprising the Basket, the Autocall Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms:
 - (a) in respect of a Note which relates to a single Underlying, each Scheduled Trading Day (which is not a Disrupted Day) during the Autocall Valuation Period; or
 - (b) in respect of a Note which relates to a Basket, each day during the Autocall Valuation Period which (i) is a Scheduled Trading Day in respect of all Underlyings in the Basket and (ii) is not a Disrupted Day in respect of any Underlying in the Basket;

"**Autocall Valuation Period**" means the period from (and including) the "**Autocall Valuation Period Start Date**" specified as such in the relevant Final Terms to (but excluding) the Final Valuation Date;

"**Averaging Date(s)**" means, in respect of an Underlying:

- (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 (provided that the final day in any Averaging Period which is a Scheduled Trading Day (each a **"Final Averaging Date"**) shall be a Scheduled Averaging Date regardless of whether it is a Disrupted Day and the provisions of Condition 16 (*Consequences of Disrupted Days*) shall apply with respect to any Final Averaging Date);

"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;
- (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;
- (iii) any Autocall 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;
- (iv) any Coupon Valuation Date, the period from and including the **"Coupon Averaging Start Date"** to and including the **"Coupon Averaging End Date"**, each as specified in the relevant Final Terms;
- (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;
- (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; 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;

a **"Barrier Event"** will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) if **"European"** is specified as the applicable Barrier Observation Method, the Final Performance is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;
- (ii) if **"Bermudan"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any of the Barrier Valuation Dates is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;
- (iii) if **"Daily"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any Barrier Valuation Date during the Barrier Valuation Period is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level; and
- (iv) if **"American"** is specified as the applicable Barrier Observation Method, the Reference Performance determined on an intraday basis during each Barrier Valuation Date during the Barrier Valuation Period is at any time (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;

"Barrier Level" means the percentage specified as such in the relevant Final Terms;

"Barrier Observation Method" means, in respect of a Barrier Event and/or an Upper Barrier Event, European, Bermudan, Daily or American as specified in the relevant Final Terms;

"Barrier Valuation Date(s)" means:

- (i) if **"Bermudan"** is specified as the applicable Barrier Observation Method:
 - (a) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the relevant Barrier Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);
- (ii) if **"Daily"** or **"American"** is specified as the applicable Barrier Observation Method:
 - (a) in respect of a Note which relates to a single Underlying, 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 a Basket, each day in the Barrier Valuation Period which (i) is a Scheduled Trading Day in respect of all Underlyings in the Basket and (ii) is not a Disrupted Day in respect of any Underlying in the Basket (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Underlyings shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day in respect of any Underlying, 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 relation to a Series of Notes, the Index Basket or Securities Basket (each as defined in this Condition 1) to which such Notes relate;

"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 Underlying" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is highest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more highest performing Underlyings is the same, the Calculation Agent shall determine which of such

Underlyings is the Best Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Best Performing Underlying;

"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;

"Call Strike" means the percentage specified as such in the 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 or Components 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 Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary 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 or a Proprietary 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, Observation Date or Decrement Observation Date (as applicable) for which the performance of the Index is to be determined; and
- (ii) in relation to an Underlying which is 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, Observation Date or Decrement Observation Date (as applicable) for which the performance of the Security is to be determined;

"Component" means, with respect to an Index, each component comprised in that Index;

"Conditional Protection" 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 Amount" means, in respect of the relevant Coupon 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 Rate corresponding to such Coupon 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 Event"** will be deemed to have occurred in relation to a Coupon Valuation Date if the Reference Performance determined in respect of such Coupon Valuation Date is greater than or equal to the relevant Coupon Level specified in respect of such Coupon Valuation Date, as determined by the Calculation Agent;

"Coupon Level" means, in respect of a Coupon Valuation Date, the percentage specified as such for such Coupon Valuation Date in the relevant Final Terms;

"Coupon Payment Date" means, in respect of a Coupon Valuation Date, the corresponding date specified as such in relation to such Coupon 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 Rate" means, in respect of a Coupon Valuation Date, the percentage rate specified as such for such Coupon Valuation Date in the relevant Final Terms;

a **"Coupon Recovery Event"** will be deemed to have occurred in relation to a Coupon Valuation Date if the Reference Performance determined in respect of such Coupon Valuation Date is greater than or equal to the relevant Coupon Recovery Level specified in respect of such Coupon Valuation Date, as determined by the Calculation Agent;

"Coupon Recovery Level" means, in respect of a Coupon Valuation Date, the percentage specified as such for such Coupon Valuation Date in the relevant Final Terms;

"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 a 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 Underlying comprising the Basket, the Coupon Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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;

"Currency Pair Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business and dealings in foreign exchange in the Reference Currency Jurisdiction and the Specified Currency Jurisdiction;

"Currency Pair Exchange Rate" means the rate of exchange between the Specified Currency and the Reference Currency expressed as the number of units of Reference Currency per one unit of Specified

Currency as published on the Currency Pair Fixing Page at the Currency Pair Fixing Time on a Currency Pair Fixing Date and as observed by the Calculation Agent provided that where the Reference Currency and the Specified Currency are the same currency, the Currency Pair Exchange Rate shall be deemed to be equal to one. The Calculation Agent shall round such rate to the closest four (4) decimal places, 0.00005 being rounded up. If, on a Currency Pair Fixing Date, the Relevant Rate is not available for any reason as determined by the Calculation Agent, the Calculation Agent will determine the Currency Pair 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;

"Currency Pair Fixing Date" means:

- (i) with respect to determination of a Securities Transfer Amount and/or Residual Amount, the Final Valuation Date;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the date of receipt of such proceeds by the Issuer or its affiliates; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the Ex-Dividend Date with respect to such Gross Cash Dividend or Gross Cash Equivalent Dividend (as applicable),

or, if any such date is not a Currency Pair Business Day the immediately following day that is a Currency Pair Business Day (and for these purposes a day shall be deemed to be a Currency Pair Business Day if the market was not aware of it not being a Currency Pair Business Day (by means of a public announcement or by reference to other publicly available information) on the Currency Pair Fixing Date notwithstanding it subsequently ceases to be a Currency Pair Business Day for any reason or the market subsequently becomes aware that it was not a Currency Pair Business Day);

"Currency Pair Fixing Page" means the Reuters or other screen page as specified as such in the Final Terms or any successor page thereof or, if not specified in the relevant Final Terms or there is no successor page, the Calculation Agent will determine the relevant Currency Pair Exchange Rate by reference to the relevant spot rate prevailing in the international exchange market;

"Currency Pair Fixing Time" means the time and place specified as such with respect to the Reference Currency in the relevant Final Terms or, if no such specification is made, the time and place determined by the Calculation Agent;

"Day Count Divisor" means the number 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:

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

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

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

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

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

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

- (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:

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

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

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

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

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

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

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

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

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

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

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

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

"**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.

"**Delivery Disruption Event**" means, as determined by the Calculation Agent, the failure by the Issuer to deliver or to procure delivery on the relevant Settlement Date the Securities Transfer Amount under the relevant Note due to illiquidity in the market for such Securities;

"**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 Rate**" means the percentage specified as such in the relevant Final Terms;

"Disrupted Day" means:

- (i) in respect of an Underlying which is 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 (c) with respect to a Proprietary Index, any Scheduled Trading Day in respect of which the Index Sponsor fails to calculate and announce the level of such Index as scheduled; or
- (ii) in respect of an Underlying which is 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;

"Downside 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 per cent.;

"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 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 withdrawal from legal tender of any currency that, before the introduction of the euro, was lawful currency in one of the member states;
- (ii) the redenomination of any security into euro;
- (iii) 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;
- (iv) any change in the currency of denomination of any Index or any Security; or
- (v) 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 (other than a Multiple Exchange Index or a Proprietary 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); (b) in the case of a Multiple Exchange Index and each relevant Component, the principal exchange on which such Component is principally traded (if applicable), 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 on the Exchange in respect of such Component 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;

"Failure to Deliver" means the failure of a party to deliver, when due, the relevant Securities in respect of the Notes, where such failure is due to illiquidity in the market for such Securities;

"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 Redemption Amount" has the meaning given to it in Condition 5(a) (*Redemption and Purchase – At Maturity*);

"Final Performance" means the Reference Performance determined by the Calculation Agent in respect of the Final Valuation Date;

"Final Valuation Date" means:

- (i) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Final Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 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 (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;

"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;

"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 or any of its designated affiliates after using commercially reasonable efforts and acting in good faith, to wholly or partially (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 risk (including, without limitation, any equity, dividend or 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, each 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*) (which, for the avoidance of doubt, shall, where so specified in the relevant Final Terms in respect of an index, include a Multiple Exchange Index or Proprietary Index (as applicable)) 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*);

"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 Event 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 the rules of the 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 (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 Value" means, with respect to an Underlying, either:

- (i) the price or level (as applicable) specified as such in the relevant Final Terms; or
- (ii) the Reference Value with respect to such Underlying 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;

"Intraday Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary Index, the level of such Index as determined by the Calculation Agent as of any time on the relevant Exchange or (b) with respect to a Multiple Exchange Index or a Proprietary Index, the level of such Index as of any time as calculated and published by the Index Sponsor, in each case during the relevant Valuation Date for which the performance of the Index is to be determined; and
- (ii) in relation to an Underlying which is a Security, the price of such Security as determined by the Calculation Agent as of any time on the relevant Exchange during the relevant Valuation Date for which the performance of the Security is to be determined;

"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 Reference Performance determined in relation to such Lock-In Coupon Valuation Date is greater than or equal to the relevant 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 Underlying, 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 a 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 Underlying comprising the Basket, the Lock-In Coupon Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 Reference Performance determined in relation to such Lock-In Redemption Valuation Date is equal to or greater than the Lock-In Redemption Level specified in relation to such Lock-In Redemption Valuation Date, as determined by the Calculation Agent;

"Lock-In Redemption Rate" means the percentage specified as such in the relevant Final Terms;

"Lock-In Redemption 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 Underlying, 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 a 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 Underlying comprising the Basket, the Lock-In Redemption Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 Underlying which is 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 at any time, then the relevant percentage contribution of that Component 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 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, 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 is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Components 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 at that time, then the relevant percentage contribution of that Component 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 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 an Underlying which is 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;

"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-Coupon Event Valuation Date" means a Coupon Valuation Date in relation to which no Coupon Event occurred;

"Observation Date(s)" means, in respect of an Underlying:

- (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 (provided that the final day in any Performance Observation Period which is a Scheduled Trading Day (each a **"Final Observation Date"**) shall be a Scheduled Observation Date regardless of whether it is a Disrupted Day and the provisions of Condition 16 (*Consequences of Disrupted Days*) apply with respect to any Final Observation Date);

"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 (Call Option)*), 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 Valuation Date, an amount equal to the aggregate of the Coupon Amounts in respect of the Non-Coupon Event Valuation Dates falling after the last Coupon Valuation Date on which a Coupon 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 per cent.

"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;
- (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;
- (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;
- (iv) any Coupon Valuation Date, the period from and including the **"Coupon Observation Start Date"** to and including the **"Coupon Observation End Date"**, each as specified in the relevant Final Terms;

- (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;
- (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; 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;

"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;

"Proprietary Index" means an Index identified or specified as such in the relevant Final Terms, subject to adjustment pursuant to these Conditions, and **"Proprietary Indices"** shall be construed accordingly;

"Proprietary Index-Linked Notes" means a Series of Notes in respect of which an amount calculated by reference to a Proprietary Index or Proprietary Indices is payable (as indicated in the relevant Final Terms);

"Protection Level" means the percentage specified as such in the relevant Final Terms;

"Put Strike" means the percentage specified as such in the 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 Currency" means:

- (i) with respect to a Relevant Security and the determination of a Securities Transfer Amount and/or Residual Amount, the currency specified in the Final Terms in respect of such Security or, if no such specification is made, the currency in which the Relevant Security is denominated, as determined by the Calculation Agent;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the currency in which such proceeds amount is denominated as determined by the Calculation Agent; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the currency in which such Gross Cash Dividend or the cash amount determined by the Calculation Agent with respect to such Gross Cash Equivalent Dividend is denominated as determined by the Calculation Agent;

"Reference Currency Jurisdiction" means the jurisdiction specified as such with respect to the Reference Currency in the relevant Final Terms or, if no such specification is made with respect to the relevant Reference Currency, the principal financial centre or centres for the Reference Currency as determined by the Calculation Agent;

"Reference Dealers" means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

"Reference Performance" means with respect to a Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date or the Final Valuation Date (as applicable):

- (i) in relation to a Series of Notes which relates to a single Underlying, the Underlying Performance of the Underlying in respect of such Valuation Date;
- (ii) in relation to a Series of Notes in respect of which "Worst of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Worst Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent;

- (iii) in relation to a Series of Notes in respect of which "Best of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Best Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent;
- (iv) in relation to a Series of Notes in respect of which "Weighted Basket" is specified in the relevant Final Terms, the weighted average (in line with the Weighting applicable to such Basket) of the Underlying Performances of each Underlying comprising the Basket in respect of such Valuation Date as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"Reference Value" means, with respect to an Underlying, if the "Reference Value" with respect to each Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date, the Strike Date or the Final Valuation Date (as applicable) is specified in the relevant Final Terms to be:

- (i) **"Single Observation"**, the Closing Value of such Underlying on such Valuation Date;
- (ii) **"Highest Value"**, the highest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;
- (iii) **"Lowest Value"**, the lowest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;
- (iv) **"Average Value"**, the arithmetic average of the Closing Values of such Underlying over the Averaging Dates specified in the relevant Final Terms in respect of such relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (v) **"Intraday Observation"**, the Intraday Value of such Underlying as of any time during such Valuation Date, as determined by the Calculation Agent;
- (vi) **"Decrement Observation"**, the Adjusted Value (Adjusted Value_i) of such Underlying determined by the Calculation Agent in respect of the Final Decrement Observation Date (Decrement Observation Date_i) during the Decrement Observation Period relating to such Valuation Date, 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 (other than a Proprietary 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 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 Initial Value" means the Initial Value of the Relevant Security;

"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 Rate" means the Alternative Payment Currency Exchange Rate, Alternative Payment Cross Currency Rate, Currency Pair Exchange 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 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*) 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 Security" means:

- (i) in relation to a Series of Equity-Linked Notes which relate to a single Security, such Security;
- (ii) in relation to a Series of Equity-Linked Notes which relate to a Basket of Securities and in respect of which either (i) "Worst of Basket" or (ii) "Weighted Basket" is specified in the relevant Final Terms, the Security which constitutes the Worst Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;
- (iii) in relation to a Series of Equity-Linked Notes which relate to a Basket of Securities and in respect of which "Best of Basket" is specified in the relevant Final Terms, the Security which constitutes the Best Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;

"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 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*);

"Residual Amount" means, in relation to a Note, a cash amount denominated in the Settlement Currency calculated by the Calculation Agent pursuant to the following formula:

Calculation Amount – Securities Transfer Amount × Strike Level × Relevant Initial Value / Currency Pair Exchange Rate

"Residual Cash Amount" means, in relation to a Note, a cash amount denominated in the Settlement Currency calculated by the Calculation Agent pursuant to the following formula:

Residual Amount × Final Performance / Strike Level

"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 as an Averaging Date without regard to any postponement, delay or disruption;

"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 any original date specified in the relevant Final Terms as the final Averaging Date with respect to a Valuation Date on which either (i) an event causing a Disrupted Day occurs or (ii) another Averaging Date occurs as a result of the operation of Condition 16 (*Consequences of Disrupted Days*);

"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 these Conditions or the relevant Final Terms as a Decrement Observation Date or Observation Date without regard to any postponement, delay or disruption;

"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; (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; or (c) with respect to a Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of such Proprietary Index;

"Scheduled Valuation Date" means any original Valuation Date without regard to any postponement, delay or disruption;

"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*);

"Securities Entitlement" means, with respect to a Note, the Securities Transfer Amount and the Residual Cash Amount calculated with respect to such Note;

"Securities Transfer Amount" means, in relation to a Note, a number of the Relevant Securities per Note calculated by the Calculation Agent pursuant to the following formula:

Calculation Amount / Strike Level x Relevant Initial Value x Currency Pair Exchange Rate

rounded down to the nearest integer;

"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 or, if no such specification is made, the principal financial centre or centres for the Settlement Currency as determined by the Calculation Agent;

"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);

"Settlement Date" means, in relation to Securities to be delivered in respect of an Equity Linked Note (a) in the case of Equity-Linked Notes which relate to equity securities the later of (i) the Maturity Date and (ii) the date that falls one Settlement Cycle after the later of (i) the Exchange Business Day following the Valuation Date (the **"Notional Sale Date"**) (or if such day is not a Clearing System Business Day, the next following Clearing System Business Day) subject to the provisions of Condition 7(g) (*Payments – Physical Delivery*), (ii) the Currency Pair Fixing Date with respect to determination of the Securities Transfer Amount and the Residual Amount and (iii) the Scheduled FX Fixing Date (as postponed pursuant to Condition 7(f) (*Payment – Price Source Disruption and FX Disruption*)) falling on or immediately after such Valuation Date (if any) or, (b) in any other case, the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the Following Business Day Convention unless another Business Day Convention is specified in the relevant Final Terms. In each case, if a Settlement Disruption Event prevents delivery of such Securities on that day, then the Settlement Date shall be determined in accordance with Condition 7(g)(ii) (*Payments – Physical Delivery*);

"Settlement Disruption Event" means, in relation to the Relevant Securities, an event which the Calculation Agent determines to be beyond the control of the Issuer or relevant obligor and to be an event as a result of which the relevant Clearing System cannot clear the transfer of such Relevant Securities;

"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 Currency" means:

- (i) with respect to a Relevant Security and the determination of a Securities Transfer Amount and/or Residual Amount, the Settlement Currency;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the Settlement Currency; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the denomination currency of the Security in relation of which such Gross Cash Dividend or a Gross Cash Equivalent Dividend has been issued;

"Specified Currency Jurisdiction" means:

- (i) where the Specified Currency is the Settlement Currency, the Settlement Currency Jurisdiction; and
- (ii) where the Specified Currency is the denomination currency of the Security in relation to which a Gross Cash Dividend or a Gross Cash Equivalent Dividend has been issued, the Reference Currency Jurisdiction specified as such with respect to the Reference Currency of such Security, or, if no such specification is made with respect to the relevant Reference Currency, the principal financial centre or centres for the Reference Currency as determined by the Calculation Agent;

"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 Number of Settlement Days" means the tenth Business Day or such other number of Business Days specified as such in the relevant Final Terms;

"Specified Period" means the period specified as such in the relevant Final Terms;

"Strike Date" means:

- (a) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Strike Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

"Strike Level" means the percentage specified as such in the Final Terms, **provided that** if no such percentage is specified, the Strike Level shall be mean 100 per cent.;

"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 on the Exchange in respect of such Component, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange;

"**Transfer Expenses**" means, with respect to any Notes, all stamp, transfer, registration and similar duties and all expenses, scrip fees, levies and registration charges payable on or in respect of or arising on, or in connection with, the purchase or transfer, delivery or other disposition by the transferor to the order of the relevant Noteholders of any underlying value to which the Notes relate;

"**Transfer Notice**" means for the purposes of Equity-Linked Notes only a notice in the form from time to time approved by the Issuer, which must:

- (i) specify the name and address of the Noteholder;
- (ii) specify the number of Notes in respect of which it is the Noteholder;
- (iii) specify the number of the Noteholder's account at the relevant Clearing System to be debited with such Notes;
- (iv) irrevocably instruct and authorise the relevant Clearing System, (A) to debit the Noteholder's account with such Notes on the Settlement Date, if the Issuer elects (or has elected) the Physical Delivery provisions being applicable or otherwise on the Maturity Date and (B) that no further transfers of the Notes specified in the Transfer Notice may be made;
- (v) contain a representation and warranty from the Noteholder to the effect that the Notes to which the Transfer Notice relates are free from all liens, charges, encumbrances and other third-party rights;
- (vi) specify the number and account name of the account at the relevant Clearing System to be credited with the Relevant Securities if the Issuer elects (or has elected) the Physical Delivery provisions being applicable;
- (vii) contain an irrevocable undertaking to pay the Transfer Expenses (if any) and an irrevocable instruction to the relevant Clearing System to debit on or after the Settlement Date the cash or other account of the Noteholder with the relevant Clearing System specified in the Transfer Notice with such Transfer Expenses;
- (viii) include a certificate of non-US beneficial ownership in the form required by the Issuer; and
- (ix) authorise the production of the Transfer Notice in any applicable administrative or legal proceedings;

"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, in relation to a Series of Notes, each Index or Security (each as defined in this Condition 1) to which such Series of Notes relates;

"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 Performance" means, with respect to an Underlying and a Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date or the Final Valuation Date (as applicable), the percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) determined by the Calculation Agent in respect of such Underlying and such Valuation Date in accordance with the following formula:

$$\frac{\text{Reference Value}}{\text{Initial Value}}$$

"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;

an **"Upper Barrier Event"** will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) if **"European"** is specified as the applicable Barrier Observation Method, the Final Performance is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;
- (ii) if **"Bermudan"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any of the Barrier Valuation Dates is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;
- (iii) if **"Daily"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any Barrier Valuation Date during the Barrier Valuation Period is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level; and
- (iv) if **"American"** is specified as the applicable Barrier Observation Method, the Reference Performance determined on an intraday basis during each Barrier Valuation Date during the Barrier Valuation Period is at any time (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;

"Upper Barrier Level" means the percentage specified as such in the relevant Final Terms;

"Upside 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 per cent.;

"**USD**" means the lawful currency of the United States of America;

"**Valid Date**" means, in respect of an Underlying, 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, Autocall Valuation Date, Coupon 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 Autocall Valuation Date, any Coupon 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, or such scheduled time as set out in the Index Rules. 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, the Scheduled Closing Time on the Exchange in respect of such Component, 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;

"**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; and

"**Worst Performing Underlying**" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is lowest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more lowest performing Underlyings is the same, then the Calculation Agent shall determine which of such Underlyings is the Worst Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Worst Performing Underlying.

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 "**Holders**" 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 "**Holders**" 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) 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.

"d₀" 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 d0, 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_i" 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_i" 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_i) in respect of each Interest Non-Reset Date (if any) in an Applicable Period shall be Reference Rate(i) (or REF_i) 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 Settlement 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):

(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)(1) 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,
 - (III) 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)(v)(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)(v)(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),
- (1) 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);

- (2) 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 (3) 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;
- (3) 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) - 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, "d₀" 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);

- (4) if neither the administrator nor authorised distributors provide or publish the OBFR, then, subject to paragraph (5) 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;
- (5) 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 midpoint 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, "d₀" 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) – 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 account 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:

- (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)(vii)(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) – (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 Autocall 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 Event Notes*

This Condition 4C (*Interest – Coupon Notes*) is applicable where Coupon 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 Recovery Event*) below.

If a Coupon Event occurs in relation to any Coupon 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 Amount on the relevant Coupon Payment Date.

The Calculation Agent will cause any Coupon Amount required to be determined by it together with details of the Coupon 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 Event does not occur in relation to a Coupon Valuation Date, then no Coupon Amount under this Condition 4C shall be payable in respect of the Notes on the relevant Coupon 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 Event Notes*) pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Amount on each relevant Coupon Payment Date falling on or after the relevant Lock-In Coupon Valuation Date.

4E. *Coupon Recovery Event*

This Condition 4E (*Coupon Recovery Event*) shall apply if Coupon Recovery Event is specified in the relevant Final Terms as being applicable.

If a Coupon Recovery Event occurs in relation to any Coupon Valuation Date, then (in addition to any Coupon 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 Payment Date.

If a Coupon Recovery Event does not occur in relation to a Coupon Valuation Date, then no Outstanding Missed Coupon Amount shall be payable in respect of the Notes on the relevant Coupon 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 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 Event 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 Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Amount (including such Coupon 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 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 Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Amount (including such Coupon 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) 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***

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

(B) if the Final Performance is less than the Strike Level but a Barrier Event has not occurred, 100%; or

(C) if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Final Performance.

- b. If Booster with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the

Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(ii) *Airbag with Barrier Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold and Barrier Event has not occurred, the result of the following formula:

$$\text{Max}\{\text{Conditional Protection}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\}$$

- (B) if the Final Performance is greater than or equal to the Return Threshold and a Barrier Event has occurred, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

- (C) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection;
or

- (D) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

- b. If Airbag with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(iii) *Barrier Redemption*

(x) ***unless "European" is specified as the applicable Barrier Observation Method in the relevant Final Terms***

- a. Subject to limb b below, if Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, then 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 Final Performance is greater than or equal to the Strike Level, 100%; or

- (B) if the Final Performance is less than the Strike Level but a Barrier Event has not occurred, 100%; or

- (C) if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Final Performance.

- b. If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).
- (y) ***if "European" is specified as the applicable Barrier Observation Method in the relevant Final Terms:***
- a. Subject to limb b below, if Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, then 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 a Barrier Event has not occurred, 100%; or
 - (B) if a Barrier Event has occurred, the Final Performance
 - b. If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).
- (iv) ***Digital with Barrier Redemption***
- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, 100% + Digital Rate
 - (B) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection; or
 - (C) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.
 - b. If Digital with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(v) *Digital Growth with Barrier Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, the result of the following formula:

$$100\% + \text{Max}\{\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\}$$

(B) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection; or

(C) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

- b. If Digital Growth with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(vi) *Protected Growth Redemption*

If Protected Growth 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 Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - \text{Call Strike})]$$

(B) if the Final Performance is less than the Call Strike, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$

(vii) *Protected Knock-Out Growth Redemption*

If Protected Knock-Out Growth 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 Final Performance is greater than or equal to the Call Strike and an Upper Barrier Event has not occurred, the result of the following formula:
- $$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$
- (B) if the Final Performance is less than the Call Strike and an Upper Barrier Event has not occurred, the result of the following formula:
- $$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$
- (C) if an Upper Barrier Event has occurred, Protection Level + Digital Rate.

(viii) *Protected Bear Redemption*

If Protected Bear 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 Final Performance is less than or equal to the Put Strike, the result of the following formula:
- $$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$
- (B) if the Final Performance is greater than the Put Strike, the result of the following formula:
- $$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Call Strike} - \text{Final Performance})]$$

(ix) *Protected Knock-Out Bear Redemption*

If Protected Knock-Out Bear 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 Final Performance is less than or equal to the Put Strike and a Barrier Event has not occurred, the result of the following formula:
- $$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$
- (B) if the Final Performance is greater than the Put Strike and a Barrier Event has not occurred, the result of the following formula:
- $$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Call Strike} - \text{Final Performance})]$$
- (C) if a Barrier Event has occurred, Protection Level + Digital Rate.

(x) *Partial Protection Redemption*

If 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 Final Performance is greater than or equal to the Put Strike, 100%; or
 - (B) if the Final Performance is less than the Put Strike, the result of the following formula:

$$\text{Max}[\text{Protection Level}; \text{Final Performance}]$$

(xi) *Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Strike Level, 100%; or
 - (B) if the Final Performance is less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xii) *Booster Redemption*

- a. Subject to limb b below, if Booster 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Strike Level, the result of the following formula:

Final Performance / Strike Level

- b. If Booster Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xiii) *Booster with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$100\% + \text{Min}[\text{Cap; Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Call Strike but greater than or equal to the Strike Level, 100%; or

- (C) if the Final Performance is less than the Call Strike and less than the Strike Level, the result of the following formula:

Final Performance / Strike Level

- b. If Booster with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Call Strike and less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xiv) *Digital with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, $100\% + \text{Digital Rate}$;

- (B) if the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, 100%; or

- (C) if the Final Performance is less than the Return Threshold and less than the Strike Level, the result of the following formula:

Final Performance / Strike Level

- b. If Digital with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xv) *Digital Growth with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, the result of the following formula:

$$100\% + \text{Max}\{\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - 100\%)]\}$$

- (B) if the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, 100%; or
- (C) if the Final Performance is less than the Return Threshold and less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Digital Growth with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xvi) *Protected Step-Down Growth Redemption*

If Protected Step-Down Growth 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 Per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
- (A) if the Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$\text{Protection Level} + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Call Strike, the Protection Level.

(xvii) *Protected Step-Down Bear Redemption*

If Protected Step-Down Bear 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 Per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
 - (A) if the Final Performance is less than or equal to the Put Strike, the result of the following formula:
$$\text{Protection Level} + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$
 - (B) if the Final Performance is greater than the Put Strike, the Protection Level.

(xviii) *Straddle with Barrier Redemption*

If Straddle 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 a Barrier Event has not occurred, the result of the following formula:
$$100\% + \text{Downside Participation} \times \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$
 - (B) if a Barrier Event has occurred, the result of the following formula:
$$100\% - \text{Max}(0; 100\% - \text{Final Performance}) + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

(xix) *Straddle with Buffer Redemption*

- a. Subject to limb b below, if Straddle 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:
$$100\% + \text{Downside Participation} \times \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$
 - (B) if the Final Performance is less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Straddle with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by

delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xx) ***Protected Knock-Out Straddle Redemption***

If Protected Knock-Out Straddle 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 neither an Upper Barrier Event nor a Barrier Event have occurred, the result of the following formula:
$$\text{Max}[\text{Protection Level}; 100\% + \text{ABS}(\text{Final Performance} - 100\%)]$$
 - (B) if either an Upper Barrier Event and/or a Barrier Event has occurred, the Protection Level plus the Digital Rate (if any).

(xxi) ***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 Rate.

(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) 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).

(e) ***Autocall Event***

This Condition 5(e) applies only where Autocall Event is specified as being applicable in the relevant Final Terms.

If an Autocall Event occurs in relation to any Autocall Valuation Date, then unless previously redeemed or purchased and cancelled, the Notes will be automatically redeemed in whole, but not in part, on the corresponding Autocall 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 Autocall 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). 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 – Autocall Event*), 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 – Autocall Event*), 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) 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) 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), 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.

(g) ***Physical Delivery***

In relation to Equity-Linked Notes which are to be redeemed by the delivery of a Securities Transfer Amount, and subject to the other provisions of these Conditions and the relevant Final Terms:

(i)

- (A) Each Noteholder shall, on or before the date five calendar days before the Maturity Date (or such earlier date as the Issuer shall determine is necessary for the Issuer, the Paying Agents, the relevant Clearing System to perform their respective obligations in relation to the Notes and notify to the Paying Agents and the Noteholders) send to the relevant Clearing System, in accordance with its then applicable operating procedures, and copied to the Principal Paying Agent, a duly completed Transfer Notice.
- (B) A Transfer Notice, once delivered to the relevant Clearing System, shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not transfer any Note which is the subject of a Transfer Notice following delivery of such Transfer Notice to the relevant Clearing System. A Transfer Notice shall only be valid to the extent that the relevant Clearing System have not received conflicting prior instructions in respect of the Notes which are the subject of the Transfer Notice.
- (C) Failure properly to complete and deliver a Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided shall be made by the Principal Paying Agent and shall be conclusive and binding on the Issuer and the Noteholder.
- (D) The Principal Paying Agent shall promptly on the local banking day following receipt of a Transfer Notice send a copy thereof to the Issuer or such person as the Issuer may previously have specified.
- (E) Delivery of the Relevant Securities will be via the relevant Clearing System. The delivery or transfer of Relevant Securities to each Noteholder is at the relevant Noteholder's risk and if delivery occurs later than the earliest possible date for delivery, no additional amounts will be payable by the Issuer.
- (F) The Issuer shall discharge its obligation to redeem each Note by
 - (1) delivering, or procuring the delivery of, the Securities Transfer Amount to the Clearing System for credit to the account with the Clearing System specified in the Transfer Notice on the Settlement Date (or, if the Settlement Date falls less than one Settlement Cycle after date of receipt of a properly completed Transfer Notice in respect of any Note, with respect to such Note, the date falling one Settlement Cycle after receipt of a properly completed Transfer Notice); and
 - (2) paying an amount equal to the Residual Cash Amount to the relevant Noteholder on the Settlement Date.
- (G) The amount of Relevant Securities to be delivered to or for the account of each Noteholder shall be an amount determined by the Calculation Agent as being equal to the Securities Transfer Amount multiplied by the number of Notes in respect of which such Noteholder is the holder as specified in the relevant Transfer Notice **provided, however, that** if a Noteholder would become entitled to a number of Relevant Securities which is not equal to a board lot of the Relevant Securities at such time, as determined by the Calculation Agent, or an integral multiple thereof, then the Noteholder's entitlement to delivery of Relevant Securities shall be rounded down to the nearest whole board lot.

- (H) The amount payable to each Noteholder shall be an amount determined by the Calculation Agent) equal to the Residual Cash Amount (as determined by the Calculation Agent) multiplied by the number of Notes in respect of which such Noteholder is the holder as specified in the relevant Transfer Notice on the Settlement Date.
- (I) Each Noteholder shall be required as a condition of its entitlement to delivery of Relevant Securities in respect of any Notes to pay all Transfer Expenses in respect of such Notes.
- (J) After delivery to or for the account of a Noteholder of the Securities Transfer Amount and for such period of time as the transferor or its agent or nominee shall continue to be registered in any clearing system as the owner of the Relevant Securities comprised in such Securities Transfer Amount (the "**Intervening Period**"), none of such transferor or any agent or nominee for the Issuer or such transferor shall (i) be under any obligation to deliver to such Noteholder or any other person any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or such transferor, agent or nominee in its capacity as holder of such Relevant Securities, (ii) be under any obligation to exercise any rights (including voting rights) attaching to such Relevant Securities during the Intervening Period, or (iii) be under any liability to such Noteholder or any other person in respect of any loss or damage which the Noteholder or any other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or such transferor, agent or nominee being registered in such clearing system during such Intervening Period as legal owner of such Relevant Securities.
- (K) All dividends on Relevant Securities to be delivered will be payable to the party that would receive such dividends according to market practice for a sale of the Relevant Securities executed on the Notional Sale Date to be delivered in the same manner as such Relevant Securities. Any such dividends will be paid to or for credit to the account specified by the Noteholder in the relevant Transfer Notice. No right to dividends on the Relevant Securities will accrue to Noteholders prior to the Notional Sale Date.
- (L) If a properly completed Transfer Notice in respect of any Notes has not been received by the relevant Clearing System by the 10th Business Day following the Maturity Date (the "**Transfer Notice Cut-off Date**"), then:
 - (1) the Issuer shall be entitled (but not required) to redeem the relevant Notes by payment of an amount equal to the Net Liquidation Proceeds (as defined below);
 - (2) the Issuer shall be entitled (but not required) to treat any Transfer Notice in relation to such Notes received after the Transfer Notice Cut-off Date as being null and void, and any such determination shall be binding on the Noteholder; and
 - (3) if the Issuer elects to redeem the relevant Notes pursuant to subparagraph (1) above, then the Issuer shall pay the Net Liquidation Proceeds in respect of such Notes to the Noteholder no later than 10 Business Days after the Transfer Notice Cut-Off Date.

For these purposes "**Net Liquidation Proceeds**" means a cash amount per Note equal to (i) the proceeds received by the Issuer or any of its affiliates from the disposal of the Securities Transfer Amount relating to such Note, net of all costs, expenses, fees and levies incurred by it or any of its affiliates in connection with such disposal (including, without limitation, all brokers' fees, transaction processing fees and all taxes and other duties) provided that if any such amount is denominated in a currency other than the Settlement Currency, then the Calculation Agent shall convert the value of such amount into the

Settlement Currency using the Currency Pair Fixing Rate. For the avoidance of doubt, in the event that the Issuer elects to redeem any Note by payment of the Net Liquidation Proceeds, the Noteholder will not be entitled to any amounts in addition to the relevant Net Liquidation Proceeds, whether in respect of interest or otherwise (other than the Residual Cash Amount calculated and payable in accordance with the foregoing provisions).

- (ii) The Calculation Agent shall determine whether or not at any time a Settlement Disruption Event has occurred in relation to any Relevant Securities and where it determines such an event has occurred and so has prevented delivery of such Relevant Securities on the original day that but for such Settlement Disruption Event would have been the Settlement Date for such Relevant Securities, then the Settlement Date for such Relevant Securities will be the first succeeding day on which delivery of such Relevant Securities can take place through the relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the eight relevant Clearing System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case, if the Relevant Securities are debt securities, the Issuer shall use reasonable efforts to deliver such Relevant Securities promptly thereafter acting in good faith and in a commercially reasonable manner (as determined by the Calculation Agent) outside the Clearing System and in all other cases (a) if such Relevant Securities can be delivered in any other commercially reasonable manner (as determined by the Calculation Agent), then the Settlement Date will be the first Business Day on which settlement of a sale of Relevant Securities executed on that eighth relevant Clearing System Business Day customarily would take place using such other commercially reasonable manner (as determined by the Calculation Agent) of delivery (which other manner of delivery will be deemed the relevant Clearing System for the purposes of delivery of the Relevant Securities), and (b) if such Relevant Securities cannot be delivered in any other commercially reasonable manner (as determined by the Calculation Agent), then the Settlement Date will be postponed until delivery can be effected through the relevant Clearing System or in any other commercially reasonable manner; **provided, however, that**, in all cases (whether or not the Relevant Securities are debt securities) and notwithstanding any other provision hereof, the Issuer may at any time and so long as the Settlement Disruption Event is continuing elect if it considers 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, by giving notice to the Noteholders in accordance with Condition 11 (*Notices*), to satisfy its obligations in respect of the relevant Notes by payment by the Issuer (or any person (including any of its affiliates) as it may procure to make the relevant payment on its behalf) to the relevant Noteholders of the Disruption Cash Settlement Price on the Disruption Cash Settlement Date in lieu of physical delivery.

"Disruption Cash Settlement Date" means the fifth Business Day following the date of the notice of the relevant election to pay the Disruption Cash Settlement Price or such other date as may be specified in such notice.

"Disruption Cash Settlement Price" means, in relation to any Note which is to be redeemed on the Disruption Cash Settlement Date, the Early Redemption Amount of such Notes.

- (iii) If the Calculation Agent determines that a Delivery Disruption Event has occurred, it shall notify the Issuer who shall promptly notify the relevant Noteholder(s) and the Issuer may then:
 - (A) determine, in its sole and absolute discretion, a new Settlement Date such date being no later than the earlier of (i) the Scheduled Trading Day immediately following the day on which the Delivery Disruption Event has ceased to exist and (ii) the eighth Scheduled Trading Day falling after the original Settlement Date, provided, in each case such day is a Clearing System Business Day (or, if not, the Scheduled Trading Day that is a Clearing System Business Day immediately following such day);

- (B) determine (either upon the occurrence of a Delivery Disruption Event or, if no new Settlement Date was determined prior to the eighth Scheduled Trading Day falling after the original Settlement Date pursuant to paragraph (A) above, upon such eighth Scheduled Trading Date (the "**Postponed Determination Date**"), in its sole and absolute discretion, that the obligation to deliver the relevant Securities Transfer Amount will be terminated and the Issuer will pay such amount as in the opinion of the Calculation Agent (such opinion to be made acting in good faith and in a commercially reasonable manner) is fair (i) by reference to the spot price on an Exchange for such Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above), or if no such spot price is available (or if the Calculation Agent acting in good faith and in a commercially reasonable manner determines that such spot price materially differs from the price that would be obtained in a liquid and well-functioning market), (ii) as determined by the Calculation Agent to be the arithmetic mean of the price quoted for such Relevant Securities by investment banks appointed by the Calculation Agent that are acting in the market for the Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above) or (iii) if less than two such quotations are received, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, in each case by way of compensation for the non-delivery of the Securities Transfer Amount, in which event the entitlements of the respective Noteholder(s) to receive the relevant Securities Transfer Amount shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount; or
- (C) deliver on the Settlement Date (as may have been postponed pursuant to paragraph (A) above) such amount of the Securities Transfer Amount (if any) as it can deliver on that date and the Issuer will pay such amount as in the opinion of the Calculation Agent (such opinion to be made acting in good faith and in a commercially reasonable manner) is fair (i) by reference to the spot price on an Exchange for such Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above), or if no such spot price is available, (or if the Calculation Agent acting in good faith and in a commercially reasonable manner determines that such spot price materially differs from the price that would be obtained in a liquid and well-functioning market) (ii) as determined by the Calculation Agent to be the arithmetic mean of the price quoted for such Relevant Securities by investment banks appointed by the Calculation Agent that are acting in the market for the Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above) or (iii) if less than two such quotations are received, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, in each case by way of compensation for the non-delivery of the remainder of the Securities Transfer Amount, in which event the entitlements of the respective Noteholder(s) to receive the relevant Securities Transfer Amount shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount.

Where this Condition 7(f)(iii) fails to be applied, insofar as the Calculation Agent determines to be practical, the same shall be applied as between the Noteholders on a *pro rata* basis, but subject to such rounding down (whether of the amount of a payment or of a number of Relevant Securities to be delivered) and also to such other adjustments as the Calculation Agent determines to be appropriate to give practical effect to such provisions.

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)) 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;
- (i) 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
- (ii) 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 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 (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) 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, 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 (as applicable), notwithstanding the fact that such day may be a Disrupted Day.
- (b) In the event that 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, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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:
 - (x) other than in respect of a Proprietary Index-Linked Note, 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
 - (y) in respect of a Proprietary Index-Linked Note only, by reference to such level or values as the Calculation Agent determines to be

appropriate as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and

- (2) in respect of an Equity-Linked Note, the Limit Valuation Date shall be deemed to be the Valuation Date, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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 respect of (i) an Index (other than a Proprietary Index), 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 (ii) in respect of a Proprietary Index, by reference to such level or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and
 - (C) in the case of a Note which relates to a Securities Basket, the Valuation Date, Decrement Observation 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 the Scheduled Observation Date (as applicable), and the Valuation Date, Decrement Observation 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, Decrement Observation 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 Closing Value, Reference Value, Final Redemption Amount, Coupon Amount or Autocall 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 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 postponed Decrement 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 postponed Decrement 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 Observation Date, the latest postponed Valuation Date or postponed Observation Date or postponed Decrement Observation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation Date or Scheduled 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, Decrement 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, Decrement 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 Reference Value or Closing Value required to be determined with respect to such Valuation Date, Observation Date, Decrement Observation Date or Averaging Date using, in lieu of a published level of that Index, the Reference Value or Closing Value required to be determined with respect to such Valuation Date, Observation Date, Decrement 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 **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.

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.

- (i) 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.
- (ii) 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 (i) above as soon as practicable after determining the same.
- (iii) 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 24 May 2024 (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 on or about 31 May 2024 (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.

The relevant Final Terms will specify whether or not the Alternative French Law Conditions apply to the Notes. If the Alternative French Law Conditions are specified in the relevant Final Terms as applying to the Notes, then such Notes will be "**Alternative French Law Conditions Notes**" and certain alternative terms and conditions

specified below will apply to them in place of the corresponding terms and conditions which apply to Notes which are not Alternative French Law Conditions Notes. Such alternative terms and condition are indicated below with headings in italicised text specifying that the relevant provisions apply to Alternative French Law Conditions Notes only.

1. **Definitions**

The following provisions of this Condition 1 apply to all Notes other than Alternative French Law Conditions Notes.

As used in these Conditions, the following expressions shall have the following meanings:

"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);

"€STR" means, in respect of any specified period, the interest rate benchmark known as the daily euro short-term rate;

"ABS" means the absolute value of any positive or negative number;

"Actual Days" means:

- (i) for the purposes of determining the Autocall Rate with respect to an Autocall Valuation Date where "Daily Autocall Observation" is specified in the relevant Final Terms, the total number of calendar days from (and including) the Autocall Valuation Period Start Date to and (and including) such Autocall Valuation Date;
- (ii) in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the number of calendar days from (but excluding) the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}) to (and including) such Decrement Observation Date (Decrement Observation Date_t);

"Additional Disruption Event" means such of Change in Law, Hedging Disruption, Increased Cost of Hedging, Insolvency Filing and/or Failure to Deliver as are specified as such in the relevant Final Terms;

"Adjusted Value" or **"AV"** means, in respect of an Underlying and each Decrement Observation Date, the price or level (as applicable) determined by the Calculation Agent in respect of such Underlying and Decrement Observation Date (Decrement Observation Date_t) ("**Adjusted Value**_t" or "**AV**_t") in accordance with the following formula (**provided that** such price or level (as applicable) shall not, in respect of any Decrement Observation Date, be less than zero):

- (i) in relation to an Underlying which is an Index:
 - (a) if "Adjustment in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

- (b) if "Adjustment in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

(ii) in relation to an Underlying which is a Security:

(a) if "Denominator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1} - AD_t} \right] - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

(b) if "Denominator in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1} - AD_t} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

(c) if "Numerator in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t + AD_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

(d) if "Numerator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t + AD_t}{\text{Closing Value}_{t-1}} \right] - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

Where:

"Actual Dividend_t" or **"AD_t"** means, in respect of an Underlying which is a Security and a Decrement Observation Date (Decrement Observation Date_t):

(i) if, in the determination of the Calculation Agent, such Decrement Observation Date is also an Ex-Dividend Date for such Underlying, the product of the relevant (a) Gross Cash Dividend and/or Gross Cash Equivalent Dividend (as applicable) (if any) and (b) the Re-Investment Percentage for such Underlying;

(ii) otherwise, zero.

"Adjusted Value_{t-1}" or **"AV_{t-1}"** means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Adjusted Value for such Underlying in respect of the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}), as determined by the Calculation Agent, provided that in respect of the first Decrement Observation Date, Adjusted Value_{t-1} shall be equal to Closing Value₀.

"Adjustment Method" means the Adjustment Method specified in relation to the Notes in the relevant Final Terms.

"Contractual Dividend" or **"CD"** means, in respect of an Underlying, the level, price or percentage (as applicable) specified as such in respect of such Underlying in the relevant Final Terms.

"Closing Value_t" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Closing Value for such Underlying on such Decrement Observation Date.

"Closing Value_{t-1}" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Closing Value for such Underlying on the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}).

"Closing Value₀" means, in relation to an Underlying, the Initial Value in respect of such Underlying.

"Decrement Observation Date" means, in respect of an Underlying and a Decrement Observation Period, each Scheduled Trading Day (which is not a Disrupted Day in respect of such Underlying) during such Decrement Observation Period (provided that the final day in such Decrement Observation Period which is a Scheduled Trading Day (the **"Final Decrement Observation Date"**), shall be a Scheduled Observation Date regardless of whether it is a Disrupted Day and the provisions of Condition 15 (*Consequences of Disrupted Days*) shall apply with respect to such Final Decrement Observation Date).

"Decrement Observation Period" means, in relation to an Underlying and a Valuation Date in respect of which the Adjusted Value is to be determined, the period from (and excluding) the Strike Date to (and including) the Scheduled Valuation Date with respect to such Valuation Date.

"Ex-Dividend Date" means, in respect of an Underlying which is a Security and a Gross Cash Dividend or Gross Cash Equivalent Dividend], the date on which such Security has commenced trading ex-dividend (with respect to such Gross Cash Dividend or Gross Cash Equivalent Dividend, as applicable) on the relevant Exchange as determined by the Calculation Agent.

"Gross Cash Dividend" means, in respect of a Security, a sum equal to the gross cash dividend per one Security payable to the holder of record before application of withholding or deduction of taxes at the source by or on behalf of any relevant authority having power to tax in respect of such a dividend or distribution, and excludes any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such a dividend or distribution and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon as determined by the Calculation Agent, **provided that**, if such Gross Cash Dividend is denominated in a currency other than the Specified Currency, then the Calculation Agent shall convert the amount of such Gross Cash Dividend into the Specified Currency using the relevant Currency Pair Exchange Rate.

"Gross Cash Equivalent Dividend" means, in respect of a Security, an amount per Security equal to (i) the cash value of any stock dividend (whether or not such stock dividend comprises securities of the Underlying Company of such Security) declared by the Underlying Company or (ii) where the Underlying Company does not declare a cash value of such stock dividend, an amount determined by the Calculation Agent on the basis of the closing price of the security comprising such stock dividend as published by the relevant primary exchange on the Ex-Dividend Date for such stock dividend or if such price is not available for any reason, the value of such Gross Cash Equivalent Dividend as determined by the Calculation Agent in its sole discretion **provided that** if the amount so determined by the Calculation Agent with respect to such Gross Cash Equivalent Dividend is denominated in a currency other than the Specified Currency, then the Calculation Agent shall convert the value of such Gross Cash Equivalent Dividend into the Specified Currency using the relevant Currency Pair Exchange Rate.

"Re-Investment Percentage" means, in respect of an Underlying which is a Security, the percentage specified as such in the relevant Final Terms or, if no percentage is specified in respect of an Underlying in the relevant Final Terms, 100 per cent.

"t" means, in respect of a Decrement Observation Period, a series of whole numbers from one to T, each representing the relevant Decrement Observation Date (each **"Decrement Observation Date_t"**) in such Decrement Observation Period in chronological order from (and including) the first Decrement Observation Date in such Decrement Observation Period.

"T" means the total number of Decrement Observation Dates during the relevant Decrement Observation Period, as determined by the Calculation Agent.

"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 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(c) (*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 13A (*Consequences of a Benchmark Trigger Event*); and

- (f) a Replacement Index used pursuant to Condition 13A (*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 Event Effective Date or the Administrator/Benchmark Event Date, as applicable;

"Autocall Amount" means, in respect of an Autocall 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 Autocall Rate corresponding to such Autocall Valuation Date;

"Autocall Redemption Date" means, in respect of an Autocall Valuation Date:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the corresponding date specified as such in relation to such Autocall 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; or
- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the Specified Number of Settlement Days following the Autocall Valuation Date on which an Autocall Event (if any) has occurred, as determined by the Calculation Agent;

an **"Autocall Event"** will be deemed to have occurred in relation to an Autocall Valuation Date if the Reference Performance determined in respect of such Autocall Valuation Date is greater than or equal to the relevant Autocall Level specified in respect of such Autocall Valuation Date, as determined by the Calculation Agent;

"Autocall Level" means, in respect of an Autocall Valuation Date, the percentage specified as such for such Autocall Valuation Date in the relevant Final Terms;

"Autocall Annual Rate" means the percentage rate specified as such in the relevant Final Terms;

"Autocall Rate" means, in respect of an Autocall Valuation Date:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the percentage rate specified as such for such Autocall Valuation Date in the relevant Final Terms; or
- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the percentage rate (rounded to the nearest four decimal places (with 0.00005 being rounded up)) determined by the Calculation Agent in respect of such Autocall Valuation Date in accordance with the following formula:

$$100 \text{ per cent.} + \left[\text{Autocall Annual Rate} \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

"Autocall Valuation Date(s)" means:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms:
 - (a) in respect of a Note which relates to a single Underlying, 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
 - (b) in respect of a Note which relates to a 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 Underlying comprising the Basket, the Autocall Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms:
 - (a) in respect of a Note which relates to a single Underlying, each Scheduled Trading Day (which is not a Disrupted Day) during the Autocall Valuation Period; or
 - (b) in respect of a Note which relates to a Basket, each day during the Autocall Valuation Period which (i) is a Scheduled Trading Day in respect of all Underlyings in the Basket and (ii) is not a Disrupted Day in respect of any Underlying in the Basket;

"Autocall Valuation Period" means the period from (and including) the **"Autocall Valuation Period Start Date"** specified as such in the relevant Final Terms to (but excluding) the Final Valuation Date;

"Averaging Date(s)" means, in respect of an Underlying:

- (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 (provided that the final day in any Averaging Period which is a Scheduled Trading Day (each a **"Final Averaging Date"**) shall be a Scheduled Averaging Date regardless of whether it is a Disrupted Day and the provisions of Condition 15 (*Consequences of Disrupted Days*) shall apply with respect to any Final Averaging Date);

"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;
- (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;
- (iii) any Autocall 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;
- (iv) any Coupon Valuation Date, the period from and including the **"Coupon Averaging Start Date"** to and including the **"Coupon Averaging End Date"**, each as specified in the relevant Final Terms;
- (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;
- (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; 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;

a **"Barrier Event"** will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) if **"European"** is specified as the applicable Barrier Observation Method, the Final Performance is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;
- (ii) if **"Bermudan"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any of the Barrier Valuation Dates is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;
- (iii) if **"Daily"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any Barrier Valuation Date during the Barrier Valuation Period is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level; and
- (iv) if **"American"** is specified as the applicable Barrier Observation Method, the Reference Performance determined on an intraday basis during each Barrier Valuation Date during the Barrier Valuation Period is at any time (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;

"Barrier Level" means the percentage specified as such in the relevant Final Terms;

"Barrier Observation Method" means, in respect of a Barrier Event and/or an Upper Barrier Event, European, Bermudan, Daily or American as specified in the relevant Final Terms;

"Barrier Valuation Date(s)" means:

- (i) if **"Bermudan"** is specified as the applicable Barrier Observation Method:
 - (a) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the relevant Barrier Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

- (ii) if **"Daily"** or **"American"** is specified as the applicable Barrier Observation Method:
 - (a) in respect of a Note which relates to a single Underlying, 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 15 (*Consequences of Disrupted Days*) shall apply with respect to such Barrier Valuation Date); or
 - (b) in respect of a Note which relates to a Basket, each day in the Barrier Valuation Period which (i) is a Scheduled Trading Day in respect of all Underlyings in the Basket and (ii) is not a Disrupted Day in respect of any Underlying in the Basket (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Underlyings shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day in respect of any Underlying, 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 relation to a Series of Notes, the Index Basket or Securities Basket (each as defined in this Condition 1) to which such Notes relate;

"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 Underlying" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is highest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more highest performing Underlyings is the same, the Calculation Agent shall determine which of such Underlyings is the Best Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Best Performing Underlying;

"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;

"Call Strike" means the percentage specified as such in the 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 or Components 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 Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary 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 or a Proprietary 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, Observation Date or Decrement Observation Date (as applicable) for which the performance of the Index is to be determined; and
- (ii) in relation to an Underlying which is 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, Observation Date or Decrement Observation Date (as applicable) for which the performance of the Security is to be determined;

"Component" means, with respect to an Index, each component comprised in that Index;

"Conditional Protection" 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 Amount" means, in respect of the relevant Coupon 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 Rate corresponding to such Coupon 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 Event"** will be deemed to have occurred in relation to a Coupon Valuation Date if the Reference Performance determined in respect of such Coupon Valuation Date is greater than or equal to the relevant Coupon Level specified in respect of such Coupon Valuation Date, as determined by the Calculation Agent;

"Coupon Level" means, in respect of a Coupon Valuation Date, the percentage specified as such for such Coupon Valuation Date in the relevant Final Terms;

"Coupon Payment Date" means, in respect of a Coupon Valuation Date, the corresponding date specified as such in relation to such Coupon 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 Rate" means, in respect of a Coupon Valuation Date, the percentage rate specified as such for such Coupon Valuation Date in the relevant Final Terms;

a **"Coupon Recovery Event"** will be deemed to have occurred in relation to a Coupon Valuation Date if the Reference Performance determined in respect of such Coupon Valuation Date is greater than or equal to the relevant Coupon Recovery Level specified in respect of such Coupon Valuation Date, as determined by the Calculation Agent;

"Coupon Recovery Level" means, in respect of a Coupon Valuation Date, the percentage specified as such for such Coupon Valuation Date in the relevant Final Terms;

"Coupon Valuation Date" means:

- (i) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Coupon Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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;

"Currency Pair Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business and dealings in foreign exchange in the Reference Currency Jurisdiction and the Specified Currency Jurisdiction;

"Currency Pair Exchange Rate" means the rate of exchange between the Specified Currency and the Reference Currency expressed as the number of units of Reference Currency per one unit of Specified Currency as published on the Currency Pair Fixing Page at the Currency Pair Fixing Time on a Currency Pair Fixing Date and as observed by the Calculation Agent provided that where the Reference Currency and the Specified Currency are the same currency, the Currency Pair Exchange Rate shall be deemed to be equal to one. The Calculation Agent shall round such rate to the closest four (4) decimal places, 0.00005 being rounded up. If, on a Currency Pair Fixing Date, the Relevant Rate is not available for any reason as determined by the Calculation Agent, the Calculation Agent will determine the Currency Pair 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;

"Currency Pair Fixing Date" means:

- (i) with respect to determination of a Securities Transfer Amount and/or Residual Amount, the Final Valuation Date;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the date of receipt of such proceeds by the Issuer or its affiliates; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the Ex-Dividend Date with respect to such Gross Cash Dividend or Gross Cash Equivalent Dividend (as applicable),

or, if any such date is not a Currency Pair Business Day the immediately following day that is a Currency Pair Business Day (and for these purposes a day shall be deemed to be a Currency Pair Business Day if the market was not aware of it not being a Currency Pair Business Day (by means of a public announcement or by reference to other publicly available information) on the Currency Pair Fixing Date notwithstanding it subsequently ceases to be a Currency Pair Business Day for any reason or the market subsequently becomes aware that it was not a Currency Pair Business Day);

"Currency Pair Fixing Page" means the Reuters or other screen page as specified as such in the Final Terms or any successor page thereof or, if not specified in the relevant Final Terms or there is no successor page, the Calculation Agent will determine the relevant Currency Pair Exchange Rate by reference to the relevant spot rate prevailing in the international exchange market;

"Currency Pair Fixing Time" means the time and place specified as such with respect to the Reference Currency in the relevant Final Terms or, if no such specification is made, the time and place determined by the Calculation Agent;

"Day Count Divisor" means the number 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:

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

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

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

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

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

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

- (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:

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

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

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

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

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

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

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

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

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

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

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

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

"Delivery Disruption Event" means, as determined by the Calculation Agent, the failure by the Issuer to deliver or to procure delivery on the relevant Settlement Date the Securities Transfer Amount under the relevant Note due to illiquidity in the market for such Securities;

"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 Rate" means the percentage specified as such in the relevant Final Terms;

"Disrupted Day" means:

- (i) in respect of an Underlying which is 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 (c) with respect to a Proprietary Index, any Scheduled Trading Day in respect of which the Index Sponsor fails to calculate and announce the level of such Index as scheduled; or
- (ii) in respect of an Underlying which is 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;

"Downside 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 per cent.;

"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 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 acting in a commercially reasonable manner:

- (i) the withdrawal from legal tender of any currency that, before the introduction of the euro, was lawful currency in one of the member states;
- (ii) the redenomination of any security into euro;
- (iii) 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;
- (iv) any change in the currency of denomination of any Index or any Security; or
- (v) 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 (other than a Multiple Exchange Index or a Proprietary 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, the principal exchange on which such Component is principally traded (if applicable), 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 on the Exchange in respect of such Component 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;

"Failure to Deliver" means the failure of a party to deliver, when due, the relevant Securities in respect of the Notes, where such failure is due to illiquidity in the market for such Securities;

"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 Redemption Amount" has the meaning given to it in Condition 5(a) (*Redemption and Purchase – At Maturity*);

"Final Performance" means the Reference Performance determined by the Calculation Agent in respect of the Final Valuation Date;

"Final Valuation Date" means:

- (i) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Final Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 (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;

"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;

"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 or any of its designated affiliates after using commercially reasonable efforts and acting in good faith, to wholly or partially (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 risk (including, without limitation, any equity, dividend or 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, each index 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*) (which, for the avoidance of doubt, shall, where so specified in the relevant Final Terms in respect of an index, include a Multiple Exchange Index or Proprietary Index (as applicable)) 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*);

"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 (acting in a commercially reasonable manner) 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 Event 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 the rules of the 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 (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 Value" means, with respect to an Underlying, either:

- (i) the price or level (as applicable) specified as such in the relevant Final Terms; or
- (ii) the Reference Value with respect to such Underlying 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;

"Intraday Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary Index, the level of such Index as determined by the Calculation Agent as of any time on the relevant Exchange or (b) with respect to a Multiple Exchange Index or a Proprietary Index, the level of such Index as of any time as calculated and published by the Index Sponsor, in each case during the relevant Valuation Date for which the performance of the Index is to be determined; and
- (ii) in relation to an Underlying which is a Security, the price of such Security as determined by the Calculation Agent as of any time on the relevant Exchange during the relevant Valuation Date for which the performance of the Security is to be determined;

"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 Reference Performance determined in relation to such Lock-In Coupon Valuation Date is greater than or equal to the relevant 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 Underlying, 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 a 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 Underlying comprising the Basket, the Lock-In Coupon Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 15 (*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 Reference Performance determined in relation to such Lock-In Redemption Valuation Date is equal to or greater than the Lock-In Redemption Level specified in relation to such Lock-In Redemption Valuation Date, as determined by the Calculation Agent;

"Lock-In Redemption Rate" means the percentage specified as such in the relevant Final Terms;

"Lock-In Redemption 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 Underlying, 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 a 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 Underlying comprising the Basket, the Lock-In Redemption Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 Underlying which is 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 at any time, then the relevant percentage contribution of that Component 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 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, 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 is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Components 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 at that time, then the relevant percentage contribution of that Component 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 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 an Underlying which is 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;

"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-Coupon Event Valuation Date" means a Coupon Valuation Date in relation to which no Coupon Event occurred;

"Observation Date(s)" means, in respect of an Underlying:

- (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 15 (*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 (provided that the final day in any Performance Observation Period which is a Scheduled Trading Day (each a **"Final Observation Date"**) shall be a Scheduled Observation Date regardless of whether it is a Disrupted Day and the provisions of Condition 15 (*Consequences of Disrupted Days*) shall apply with respect to any Final Observation Date);

"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 (Call Option)*), 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 Valuation Date, an amount equal to the aggregate of the Coupon Amounts in respect of the Non-Coupon Event Valuation Dates falling after the last Coupon Valuation Date on which a Coupon 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 per cent.;

"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;
- (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;
- (iii) any Autocall 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;
- (iv) any Coupon Valuation Date, the period from and including the **"Coupon Observation Start Date"** to and including the **"Coupon Observation End Date"**, each as specified in the relevant Final Terms;
- (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;
- (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; 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;

"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;

"**Proprietary Index**" means an Index identified or specified as such in the relevant Final Terms, subject to adjustment pursuant to these Conditions, and "**Proprietary Indices**" shall be construed accordingly;

"**Proprietary Index-Linked Notes**" means a Series of Notes in respect of which an amount calculated by reference to a Proprietary Index or Proprietary Indices is payable (as indicated in the relevant Final Terms);

"**Protection Level**" means the percentage specified as such in the relevant Final Terms;

"**Put Strike**" means the percentage specified as such in the 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 Currency" means:

- (i) with respect to a Relevant Security and the determination of a Securities Transfer Amount and/or Residual Amount, the currency specified in the Final Terms in respect of such Security or, if no such specification is made, the currency in which the Relevant Security is denominated, as determined by the Calculation Agent;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the currency in which such proceeds amount is denominated as determined by the Calculation Agent; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the currency in which such Gross Cash Dividend or the cash amount determined by the Calculation Agent with respect to such Gross Cash Equivalent Dividend is denominated as determined by the Calculation Agent;

"Reference Currency Jurisdiction" means the jurisdiction specified as such with respect to the Reference Currency in the relevant Final Terms or, if no such specification is made with respect to the relevant Reference Currency, the principal financial centre or centres for the Reference Currency as determined by the Calculation Agent;

"Reference Dealers" means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

"Reference Performance" means with respect to a Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date or the Final Valuation Date (as applicable):

- (i) in relation to a Series of Notes which relates to a single Underlying, the Underlying Performance of the Underlying in respect of such Valuation Date;
- (ii) in relation to a Series of Notes in respect of which "Worst of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Worst Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent;
- (iii) in relation to a Series of Notes in respect of which "Best of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Best Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent;
- (iv) in relation to a Series of Notes in respect of which "Weighted Basket" is specified in the relevant Final Terms, the weighted average (in line with the Weighting applicable to such Basket) of the

Underlying Performances of each Underlying comprising the Basket in respect of such Valuation Date as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"Reference Value" means, with respect to an Underlying, if the "Reference Value" with respect to each Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date, the Strike Date or the Final Valuation Date (as applicable) is specified in the relevant Final Terms to be:

- (i) **"Single Observation"**, the Closing Value of such Underlying on such Valuation Date;
- (ii) **"Highest Value"**, the highest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;
- (iii) **"Lowest Value"**, the lowest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;
- (iv) **"Average Value"**, the arithmetic average of the Closing Values of such Underlying over the Averaging Dates specified in the relevant Final Terms in respect of such relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (v) **"Intraday Observation"**, the Intraday Value of such Underlying as of any time during such Valuation Date, as determined by the Calculation Agent;
- (vi) **"Decrement Observation"**, the Adjusted Value (Adjusted Value_t) of such Underlying determined by the Calculation Agent in respect of the Final Decrement Observation Date (Decrement Observation Date_t) during the Decrement Observation Period relating to such Valuation Date, 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 (other than a Proprietary 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 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 Initial Value" means the Initial Value of the Relevant Security;

"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 Rate" means the Alternative Payment Currency Exchange Rate, Alternative Payment Cross Currency Rate, Currency Pair Exchange 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 Security" means:

- (i) in relation to a Series of Equity-Linked Notes which relate to a single Security, such Security;
- (ii) in relation to a Series of Equity-Linked Notes which relate to a Basket of Securities and in respect of which either (i) "Worst of Basket" or (ii) "Weighted Basket" is specified in the relevant Final

Terms, the Security which constitutes the Worst Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;

- (iii) in relation to a Series of Equity-Linked Notes which relate to a Basket of Securities and in respect of which "Best of Basket" is specified in the relevant Final Terms, the Security which constitutes the Best Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;

"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;

"Replacement Index" has the meaning given to it in Condition 13A(a)(ii)(A) (*Consequences of a Benchmark Trigger Event*);

"Residual Amount" means, in relation to a Note, a cash amount denominated in the Settlement Currency calculated by the Calculation Agent pursuant to the following formula:

$$\text{Calculation Amount} - \text{Securities Transfer Amount} \times \text{Strike Level} \times \text{Relevant Initial Value} / \text{Currency Pair Exchange Rate}$$

"Residual Cash Amount" means, in relation to a Note, a cash amount denominated in the Settlement Currency calculated by the Calculation Agent pursuant to the following formula:

$$\text{Residual Amount} \times \text{Final Performance} / \text{Strike Level}$$

"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 as an Averaging Date without regard to any postponement, delay or disruption;

"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 any original date specified in the relevant Final Terms as the final Averaging Date with respect to a Valuation Date on which either (i) an event causing a Disrupted Day occurs or (ii) another Averaging Date occurs as a result of the operation of Condition 15 (*Consequences of Disrupted Days*);

"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 these Conditions or the relevant Final Terms as a Decrement Observation Date or Observation Date without regard to any postponement, delay or disruption;

"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; (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; or (c) with respect to a Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of such Proprietary Index;

"Scheduled Valuation Date" means any original Valuation Date without regard to any postponement, delay or disruption;

"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 Depositary 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 Entitlement" means, with respect to a Note, the Securities Transfer Amount and the Residual Cash Amount calculated with respect to such Note;

"Securities Transfer Amount" means, in relation to a Note, a number of the Relevant Securities per Note calculated by the Calculation Agent pursuant to the following formula:

$$\text{Calculation Amount} / \text{Strike Level} \times \text{Relevant Initial Value} \times \text{Currency Pair Exchange Rate}$$

rounded down to the nearest integer;

"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 or, if no such specification is made, the principal financial centre or centres for the Settlement Currency as determined by the Calculation Agent;

"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);

"Settlement Date" means, in relation to Securities to be delivered in respect of an Equity Linked Note (a) in the case of Equity-Linked Notes which relate to equity securities the later of (i) the Maturity Date and (ii) the date that falls one Settlement Cycle after the later of (i) the Exchange Business Day following the Valuation Date (the **"Notional Sale Date"**) (or if such day is not a Clearing System Business Day, the next following Clearing System Business Day) subject to the provisions of Condition 7(f), (ii) the Currency Pair Fixing Date with respect to determination of the Securities Transfer Amount and the Residual Amount and (iii) the Scheduled FX Fixing Date (as postponed pursuant to Condition 7(e)) falling on or immediately after such Valuation Date (if any) or, (b) in any other case, the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the Following Business Day Convention unless another Business Day Convention is specified in the relevant Final Terms. In each case, if a Settlement Disruption Event prevents delivery of such Securities on that day, then the Settlement Date shall be determined in accordance with Condition 7(f)(ii);

"Settlement Disruption Event" means, in relation to the Relevant Securities, an event which the Calculation Agent determines to be beyond the control of the Issuer or relevant obligor and to be an event as a result of which the relevant Clearing System cannot clear the transfer of such Relevant Securities;

"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 Currency" means:

- (i) with respect to a Relevant Security and the determination of a Securities Transfer Amount and/or Residual Amount, the Settlement Currency;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the Settlement Currency; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the denomination currency of the Security in relation of which such Gross Cash Dividend or a Gross Cash Equivalent Dividend has been issued;

"Specified Currency Jurisdiction" means:

- (i) where the Specified Currency is the Settlement Currency, the Settlement Currency Jurisdiction; and
- (ii) where the Specified Currency is the denomination currency of the Security in relation to which a Gross Cash Dividend or a Gross Cash Equivalent Dividend has been issued, the Reference Currency Jurisdiction specified as such with respect to the Reference Currency of such Security, or, if no such specification is made with respect to the relevant Reference Currency, the principal financial centre or centres for the Reference Currency as determined by the Calculation Agent;

"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 Number of Settlement Days" means the tenth Business Day or such other number of Business Days specified as such in the relevant Final Terms;

"Specified Period" means the period specified as such in the relevant Final Terms;

"Strike Date" means:

- (a) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Strike Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

"Strike Level" means the percentage specified as such in the Final Terms **provided that** if no such percentage is specified, Strike Level shall mean 100 per cent.;

"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 on the Exchange in respect of such Component, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange;

"Transfer Expenses" means, with respect to any Notes, all stamp, transfer, registration and similar duties and all expenses, scrip fees, levies and registration charges payable on or in respect of or arising on, or in connection with, the purchase or transfer, delivery or other disposition by the transferor to the order of the relevant Noteholders of any underlying value to which the Notes relate;

"Transfer Notice" means for the purposes of Equity-Linked Notes only a notice in the form from time to time approved by the Issuer, which must:

- (i) specify the name and address of the Noteholder;
- (ii) specify the number of Notes in respect of which it is the Noteholder;
- (iii) specify the number of the Noteholder's account at the relevant Clearing System to be debited with such Notes;
- (iv) irrevocably instruct and authorise the relevant Clearing System, (A) to debit the Noteholder's account with such Notes on the Settlement Date, if the Issuer elects (or has elected) the Physical Delivery provisions being applicable or otherwise on the Maturity Date and (B) that no further transfers of the Notes specified in the Transfer Notice may be made;
- (v) contain a representation and warranty from the Noteholder to the effect that the Notes to which the Transfer Notice relates are free from all liens, charges, encumbrances and other third-party rights;

- (vi) specify the number and account name of the account at the relevant Clearing System to be credited with the Relevant Securities if the Issuer elects (or has elected) the Physical Delivery provisions being applicable;
- (vii) contain an irrevocable undertaking to pay the Transfer Expenses (if any) and an irrevocable instruction to the relevant Clearing System to debit on or after the Settlement Date the cash or other account of the Noteholder with the relevant Clearing System specified in the Transfer Notice with such Transfer Expenses;
- (viii) include a certificate of non-US beneficial ownership in the form required by the Issuer; and
- (ix) authorise the production of the Transfer Notice in any applicable administrative or legal proceedings;

"**Treaty**" means the Treaty on the Functioning of the European Union, as amended;

"**Underlying**" means, in relation to a Series of Notes, each Index or Security (each as defined in this Condition 1) to which such Series of Notes relates;

"**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 Performance**" means, with respect to an Underlying and a Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date or the Final Valuation Date (as applicable), the percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) determined by the Calculation Agent in respect of such Underlying and such Valuation Date in accordance with the following formula:

$$\frac{\text{Reference Value}}{\text{Initial Value}}$$

"**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;

an "**Upper Barrier Event**" will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) if "**European**" is specified as the applicable Barrier Observation Method, the Final Performance is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;
- (ii) if "**Bermudan**" is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any of the Barrier Valuation Dates is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;
- (iii) if "**Daily**" is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any Barrier Valuation Date during the Barrier Valuation Period is (a)

greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level; and

- (iv) if "**American**" is specified as the applicable Barrier Observation Method, the Reference Performance determined on an intraday basis during each Barrier Valuation Date during the Barrier Valuation Period is at any time (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;

"Upper Barrier Level" means the percentage specified as such in the relevant Final Terms;

"Upside 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 per cent.;

"USD" means the lawful currency of the United States of America;

"Valid Date" means, in respect of an Underlying, 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, Autocall Valuation Date, Coupon 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 Autocall Valuation Date, any Coupon 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, or such scheduled time as set out in the Index Rules. 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, the Scheduled Closing Time on the Exchange in respect of such Component, 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;

"Weighting" means, in respect of each Underlying comprised in the relevant Basket, the percentage weighting assigned to such Underlying and specified as such in the relevant Final Terms; and

"Worst Performing Underlying" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is lowest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more lowest performing Underlyings is the same, then the Calculation Agent shall determine which of such Underlyings is the Worst Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Worst Performing Underlying.

The following provisions of this Condition 1 apply to Alternative French Law Conditions Notes only.

As used in these Conditions, the following expressions shall have the following meanings:

"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);

"€STR" means, in respect of any specified period, the interest rate benchmark known as the daily euro short-term rate;

"ABS" means the absolute value of any positive or negative number;

"Actual Days" means:

- (i) for the purposes of determining the Autocall Rate with respect to an Autocall Valuation Date where "Daily Autocall Observation" is specified in the relevant Final Terms, the total number of calendar days from (and including) the Autocall Valuation Period Start Date to and (and including) such Autocall Valuation Date;
- (ii) in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the number of calendar days from (but excluding) the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}) to (and including) such Decrement Observation Date (Decrement Observation Date_t);

"Additional Disruption Event" means such of Change in Law, Insolvency Filing and/or Failure to Deliver as are specified as such in the relevant Final Terms;

"Adjusted Value" or **"AV"** means, in respect of an Underlying and each Decrement Observation Date, the price or level (as applicable) determined by the Calculation Agent in respect of such Underlying and Decrement Observation Date (Decrement Observation Date_t) ("**Adjusted Value_t**" or "**AV_t**") in accordance with the following formula (**provided that** such price or level (as applicable) shall not, in respect of any Decrement Observation Date, be less than zero):

- (i) in relation to an Underlying which is an Index:
 - (a) if "Adjustment in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

- (b) if "Adjustment in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

- (ii) in relation to an Underlying which is a Security:
 - (a) if "Denominator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1} - AD_t} \right] - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

- (b) if "Denominator in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1} - AD_t} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

- (c) if "Numerator in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t + AD_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

- (d) if "Numerator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t + AD_t}{\text{Closing Value}_{t-1}} \right] - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

Where:

"Actual Dividend_t" or **"AD_t"** means, in respect of an Underlying which is a Security and a Decrement Observation Date (Decrement Observation Date_t):

- (i) if, in the determination of the Calculation Agent, such Decrement Observation Date is also an Ex-Dividend Date for such Underlying, the product of the relevant (a) Gross Cash Dividend and/or Gross Cash Equivalent Dividend (as applicable) (if any) and (b) the Re-Investment Percentage for such Underlying;
- (ii) otherwise, zero.

"Adjusted Value_{t-1}" or **"AV_{t-1}"** means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Adjusted Value for such Underlying in respect of the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}), as determined by the Calculation Agent, provided that in respect of the first Decrement Observation Date, Adjusted Value_{t-1} shall be equal to Closing Value₀.

"Adjustment Method" means the Adjustment Method specified in relation to the Notes in the relevant Final Terms.

"Contractual Dividend" or **"CD"** means, in respect of an Underlying, the level, price or percentage (as applicable) specified as such in respect of such Underlying in the relevant Final Terms.

"Closing Value_t" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Closing Value for such Underlying on such Decrement Observation Date.

"Closing Value_{t-1}" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Closing Value for such Underlying on the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}).

"Closing Value₀" means, in relation to an Underlying, the Initial Value in respect of such Underlying.

"Decrement Observation Date" means, in respect of an Underlying and a Decrement Observation Period, each Scheduled Trading Day (which is not a Disrupted Day in respect of such Underlying) during such Decrement Observation Period (provided that the final day in such Decrement Observation Period which is a Scheduled Trading Day (the **"Final Decrement Observation Date"**), shall be a Scheduled Observation Date regardless of whether it is a Disrupted Day and the provisions of Condition 15 (*Consequences of Disrupted Days*) shall apply with respect to such Final Decrement Observation Date).

"Decrement Observation Period" means, in relation to an Underlying and a Valuation Date in respect of which the Adjusted Value is to be determined, the period from (and excluding) the Strike Date to (and including) the Scheduled Valuation Date with respect to such Valuation Date.

"Ex-Dividend Date" means, in respect of an Underlying which is a Security and a Gross Cash Dividend or Gross Cash Equivalent Dividend], the date on which such Security has commenced trading ex-dividend (with respect to such Gross Cash Dividend or Gross Cash Equivalent Dividend, as applicable) on the relevant Exchange as determined by the Calculation Agent.

"Gross Cash Dividend" means, in respect of a Security, a sum equal to the gross cash dividend per one Security payable to the holder of record before application of withholding or deduction of taxes at the source by or on behalf of any relevant authority

having power to tax in respect of such a dividend or distribution, and excludes any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such a dividend or distribution and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon as determined by the Calculation Agent, **provided that**, if such Gross Cash Dividend is denominated in a currency other than the Specified Currency, then the Calculation Agent shall convert the amount of such Gross Cash Dividend into the Specified Currency using the relevant Currency Pair Exchange Rate.

"Gross Cash Equivalent Dividend" means, in respect of a Security, an amount per Security equal to (i) the cash value of any stock dividend (whether or not such stock dividend comprises securities of the Underlying Company of such Security) declared by the Underlying Company or (ii) where the Underlying Company does not declare a cash value of such stock dividend, an amount determined by the Calculation Agent on the basis of the closing price of the security comprising such stock dividend as published by the relevant primary exchange on the Ex-Dividend Date for such stock dividend or if such price is not available for any reason, the value of such Gross Cash Equivalent Dividend as determined by the Calculation Agent in its sole discretion **provided that** if the amount so determined by the Calculation Agent with respect to such Gross Cash Equivalent Dividend is denominated in a currency other than the Specified Currency, then the Calculation Agent shall convert the value of such Gross Cash Equivalent Dividend into the Specified Currency using the relevant Currency Pair Exchange Rate.

"Re-Investment Percentage" means, in respect of an Underlying which is a Security, the percentage specified as such in the relevant Final Terms or, if no percentage is specified in respect of an Underlying in the relevant Final Terms, 100 per cent.

"t" means, in respect of a Decrement Observation Period, a series of whole numbers from one to T, each representing the relevant Decrement Observation Date (each **"Decrement Observation Date;"**) in such Decrement Observation Period in chronological order from (and including) the first Decrement Observation Date in such Decrement Observation Period.

"T" means the total number of Decrement Observation Dates during the relevant Decrement Observation Period, as determined by the Calculation Agent.

"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 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 as being the fixing time and place generally applied in the market for such successor page 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 13A (*Consequences of a Benchmark Trigger Event*); and
- (f) a Replacement Index used pursuant to Condition 13A (*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 Event Effective Date or the Administrator/Benchmark Event Date, as applicable;

"Autocall Amount" means, in respect of an Autocall 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 Autocall Rate corresponding to such Autocall Valuation Date;

"Autocall Annual Rate" means the percentage rate specified as such in the relevant Final Terms;

an **"Autocall Event"** will be deemed to have occurred in relation to an Autocall Valuation Date if the Reference Performance determined in respect of such Autocall Valuation Date is greater than or equal to the relevant Autocall Level specified in respect of such Autocall Valuation Date, as determined by the Calculation Agent;

"Autocall Level" means, in respect of an Autocall Valuation Date, the percentage specified as such for such Autocall Valuation Date in the relevant Final Terms;

"Autocall Rate" means, in respect of an Autocall Valuation Date:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the percentage rate specified as such for such Autocall Valuation Date in the relevant Final Terms; or
- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the percentage rate (rounded to the nearest four decimal places (with 0.00005 being rounded up)) determined by the Calculation Agent in respect of such Autocall Valuation Date in accordance with the following formula:

$$100 \text{ per cent.} + \left[\text{Autocall Annual Rate} \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

"Autocall Redemption Date" means, in respect of an Autocall Valuation Date:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the corresponding date specified as such in relation to such Autocall 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; or
- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the Specified Number of Settlement Days following the Autocall Valuation Date on which an Autocall Event (if any) has occurred, as determined by the Calculation Agent;

"Autocall Valuation Date(s)" means:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms:
 - (a) in respect of a Note which relates to a single Underlying, 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
 - (b) in respect of a Note which relates to a 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 Underlying comprising the Basket, the Autocall Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms:
 - (a) in respect of a Note which relates to a single Underlying, each Scheduled Trading Day (which is not a Disrupted Day) during the Autocall Valuation Period; or
 - (b) in respect of a Note which relates to a Basket, each day during the Autocall Valuation Period which (i) is a Scheduled Trading Day in respect of all Underlyings in the Basket and (ii) is not a Disrupted Day in respect of any Underlying in the Basket;

"Autocall Valuation Period" means the period from (and including) the **"Autocall Valuation Period Start Date"** specified as such in the relevant Final Terms to (but excluding) the Final Valuation Date;

"Averaging Date(s)" means, in respect of an Underlying:

- (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 (provided that the final day in any Averaging Period which is a Scheduled Trading Day (each a **"Final Averaging Date"**) shall be a Scheduled Averaging Date regardless of whether it is a Disrupted Day and the provisions of Condition 15 (*Consequences of Disrupted Days*) shall apply with respect to any Final Averaging Date);

"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;
- (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;
- (iii) any Autocall 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;
- (iv) any Coupon Valuation Date, the period from and including the **"Coupon Averaging Start Date"** to and including the **"Coupon Averaging End Date"**, each as specified in the relevant Final Terms;
- (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;
- (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; 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;

a **"Barrier Event"** will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) if **"European"** is specified as the applicable Barrier Observation Method, the Final Performance is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;
- (ii) if **"Bermudan"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any of the Barrier Valuation Dates is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;
- (iii) if **"Daily"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any Barrier Valuation Date during the Barrier Valuation Period is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level; and
- (iv) if **"American"** is specified as the applicable Barrier Observation Method, the Reference Performance determined on an intraday basis during each Barrier Valuation Date during the Barrier Valuation Period is at any time (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;

"Barrier Level" means the percentage specified as such in the relevant Final Terms;

"Barrier Observation Method" means, in respect of a Barrier Event and/or an Upper Barrier Event, European, Bermudan, Daily or American as specified in the relevant Final Terms;

"Barrier Valuation Date(s)" means:

- (i) if **"Bermudan"** is specified as the applicable Barrier Observation Method:
 - (a) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the relevant Barrier Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

- (ii) if **"Daily"** or **"American"** is specified as the applicable Barrier Observation Method:
 - (a) in respect of a Note which relates to a single Underlying, 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 15 (*Consequences of Disrupted Days*) shall apply with respect to such Barrier Valuation Date); or
 - (b) in respect of a Note which relates to a Basket, each day in the Barrier Valuation Period which (i) is a Scheduled Trading Day in respect of all Underlyings in the Basket and (ii) is not a Disrupted Day in respect of any Underlying in the Basket (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Underlyings shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day in respect of any Underlying, 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 relation to a Series of Notes, the Index Basket or Securities Basket (each as defined in this Condition 1) to which such Notes relate;

"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 Underlying" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is highest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more highest performing Underlyings is the same, the Calculation Agent shall determine which of such Underlyings is the Best Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Best Performing Underlying;

"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;

"Call Strike" means the percentage specified as such in the 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 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 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 Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary 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 or a Proprietary 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, Observation Date or Decrement Observation Date (as applicable) for which the performance of the Index is to be determined; and
- (ii) in relation to an Underlying which is 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, Observation Date or Decrement Observation Date (as applicable) for which the performance of the Security is to be determined;

"Component" means, with respect to an Index, each component comprised in that Index;

"Conditional Protection" 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 Amount" means, in respect of the relevant Coupon 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 Rate corresponding to such Coupon 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 Event**" will be deemed to have occurred in relation to a Coupon Valuation Date if the Reference Performance determined in respect of such Coupon Valuation Date is greater than or equal to the relevant Coupon Level specified in respect of such Coupon Valuation Date, as determined by the Calculation Agent;

"**Coupon Level**" means, in respect of a Coupon Valuation Date, the percentage specified as such for such Coupon Valuation Date in the relevant Final Terms;

"**Coupon Payment Date**" means, in respect of a Coupon Valuation Date, the corresponding date specified as such in relation to such Coupon 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 Rate**" means, in respect of a Coupon Valuation Date, the percentage rate specified as such for such Coupon Valuation Date in the relevant Final Terms;

a "**Coupon Recovery Event**" will be deemed to have occurred in relation to a Coupon Valuation Date if the Reference Performance determined in respect of such Coupon Valuation Date is greater than or equal to the relevant Coupon Recovery Level specified in respect of such Coupon Valuation Date, as determined by the Calculation Agent;

"**Coupon Recovery Level**" means, in respect of a Coupon Valuation Date, the percentage specified as such for such Coupon Valuation Date in the relevant Final Terms;

"**Coupon Valuation Date**" means:

- (i) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Coupon Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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;

"**Currency Pair Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business and dealings in foreign exchange in the Reference Currency Jurisdiction and the Specified Currency Jurisdiction;

"**Currency Pair Exchange Rate**" means the rate of exchange between the Specified Currency and the Reference Currency expressed as the number of units of Reference Currency per one unit of Specified Currency as published on the Currency Pair Fixing Page at the Currency Pair Fixing Time on a Currency Pair Fixing Date and as observed by the Calculation Agent **provided that** where the Reference Currency and the Specified Currency are the same currency, the Currency Pair Exchange Rate shall be deemed to be equal to one. The Calculation Agent shall round such rate to the closest four (4) decimal places, 0.00005 being rounded up. If, on a Currency Pair Fixing Date, the Relevant Rate is not available for any reason as determined by the Calculation Agent, the Calculation Agent will determine the Currency Pair 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;

"Currency Pair Fixing Date" means:

- (i) with respect to determination of a Securities Transfer Amount and/or Residual Amount, the Final Valuation Date;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the date of receipt of such proceeds by the Issuer or its affiliates; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the Ex-Dividend Date with respect to such Gross Cash Dividend or Gross Cash Equivalent Dividend (as applicable),

or, if any such date is not a Currency Pair Business Day the immediately following day that is a Currency Pair Business Day (and for these purposes a day shall be deemed to be a Currency Pair Business Day if the market was not aware of it not being a Currency Pair Business Day (by means of a public announcement or by reference to other publicly available information) on the Currency Pair Fixing Date notwithstanding it subsequently ceases to be a Currency Pair Business Day for any reason or the market subsequently becomes aware that it was not a Currency Pair Business Day);

"Currency Pair Fixing Page" means the Reuters or other screen page as specified as such in the Final Terms or any successor page thereof or, if not specified in the relevant Final Terms or there is no successor page, the Calculation Agent will determine the relevant Currency Pair Exchange Rate by reference to the relevant spot rate prevailing in the international exchange market;

"Currency Pair Fixing Time" means the time and place specified as such with respect to the Reference Currency in the relevant Final Terms or, if no such specification is made, the time and place determined by the Calculation Agent;

"Day Count Divisor" means the number 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:

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

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

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

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

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

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

- (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:

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

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

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

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

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

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

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

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

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

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

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

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Termination Date or (ii) such number would be 31, in which case D₂ 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;

"**Delivery Disruption Event**" means, as determined by the Calculation Agent, the failure by the Issuer to deliver or to procure delivery on the relevant Settlement Date the Securities Transfer Amount under the relevant Note due to illiquidity in the market for such Securities;

"**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*);

"**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 Rate" means the percentage specified as such in the relevant Final Terms;

"Disrupted Day" means:

- (i) in respect of an Underlying which is 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 (c) with respect to a Proprietary Index, any Scheduled Trading Day in respect of which the Index Sponsor fails to calculate and announce the level of such Index as scheduled; or
- (ii) in respect of an Underlying which is 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;

"Downside 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 per cent.;

"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 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);
- (g) its Highest Value (Structured); or
- (h) its Accreted Principal Amount,

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(k) (*Redemption and Purchase – Calculation and Rounding*), and (ii) without prejudice to Condition 5(m) (*Redemption and Purchase – Monetisation Option*), 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 amount 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 withdrawal from legal tender of any currency that, before the introduction of the euro, was lawful currency in one of the member states;
- (ii) the redenomination of any security into euro;
- (iii) 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;
- (iv) any change in the currency of denomination of any Index or any Security; or
- (v) 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 (other than a Multiple Exchange Index or a Proprietary 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); (b) in the case of a Multiple Exchange Index and each relevant Component, the principal exchange on which such Component is principally traded (if applicable), 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 on the Exchange in respect of such Component 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) (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;
- (vii) (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;

- (viii) 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 (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position); and
- (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;

"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;

"Failure to Deliver" means the failure of a party to deliver, when due, the relevant Securities in respect of the Notes, where such failure is due to illiquidity in the market for such Securities;

"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;

"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 Redemption Amount" has the meaning given to it in Condition 5(a) (*Redemption and Purchase – At Maturity*);

"Final Performance" means the Reference Performance determined by the Calculation Agent in respect of the Final Valuation Date;

"Final Valuation Date" means:

- (i) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying

comprising the Basket, the Final Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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;

"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 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 (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;

"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;

"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, each index 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*) (which, for the avoidance of doubt, shall, where so specified in the relevant Final Terms in respect of an index, include a Multiple Exchange Index or Proprietary Index (as applicable)) 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*);

"**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 (acting in a commercially reasonable manner) 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 Event 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 I, 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 the rules of the 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 (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 Value" means, with respect to an Underlying, either:

- (i) the price or level (as applicable) specified as such in the relevant Final Terms; or
- (ii) the Reference Value with respect to such Underlying 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;

"Intraday Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary Index, the level of such Index as determined by the Calculation Agent as of any time on the relevant Exchange or (b) with respect to a Multiple Exchange Index or a Proprietary Index, the level of such Index as of any time as calculated and published by the Index Sponsor, in each case during the relevant Valuation Date for which the performance of the Index is to be determined; and
- (ii) in relation to an Underlying which is a Security, the price of such Security as determined by the Calculation Agent as of any time on the relevant Exchange during the relevant Valuation Date for which the performance of the Security is to be determined;

"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 Reference Performance determined in relation to such Lock-In Coupon Valuation Date is greater than or equal to the relevant 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 Underlying, 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 a 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 Underlying comprising the Basket, the Lock-In Coupon Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 15 (*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 Reference Performance determined in relation to such Lock-In Redemption Valuation Date is equal to or greater than the Lock-In Redemption Level specified in relation to such Lock-In Redemption Valuation Date, as determined by the Calculation Agent;

"Lock-In Redemption Rate" means the percentage specified as such in the relevant Final Terms;

"Lock-In Redemption 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 Underlying, 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 a 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 Underlying comprising the Basket, the Lock-In Redemption Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 Underlying which is 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 at any time, then the relevant percentage contribution of that Component 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 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, 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 is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Components 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 at that time, then the relevant percentage contribution of that Component 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 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 an Underlying which is 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

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;

"**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;

"**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-Coupon Event Valuation Date" means a Coupon Valuation Date in relation to which no Coupon Event occurred;

"Observation Date(s)" means, in respect of an Underlying:

- (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 15 (*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 (provided that the final day in any Performance Observation Period which is a Scheduled Trading Day (each a **"Final Observation Date"**) shall be a Scheduled Observation Date regardless of whether it is a Disrupted Day and the provisions of Condition 15 (*Consequences of Disrupted Days*) shall apply with respect to any Final Observation Date);

"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 (Call Option)*), 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 Valuation Date, an amount equal to the aggregate of the Coupon Amounts in respect of the Non-Coupon Event Valuation Dates falling after the last Coupon Valuation Date on which a Coupon 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 per cent.;

"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;
- (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;
- (iii) any Autocall 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;
- (iv) any Coupon Valuation Date, the period from and including the **"Coupon Observation Start Date"** to and including the **"Coupon Observation End Date"**, each as specified in the relevant Final Terms;
- (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;
- (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; 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;

"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;

"Proprietary Index" means an Index identified or specified as such in the relevant Final Terms, subject to adjustment pursuant to these Conditions, and **"Proprietary Indices"** shall be construed accordingly;

"Proprietary Index-Linked Notes" means a Series of Notes in respect of which an amount calculated by reference to a Proprietary Index or Proprietary Indices is payable (as indicated in the relevant Final Terms);

"Protection Level" means the percentage specified as such in the relevant Final Terms;

"Put Strike" means the percentage specified as such in the 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 Currency" means:

- (i) with respect to a Relevant Security and the determination of a Securities Transfer Amount and/or Residual Amount, the currency specified in the Final Terms in respect of such Security or, if no such specification is made, the currency in which the Relevant Security is denominated, as determined by the Calculation Agent;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the currency in which such proceeds amount is denominated as determined by the Calculation Agent; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the currency in which such Gross Cash Dividend or the cash amount determined by the Calculation Agent with respect to such Gross Cash Equivalent Dividend is denominated as determined by the Calculation Agent;

"Reference Currency Jurisdiction" means the jurisdiction specified as such with respect to the Reference Currency in the relevant Final Terms or, if no such specification is made with respect to the relevant Reference Currency, the principal financial centre or centres for the Reference Currency as determined by the Calculation Agent;

"Reference Dealers" means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

"Reference Performance" means with respect to a Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date or the Final Valuation Date (as applicable):

- (i) in relation to a Series of Notes which relates to a single Underlying, the Underlying Performance of the Underlying in respect of such Valuation Date;
- (ii) in relation to a Series of Notes in respect of which "Worst of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Worst Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent;
- (iii) in relation to a Series of Notes in respect of which "Best of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Best Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent;
- (iv) in relation to a Series of Notes in respect of which "Weighted Basket" is specified in the relevant Final Terms, the weighted average (in line with the Weighting applicable to such Basket) of the Underlying Performances of each Underlying comprising the Basket in respect of such Valuation Date as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"Reference Value" means, with respect to an Underlying, if the "Reference Value" with respect to each Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date, the Strike Date or the Final Valuation Date (as applicable) is specified in the relevant Final Terms to be:

- (i) **"Single Observation"**, the Closing Value of such Underlying on such Valuation Date;
- (ii) **"Highest Value"**, the highest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;
- (iii) **"Lowest Value"**, the lowest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;
- (iv) **"Average Value"**, the arithmetic average of the Closing Values of such Underlying over the Averaging Dates specified in the relevant Final Terms in respect of such relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (v) **"Intraday Observation"**, the Intraday Value of such Underlying as of any time during such Valuation Date, as determined by the Calculation Agent;
- (vi) **"Decrement Observation"**, the Adjusted Value (Adjusted Value_t) of such Underlying determined by the Calculation Agent in respect of the Final Decrement Observation Date ($\text{Decrement Observation Date}_t$) during the Decrement Observation Period relating to such Valuation Date, 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 (other than a Proprietary 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 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 Initial Value" means the Initial Value of the Relevant Security;

"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 Rate" means the Alternative Payment Currency Exchange Rate, Alternative Payment Cross Currency Rate, Currency Pair Exchange 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 Security" means:

- (i) in relation to a Series of Equity-Linked Notes which relate to a single Security, such Security;
- (ii) in relation to a Series of Equity-Linked Notes which relate to a Basket of Securities and in respect of which either (i) "Worst of Basket" or (ii) "Weighted Basket" is specified in the relevant Final Terms, the Security which constitutes the Worst Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;
- (iii) in relation to a Series of Equity-Linked Notes which relate to a Basket of Securities and in respect of which "Best of Basket" is specified in the relevant Final Terms, the Security which constitutes the Best Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;

"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;

"Replacement Index" has the meaning given to it in Condition 13A(a)(ii)(A) (*Consequences of a Benchmark Trigger Event*);

"Residual Amount" means, in relation to a Note, a cash amount denominated in the Settlement Currency calculated by the Calculation Agent pursuant to the following formula:

$$\text{Calculation Amount} - \text{Securities Transfer Amount} \times \text{Strike Level} \times \text{Relevant Initial Value} / \text{Currency Pair Exchange Rate}$$

"Residual Cash Amount" means, in relation to a Note, a cash amount denominated in the Settlement Currency calculated by the Calculation Agent pursuant to the following formula:

$$\text{Residual Amount} \times \text{Final Performance} / \text{Strike Level}$$

"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 as an Averaging Date without regard to any postponement, delay or disruption;

"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 any original date specified in the relevant Final Terms as the final Averaging Date with respect to a Valuation Date on which either (i) an event causing a Disrupted Day occurs or (ii) another Averaging Date occurs as a result of the operation of Condition 15 (*Consequences of Disrupted Days*);

"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 these Conditions or the relevant Final Terms as a Decrement Observation Date or Observation Date without regard to any postponement, delay or disruption;

"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; (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; or (c) with respect to a Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of such Proprietary Index;

"Scheduled Valuation Date" means any original Valuation Date without regard to any postponement, delay or disruption;

"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 Depositary 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*);

"Securities Entitlement" means, with respect to a Note, the Securities Transfer Amount and the Residual Cash Amount calculated with respect to such Note;

"Securities Transfer Amount" means, in relation to a Note, a number of the Relevant Securities per Note calculated by the Calculation Agent pursuant to the following formula:

Calculation Amount / Strike Level x Relevant Initial Value x Currency Pair Exchange Rate

rounded down to the nearest integer;

"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 or, if no such specification is made, the principal financial centre or centres for the Settlement Currency as determined by the Calculation Agent;

"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);

"Settlement Date" means, in relation to Securities to be delivered in respect of an Equity Linked Note (a) in the case of Equity-Linked Notes which relate to equity securities the later of (i) the Maturity Date and (ii) the date that falls one Settlement Cycle after the later of (i) the Exchange Business Day following the Valuation Date (the **"Notional Sale Date"**) (or if such day is not a Clearing System Business Day, the next following Clearing System Business Day) subject to the provisions of Condition 7(f), (ii) the Currency Pair Fixing Date with respect to determination of the Securities Transfer Amount and the Residual Amount and (iii) the Scheduled FX Fixing Date (as postponed pursuant to Condition 7(e)) falling on or immediately after such Valuation Date (if any) or, (b) in any other case, the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the Following Business Day Convention unless another Business Day Convention is specified in the relevant Final Terms. In each case, if a Settlement Disruption Event prevents delivery of such Securities on that day, then the Settlement Date shall be determined in accordance with Condition 7(f)(ii);

"Settlement Disruption Event" means, in relation to the Relevant Securities, an event which the Calculation Agent determines to be beyond the control of the Issuer or relevant obligor and to be an event as a result of which the relevant Clearing System cannot clear the transfer of such Relevant Securities;

"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 Currency" means:

- (i) with respect to a Relevant Security and the determination of a Securities Transfer Amount and/or Residual Amount, the Settlement Currency;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the Settlement Currency; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the denomination currency of the Security in relation of which such Gross Cash Dividend or a Gross Cash Equivalent Dividend has been issued;

"Specified Currency Jurisdiction" means:

- (i) where the Specified Currency is the Settlement Currency, the Settlement Currency Jurisdiction; and
- (ii) where the Specified Currency is the denomination currency of the Security in relation to which a Gross Cash Dividend or a Gross Cash Equivalent Dividend has been issued, the Reference Currency Jurisdiction specified as such with respect to the Reference Currency of such Security, or, if no such specification is made with respect to the relevant Reference Currency, the principal financial centre or centres for the Reference Currency as determined by the Calculation Agent;

"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 Number of Settlement Days" means the tenth Business Day or such other number of Business Days specified as such in the relevant Final Terms;

"Specified Period" means the period specified as such in the relevant Final Terms;

"Strike Date" means:

- (a) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Strike Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 15 (*Consequences of Disrupted Days*);

"Strike Level" means the percentage specified as such in the Final Terms **provided that** if no such percentage is specified, Strike Level shall mean 100 per cent.;

"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 on the Exchange in respect of such Component, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange;

"Transfer Expenses" means, with respect to any Notes, all stamp, transfer, registration and similar duties and all expenses, scrip fees, levies and registration charges payable on or in respect of or arising on, or in connection with, the purchase or transfer, delivery or other disposition by the transferor to the order of the relevant Noteholders of any underlying value to which the Notes relate;

"Transfer Notice" means for the purposes of Equity-Linked Notes only a notice in the form from time to time approved by the Issuer, which must:

- (i) specify the name and address of the Noteholder;
- (ii) specify the number of Notes in respect of which it is the Noteholder;

- (iii) specify the number of the Noteholder's account at the relevant Clearing System to be debited with such Notes;
- (iv) irrevocably instruct and authorise the relevant Clearing System, (A) to debit the Noteholder's account with such Notes on the Settlement Date, if the Issuer elects (or has elected) the Physical Delivery provisions being applicable or otherwise on the Maturity Date and (B) that no further transfers of the Notes specified in the Transfer Notice may be made;
- (v) contain a representation and warranty from the Noteholder to the effect that the Notes to which the Transfer Notice relates are free from all liens, charges, encumbrances and other third-party rights;
- (vi) specify the number and account name of the account at the relevant Clearing System to be credited with the Relevant Securities if the Issuer elects (or has elected) the Physical Delivery provisions being applicable;
- (vii) contain an irrevocable undertaking to pay the Transfer Expenses (if any) and an irrevocable instruction to the relevant Clearing System to debit on or after the Settlement Date the cash or other account of the Noteholder with the relevant Clearing System specified in the Transfer Notice with such Transfer Expenses;
- (viii) include a certificate of non-US beneficial ownership in the form required by the Issuer; and
- (ix) authorise the production of the Transfer Notice in any applicable administrative or legal proceedings;

"Treaty" means the Treaty on the Functioning of the European Union, as amended;

"Underlying" means, in relation to a Series of Notes, each Index or Security (each as defined in this Condition 1) to which such Series of Notes relates;

"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 Performance" means, with respect to an Underlying and a Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date or the Final Valuation Date (as applicable), the percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) determined by the Calculation Agent in respect of such Underlying and such Valuation Date in accordance with the following formula:

$$\frac{\text{Reference Value}}{\text{Initial Value}}$$

"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;

an **"Upper Barrier Event"** will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) if **"European"** is specified as the applicable Barrier Observation Method, the Final Performance is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;
- (ii) if **"Bermudan"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any of the Barrier Valuation Dates is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;
- (iii) if **"Daily"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any Barrier Valuation Date during the Barrier Valuation Period is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level; and
- (iv) if **"American"** is specified as the applicable Barrier Observation Method, the Reference Performance determined on an intraday basis during each Barrier Valuation Date during the Barrier Valuation Period is at any time (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;

"Upper Barrier Level" means the percentage specified as such in the relevant Final Terms;

"Upside 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 per cent.;

"USD" means the lawful currency of the United States of America;

"Valid Date" means, in respect of an Underlying, 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, Autocall Valuation Date, Coupon 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 Autocall Valuation Date, any Coupon 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, or such scheduled time as set out in the Index Rules. 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, the Scheduled Closing Time on the Exchange in respect of such Component, 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;

"Weighting" means, in respect of each Underlying comprised in the relevant Basket, the percentage weighting assigned to such Underlying and specified as such in the relevant Final Terms; and

"Worst Performing Underlying" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is lowest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more lowest performing Underlyings is the same, then the Calculation Agent shall determine which of such Underlyings is the Worst Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Worst Performing Underlying.

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 (acting as central depository) 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 depository 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 (the "**Article L.228-2 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 depository 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).

The following provisions of this Condition 4B(c) apply to all Notes other than Alternative French Law Conditions Notes

(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,

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.

The following provisions of this Condition 4B(c) apply to Alternative French Law Conditions Notes only.

- (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:
 - (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) 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 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 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.

"d₀" 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 d₀, 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_i" 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 REF_i) in respect of each Interest Non-Reset Date (if any) in an Applicable Period shall be Reference Rate(i) (or REF_i) 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 Settlement 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):
- (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)(1) 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)(v)(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)(v)(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, "d₀" 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, "d₀" 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)(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, 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 Autocall 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 Event Notes*

This Condition 4C (*Interest – Coupon Event Notes*) is applicable where Coupon 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 Recovery Event*) below.

If a Coupon Event occurs in relation to any Coupon 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 Amount on the relevant Coupon Payment Date.

The Calculation Agent will cause any Coupon Amount required to be determined by it together with details of the Coupon 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 Event does not occur in relation to a Coupon Valuation Date, then no Coupon Amount under this Condition 4C shall be payable in respect of the Notes on the relevant Coupon 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 Event Notes*) pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Amount on each relevant Coupon Payment Date falling on or after the relevant Lock-In Coupon Valuation Date.

4E. *Coupon Recovery Event*

This Condition 4E (*Coupon Recovery Event*) shall apply if Coupon Recovery Event is specified in the relevant Final Terms as being applicable.

If a Coupon Recovery Event occurs in relation to any Coupon Valuation Date, then (in addition to any Coupon 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 Payment Date.

If a Coupon Recovery Event does not occur in relation to a Coupon Valuation Date, then no Outstanding Missed Coupon Amount shall be payable in respect of the Notes on the relevant Coupon 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 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 Event 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 Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Amount (including such Coupon 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 Event 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 Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Amount (including such Coupon 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***

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Strike Level but a Barrier Event has not occurred, 100%; or

- (C) if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Final Performance.

- b. If Booster with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(ii) ***Airbag with Barrier Redemption***

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold and Barrier Event has not occurred, the result of the following formula:

$$\text{Max}\{\text{Conditional Protection}; 100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\}$$

(B) if the Final Performance is greater than or equal to the Return Threshold and a Barrier Event has occurred, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

(C) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection; or

(D) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

b. If Airbag with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(iii) *Barrier Redemption*

(x) ***unless "European" is specified as the applicable Barrier Observation Method in the relevant Final Terms***

a. Subject to limb b below, if Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, then 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 Final Performance is greater than or equal to the Strike Level, 100%; or

(B) if the Final Performance is less than the Strike Level but a Barrier Event has not occurred, 100%; or

(C) if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Final Performance.

b. If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(y) ***if "European" is specified as the applicable Barrier Observation Method in the relevant Final Terms:***

- a. Subject to limb b below, if Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, then 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 a Barrier Event has not occurred, 100%; or
 - (B) if a Barrier Event has occurred, the Final Performance
- b. If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(iv) ***Digital with Barrier Redemption***

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, 100% + Digital Rate
 - (B) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection; or
 - (C) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.
- b. If Digital with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(v) ***Digital Growth with Barrier Redemption***

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, the result of the following formula:

$$100\% + \text{Max}\{\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\}$$

(B) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection;
or

(C) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

b. If Digital Growth with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(vi) *Protected Growth Redemption*

If Protected Growth 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 Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - \text{Call Strike})]$$

(B) if the Final Performance is less than the Call Strike, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$

(vii) *Protected Knock-Out Growth Redemption*

If Protected Knock-Out Growth 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 Final Performance is greater than or equal to the Call Strike and an Upper Barrier Event has not occurred, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Call Strike and an Upper Barrier Event has not occurred, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$

- (C) if an Upper Barrier Event has occurred, Protection Level + Digital Rate.

(viii) *Protected Bear Redemption*

If Protected Bear 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 Final Performance is less than or equal to the Put Strike, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$

- (B) if the Final Performance is greater than the Put Strike, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Call Strike} - \text{Final Performance})]$$

(ix) *Protected Knock-Out Bear Redemption*

If Protected Knock-Out Bear 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 Final Performance is less than or equal to the Put Strike and a Barrier Event has not occurred, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$

- (B) if the Final Performance is greater than the Put Strike and a Barrier Event has not occurred, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Call Strike} - \text{Final Performance})]$$

- (C) if a Barrier Event has occurred, Protection Level + Digital Rate.

(x) *Partial Protection Redemption*

If 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 Final Performance is greater than or equal to the Put Strike, 100%; or
 - (B) if the Final Performance is less than the Put Strike, the result of the following formula:

$$\text{Max}[\text{Protection Level}; \text{Final Performance}]$$

(xi) *Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Strike Level, 100%; or
 - (B) if the Final Performance is less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xii) *Booster Redemption*

- a. Subject to limb b below, if Booster 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Booster Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring

the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xiii) *Booster with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$100\% + \text{Min}[\text{Cap; Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Call Strike but greater than or equal to the Strike Level, 100%; or

- (C) if the Final Performance is less than the Call Strike and less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Booster with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Call Strike and less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xiv) *Digital with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, $100\% + \text{Digital Rate}$;

- (B) if the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, 100%; or

- (C) if the Final Performance is less than the Return Threshold and less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Digital with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and less than the Strike Level, the Issuer shall discharge its

obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xv) *Digital Growth with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, the result of the following formula:

$$100\% + \text{Max}\{\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - 100\%)]\}$$

- (B) if the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, 100%; or
- (C) if the Final Performance is less than the Return Threshold and less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Digital Growth with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xvi) *Protected Step-Down Growth Redemption*

If Protected Step-Down Growth 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 Per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
 - (A) if the Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$\text{Protection Level} + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$
 - (B) if the Final Performance is less than the Call Strike, the Protection Level.

(xvii) *Protected Step-Down Bear Redemption*

If Protected Step-Down Bear 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 Per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
 - (A) if the Final Performance is less than or equal to the Put Strike, the result of the following formula:

$$\text{Protection Level} + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$
 - (B) if the Final Performance is greater than the Put Strike, the Protection Level.

(xviii) *Straddle with Barrier Redemption*

If Straddle 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 a Barrier Event has not occurred, the result of the following formula:

$$100\% + \text{Downside Participation} \times \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$
 - (B) if a Barrier Event has occurred, the result of the following formula:

$$100\% - \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

(xix) *Straddle with Buffer Redemption*

- a. Subject to limb b below, if Straddle 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:

$$100\% + \text{Downside Participation} \times \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$
 - (B) if the Final Performance is less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Straddle with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the

Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(f) (*Payments – Physical Delivery*).

(xx) *Protected Knock-Out Straddle Redemption*

If Protected Knock-Out Straddle 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 neither an Upper Barrier Event nor a Barrier Event have occurred, the result of the following formula:
$$\text{Max}[\text{Protection Level}; 100\% + \text{ABS}(\text{Final Performance} - 100\%)]$$
 - (B) if either an Upper Barrier Event and/or a Barrier Event has occurred, the Protection Level plus the Digital Rate (if any).

(xxi) *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) (*Redemption and Purchase – Redemption Provisions*), 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 Rate.

(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) 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).

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) ***Autocall Event***

This Condition 5(e) applies only where Autocall Event is specified as being applicable in the relevant Final Terms.

If an Autocall Event occurs in relation to any Autocall Valuation Date, then unless previously redeemed or purchased and cancelled, the Notes will be automatically redeemed in whole, but not in part, on the corresponding Autocall 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 Autocall 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). 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 – Autocall Event*), 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 – Autocall Event*), 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.

The following provisions (in place of Conditions 5(g) to 5(k) above) apply to Alternative French Law Conditions Notes only

(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(f). 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) ***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 11 (*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 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.

(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 – Autocall Event*), 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.

(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 – Autocall Event*), 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*).

(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, 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.

(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:

- (i) 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
- (ii) The Issuer's notice of early redemption must include the following:
 - (A) 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;
 - (B) the instructions to allow such Noteholder to make such election, substantially in accordance with the paragraph below; and
 - (C) the Early Redemption Amount Valuation Date;
 - (D) the Early Redemption Amount;
 - (E) the amount calculated by the Calculation Agent as the Monetisation Amount; and
 - (F) 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 should send to a Paying Agent at its specified office, no later than the cut-off date and time set out in the Issuer's notice of early redemption, a duly completed option election notice (the "**Election Notice**") in the form that is set out in the Issuer's notice of early redemption. The Noteholder should transfer, or cause to be transferred, the Notes to be redeemed to the account of the Paying Agent with an office in Paris, as specified in the Election Notice. Any election so made and any Note so transferred may not be withdrawn without the prior written consent of the Issuer.

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) 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***

The following provisions of this Condition 7(e) (Payments – Price Source Disruption and FX Disruption) apply to all Notes other than Alternative French Law Conditions Notes

- (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) 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), 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.

The following provisions of this Condition 7(e) (Payments – Price Source Disruption and FX Disruption) apply to Alternative French Law Conditions Notes only

- (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) 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 7(d) (*Payments – Payment of Alternative Payment Currency Equivalent*).

If a Scheduled FX Fixing Date is postponed in accordance with this Condition 7(e), 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.

(f) ***Physical Delivery***

In relation to Equity-Linked Notes which are to be redeemed by the delivery of a Securities Transfer Amount, and subject to the other provisions of these Conditions and the relevant Final Terms:

- (i)
 - (A) Each Noteholder shall, on or before the date five calendar days before the Maturity Date (or such earlier date as the Issuer shall determine is necessary for the Issuer, the Paying Agents, the relevant Clearing System to perform their respective obligations in relation to the Notes and notify to the Paying Agents and the Noteholders) send to the relevant Clearing System, in accordance with its then applicable operating procedures, and copied to the Principal Paying Agent, a duly completed Transfer Notice.
 - (B) A Transfer Notice, once delivered to the relevant Clearing System, shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not transfer any Note which is the subject of a Transfer Notice following delivery of such Transfer Notice to the relevant Clearing System. A Transfer Notice shall only be valid to the extent that the relevant Clearing System have not received conflicting prior instructions in respect of the Notes which are the subject of the Transfer Notice.

- (C) Failure properly to complete and deliver a Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided shall be made by the Principal Paying Agent and shall be conclusive and binding on the Issuer and the Noteholder.
- (D) The Principal Paying Agent shall promptly on the local banking day following receipt of a Transfer Notice send a copy thereof to the Issuer or such person as the Issuer may previously have specified.
- (E) Delivery of the Relevant Securities will be via the relevant Clearing System. The delivery or transfer of Relevant Securities to each Noteholder is at the relevant Noteholder's risk and if delivery occurs later than the earliest possible date for delivery, no additional amounts will be payable by the Issuer.
- (F) The Issuer shall discharge its obligation to redeem each Note by
 - (1) delivering, or procuring the delivery of, the Securities Transfer Amount to the Clearing System for credit to the account with the Clearing System specified in the Transfer Notice on the Settlement Date (or, if the Settlement Date falls less than one Settlement Cycle after date of receipt of a properly completed Transfer Notice in respect of any Note, with respect to such Note, the date falling one Settlement Cycle after receipt of a properly completed Transfer Notice); and
 - (2) paying an amount equal to the Residual Cash Amount to the relevant Noteholder on the Settlement Date.
- (G) The amount of Relevant Securities to be delivered to or for the account of each Noteholder shall be an amount determined by the Calculation Agent as being equal to the Securities Transfer Amount multiplied by the number of Notes in respect of which such Noteholder is the holder as specified in the relevant Transfer Notice **provided, however, that** if a Noteholder would become entitled to a number of Relevant Securities which is not equal to a board lot of the Relevant Securities at such time, as determined by the Calculation Agent, or an integral multiple thereof, then the Noteholder's entitlement to delivery of Relevant Securities shall be rounded down to the nearest whole board lot.
- (H) The amount payable to each Noteholder shall be an amount determined by the Calculation Agent equal to the Residual Cash Amount (as determined by the Calculation Agent) multiplied by the number of Notes in respect of which such Noteholder is the holder as specified in the relevant Transfer Notice on the Settlement Date.
- (I) Each Noteholder shall be required as a condition of its entitlement to delivery of Relevant Securities in respect of any Notes to pay all Transfer Expenses in respect of such Notes.
- (J) After delivery to or for the account of a Noteholder of the Securities Transfer Amount and for such period of time as the transferor or its agent or nominee shall continue to be registered in any clearing system as the owner of the Relevant Securities comprised in such Securities Transfer Amount (the "**Intervening Period**"), none of such transferor or any agent or nominee for the Issuer or such transferor shall (i) be under any obligation to deliver to such Noteholder or any other person any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or such transferor, agent or nominee in its capacity as holder of such Relevant Securities, (ii) be under any obligation to exercise any rights (including voting rights) attaching to such Relevant Securities during the Intervening Period, or (iii) be under any liability to such Noteholder or any other person in respect of any loss

or damage which the Noteholder or any other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or such transferor, agent or nominee being registered in such clearing system during such Intervening Period as legal owner of such Relevant Securities.

- (K) All dividends on Relevant Securities to be delivered will be payable to the party that would receive such dividends according to market practice for a sale of the Relevant Securities executed on the Notional Sale Date to be delivered in the same manner as such Relevant Securities. Any such dividends will be paid to or for credit to the account specified by the Noteholder in the relevant Transfer Notice. No right to dividends on the Relevant Securities will accrue to Noteholders prior to the Notional Sale Date.
- (L) If a properly completed Transfer Notice in respect of any Notes has not been received by the relevant Clearing System by the 10th Business Day following the Maturity Date (the "**Transfer Notice Cut-off Date**"), then:
 - (1) the Issuer shall be entitled (but not required) to redeem the relevant Notes by payment of an amount equal to the Net Liquidation Proceeds (as defined below);
 - (2) the Issuer shall be entitled (but not required) to treat any Transfer Notice in relation to such Notes received after the Transfer Notice Cut-off Date as being null and void, and any such determination shall be binding on the Noteholder; and
 - (3) if the Issuer elects to redeem the relevant Notes pursuant to subparagraph (1) above, then the Issuer shall pay the Net Liquidation Proceeds in respect of such Notes to the Noteholder no later than 10 Business Days after the Transfer Notice Cut-Off Date.

For these purposes "**Net Liquidation Proceeds**" means a cash amount per Note equal to (i) the proceeds received by the Issuer or any of its affiliates from the disposal of the Securities Transfer Amount relating to such Note, net of all costs, expenses, fees and levies incurred by it or any of its affiliates in connection with such disposal (including, without limitation, all brokers' fees, transaction processing fees and all taxes and other duties) provided that if any such amount is denominated in a currency other than the Settlement Currency, then the Calculation Agent shall convert the value of such amount into the Settlement Currency using the Currency Pair Fixing Rate. For the avoidance of doubt, in the event that the Issuer elects to redeem any Note by payment of the Net Liquidation Proceeds, the Noteholder will not be entitled to any amounts in addition to the relevant Net Liquidation Proceeds, whether in respect of interest or otherwise (other than the Residual Cash Amount calculated and payable in accordance with the foregoing provisions).

- (ii) The Calculation Agent shall determine whether or not at any time a Settlement Disruption Event has occurred in relation to any Relevant Securities and where it determines such an event has occurred and so has prevented delivery of such Relevant Securities on the original day that but for such Settlement Disruption Event would have been the Settlement Date for such Relevant Securities, then the Settlement Date for such Relevant Securities will be the first succeeding day on which delivery of such Relevant Securities can take place through the relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the eight relevant Clearing System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case, if the Relevant Securities are debt securities, the Issuer shall use reasonable efforts to deliver such Relevant Securities promptly thereafter acting in good faith and in a commercially reasonable manner (as determined by the Calculation Agent) outside the Clearing

System and in all other cases (a) if such Relevant Securities can be delivered in any other commercially reasonable manner (as determined by the Calculation Agent), then the Settlement Date will be the first Business Day on which settlement of a sale of Relevant Securities executed on that eighth relevant Clearing System Business Day customarily would take place using such other commercially reasonable manner (as determined by the Calculation Agent) of delivery (which other manner of delivery will be deemed the relevant Clearing System for the purposes of delivery of the Relevant Securities), and (b) if such Relevant Securities cannot be delivered in any other commercially reasonable manner (as determined by the Calculation Agent), then the Settlement Date will be postponed until delivery can be effected through the relevant Clearing System or in any other commercially reasonable manner; **provided, however, that**, in all cases (whether or not the Relevant Securities are debt securities) and notwithstanding any other provision hereof, the Issuer may at any time and so long as the Settlement Disruption Event is continuing elect if it considers 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, by giving notice to the Noteholders in accordance with Condition 11 (*Notices*), to satisfy its obligations in respect of the relevant Notes by payment by the Issuer (or any person (including any of its affiliates) as it may procure to make the relevant payment on its behalf) to the relevant Noteholders of the Disruption Cash Settlement Price on the Disruption Cash Settlement Date in lieu of physical delivery.

"Disruption Cash Settlement Date" means the fifth Business Day following the date of the notice of the relevant election to pay the Disruption Cash Settlement Price or such other date as may be specified in such notice.

"Disruption Cash Settlement Price" means, in relation to any Note which is to be redeemed on the Disruption Cash Settlement Date, the Early Redemption Amount of such Notes.

- (iii) If the Calculation Agent determines that a Delivery Disruption Event has occurred, it shall notify the Issuer who shall promptly notify the relevant Noteholder(s) and the Issuer may then:
 - (A) determine, acting in a commercially reasonable manner, a new Settlement Date such date being no later than the earlier of (i) the Scheduled Trading Day immediately following the day on which the Delivery Disruption Event has ceased to exist and (ii) the eighth Scheduled Trading Day falling after the original Settlement Date, provided, in each case such day is a Clearing System Business Day (or, if not, the Scheduled Trading Day that is a Clearing System Business Day immediately following such day);
 - (B) determine (either upon the occurrence of a Delivery Disruption Event or, if no new Settlement Date was determined prior to the eighth Scheduled Trading Day falling after the original Settlement Date pursuant to paragraph (A) above, upon such eighth Scheduled Trading Date (the **"Postponed Determination Date"**), acting in a commercially reasonable manner, that the obligation to deliver the relevant Securities Transfer Amount will be terminated and the Issuer will pay such amount as in the opinion of the Calculation Agent (such opinion to be made acting in good faith and in a commercially reasonable manner) is fair (i) by reference to the spot price on an Exchange for such Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above), or if no such spot price is available (or if the Calculation Agent acting in good faith and in a commercially reasonable manner determines that such spot price materially differs from the price that would be obtained in a liquid and well-functioning market), (ii) as determined by the Calculation Agent to be the arithmetic mean of the price quoted for such Relevant Securities by investment banks appointed by the Calculation Agent that are acting in the market for the Relevant

Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above) or (iii) if less than two such quotations are received, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, in each case by way of compensation for the non-delivery of the Securities Transfer Amount, in which event the entitlements of the respective Noteholder(s) to receive the relevant Securities Transfer Amount shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount; or

- (C) deliver on the Settlement Date (as may have been postponed pursuant to paragraph (A) above) such amount of the Securities Transfer Amount (if any) as it can deliver on that date and the Issuer will pay such amount as in the opinion of the Calculation Agent (such opinion to be made acting in good faith and in a commercially reasonable manner) is fair (i) by reference to the spot price on an Exchange for such Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above), or if no such spot price is available, (or if the Calculation Agent acting in good faith and in a commercially reasonable manner determines that such spot price materially differs from the price that would be obtained in a liquid and well-functioning market) (ii) as determined by the Calculation Agent to be the arithmetic mean of the price quoted for such Relevant Securities by investment banks appointed by the Calculation Agent that are acting in the market for the Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above) or (iii) if less than two such quotations are received, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, in each case by way of compensation for the non-delivery of the remainder of the Securities Transfer Amount, in which event the entitlements of the respective Noteholder(s) to receive the relevant Securities Transfer Amount shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount.

Where this Condition 7(f)(iii) fails to be applied, insofar as the Calculation Agent determines to be practical, the same shall be applied as between the Noteholders on a *pro rata* basis, but subject to such rounding down (whether of the amount of a payment or of a number of Relevant Securities to be delivered) and also to such other adjustments as the Calculation Agent determines to be appropriate to give practical effect to such provisions.

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

The following provisions of this Condition 9 apply to all Notes other than Alternative French Law Conditions Notes

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.

The following provisions of this Condition 9 apply to Alternative French Law Conditions Notes only

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) 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)
 - (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 either: (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**

The following provisions of this Condition 12 (Principal Paying Agent, Paying Agent and Calculation Agent) apply to all Notes other than Alternative French Law Conditions Notes

- (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.

The following provisions of this Condition 12 (Principal Paying Agent, Paying Agent and Calculation Agent) apply to Alternative French Law Conditions Notes only.

- (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 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 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, and (except for those Notes with a denomination of less than €100,000 (or its equivalent in any other currency) where the issue is not made outside France in accordance with article L.228-90 of the French *Code de commerce*) 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 (2nd) 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, 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.

(l) ***Full Masse***

For Notes issued with a denomination of less than €100,000 (or its equivalent in any other currency), this Condition 13 shall apply to the Notes subject to the following modifications:

- (A) If "Issue outside France" is specified as "Not Applicable" in the Final Terms, Condition 13(h) (*Meetings of Noteholders – Exclusion of certain provisions of the French Code de commerce*) shall not apply to the Notes, for the avoidance of doubt.
- (B) If "Issue outside France" is specified as "Not Applicable" in the Final Terms, Condition 13(i) (*Meetings of Noteholders – Expenses*) shall be deleted and replaced by the following:

"13(i) Expenses

The Issuer shall pay all 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."

For the avoidance of doubt, in this Condition 13, the term "outstanding" shall not include those Notes that are held by the Issuer and not cancelled.

13A Consequences of a Benchmark Trigger Event

The following provisions of this Condition 13A (Consequences of a Benchmark Trigger Event) apply to Notes other than Alternative French Law Conditions Notes

- (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 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 (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) 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, the Issuer acting in a commercially reasonable manner shall take account of such facts and circumstances as it considers relevant, including, without limitation, prevailing market practice, 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.

The following provisions of this Condition 13A (Consequences of a Benchmark Trigger Event) apply to Alternative French Law Conditions Notes only

- (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 (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 and acting in a commercially reasonable manner.

- (b) If the Issuer is not able to determine the Relevant Benchmark in accordance with the provisions of this Condition 13A 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 (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) 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, the Issuer acting in a commercially reasonable manner shall take account of such facts and circumstances as it considers relevant, including, without limitation, prevailing market practice. 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, "**Limit Valuation Date**" shall mean, if any Scheduled Valuation Date or Scheduled Observation Date (as applicable) 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 (as applicable), notwithstanding the fact that such day may be a Disrupted Day.

The following provisions of this Condition 15(b) (Consequences of Disrupted Days) apply to all Notes other than Alternative French Law Conditions Notes

- (b) In the event that 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, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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:
- (x) other than in respect of a Proprietary Index-Linked Note, 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
- (y) in respect of a Proprietary Index-Linked Note only, by reference to such level or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and
- (2) in respect of an Equity-Linked Note, the Limit Valuation Date shall be deemed to be the Valuation Date, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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 respect of (i) an Index (other than a Proprietary Index), 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 (ii) in respect of a Proprietary Index, by reference to such level or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and

- (C) in the case of a Note which relates to a Securities Basket, the Valuation Date, Decrement Observation 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 the Scheduled Observation Date (as applicable), and the Valuation Date, Decrement Observation 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, Decrement Observation 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.

The following provisions of this Condition 15(b) (Consequences of Disrupted Days) apply to Alternative French Law Conditions Notes only

- (b) In the event that 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, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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:
- (x) other than in respect of a Proprietary Index-Linked Note, 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
- (y) in respect of a Proprietary Index-Linked Note only, by reference to such level or values as the Calculation Agent determines to be its good faith estimate of the level or value as of the Valuation Time on the

Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and

- (2) in respect of an Equity-Linked Note, the Limit Valuation Date shall be deemed to be the Valuation Date, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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 respect of (i) an Index (other than a Proprietary Index), 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 (ii) in respect of a Proprietary Index, by reference to such level or values as the Calculation Agent determines to be its good faith estimate of the level or value as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and
 - (C) in the case of a Note which relates to a Securities Basket, the Valuation Date, Decrement Observation 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 the Scheduled Observation Date (as applicable), and the Valuation Date, Decrement Observation 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, Decrement Observation 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 Closing Value,

Reference Value, Final Redemption Amount, Coupon Amount or Autocall 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; 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 Observation Date is postponed (x) in accordance with this Condition 15 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 postponed Decrement 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 postponed Decrement 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 Observation Date, the latest postponed Valuation Date or postponed Observation Date or postponed Decrement Observation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation Date or Scheduled 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.

16. **Adjustments to Indices**

This Condition 16 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, Decrement 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, Decrement 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 Reference Value or Closing Value required to be determined with respect to such Valuation Date, Observation Date, Decrement Observation Date or Averaging Date using, in lieu of a published level of that Index, the Reference Value or Closing Value required to be determined with respect to such Valuation Date, Observation Date, Decrement 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 **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.

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.

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.

- (iv) 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 (iii) above as soon as practicable after determining the same.
- (v) 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. **Determinations by the Issuer**

Notwithstanding any provision of the Conditions or any Final Terms to the contrary, all calculations and determinations made by the Issuer pursuant to the Conditions for the purposes of the Notes shall be made in a commercially reasonable manner.

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 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 English Law Notes and Summary of Provisions Relating to the English Law 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 24 May 2024 (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);

"€STR" means, in respect of any specified period, the interest rate benchmark known as the daily euro short-term rate;

"ABS" means the absolute value of any positive or negative number;

"Actual Days" means:

- (i) for the purposes of determining the Autocall Rate with respect to an Autocall Valuation Date where "Daily Autocall Observation" is specified in the relevant Final Terms, the total number of calendar days from (and including) the Autocall Valuation Period Start Date to and (and including) such Autocall Valuation Date;
- (ii) in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the number of calendar days from (but excluding) the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}) to (and including) such Decrement Observation Date (Decrement Observation Date_t);

"Additional Disruption Event" means such of Change in Law, Insolvency Filing and/or Failure to Deliver as are specified as such in the relevant Final Terms;

"Adjusted Value" or **"AV"** means, in respect of an Underlying and each Decrement Observation Date, the price or level (as applicable) determined by the Calculation Agent in respect of such Underlying and Decrement Observation Date (Decrement Observation Date_t) ("**Adjusted Value_t**" or "**AV_t**") in accordance with the following formula (**provided that** such price or level (as applicable) shall not, in respect of any Decrement Observation Date, be less than zero):

- (i) in relation to an Underlying which is an Index:
 - (a) if "Adjustment in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

- (b) if "Adjustment in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

- (ii) in relation to an Underlying which is a Security:
- (a) if "Denominator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1} - AD_t} \right] - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

- (b) if "Denominator in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t}{\text{Closing Value}_{t-1} - AD_t} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

- (c) if "Numerator in Percentage" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t + AD_t}{\text{Closing Value}_{t-1}} - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

- (d) if "Numerator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{\text{Closing Value}_t + AD_t}{\text{Closing Value}_{t-1}} \right] - CD \times \frac{\text{Actual Days}}{\text{Day Count Divisor}}$$

Where:

"Actual Dividend_t" or **"AD_t"** means, in respect of an Underlying which is a Security and a Decrement Observation Date (Decrement Observation Date_t):

- (i) if, in the determination of the Calculation Agent, such Decrement Observation Date is also an Ex-Dividend Date for such Underlying, the product of the relevant (a) Gross Cash Dividend and/or Gross Cash Equivalent Dividend (as applicable) (if any) and (b) the Re-Investment Percentage for such Underlying;
- (ii) otherwise, zero.

"Adjusted Value_{t-1}" or **"AV_{t-1}"** means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Adjusted Value for such Underlying in respect of the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}), as determined by the Calculation Agent, provided that in respect of the first Decrement Observation Date, Adjusted Value_{t-1} shall be equal to Closing Value₀.

"Adjustment Method" means the Adjustment Method specified in relation to the Notes in the relevant Final Terms.

"Contractual Dividend" or **"CD"** means, in respect of an Underlying, the level, price or percentage (as applicable) specified as such in respect of such Underlying in the relevant Final Terms.

"Closing Value_t" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Closing Value for such Underlying on such Decrement Observation Date.

"Closing Value_{t-1}" means, in respect of an Underlying and a Decrement Observation Date (Decrement Observation Date_t), the Closing Value for such Underlying on the immediately preceding Decrement Observation Date (Decrement Observation Date_{t-1}).

"Closing Value₀" means, in relation to an Underlying, the Initial Value in respect of such Underlying.

"Decrement Observation Date" means, in respect of an Underlying and a Decrement Observation Period, each Scheduled Trading Day (which is not a Disrupted Day in respect of such Underlying) during such Decrement Observation Period (provided that the final day in such Decrement Observation Period which is a Scheduled Trading Day (the **"Final Decrement Observation Date"**), shall be a Scheduled Observation 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 Final Decrement Observation Date).

"Decrement Observation Period" means, in relation to an Underlying and a Valuation Date in respect of which the Adjusted Value is to be determined, the period from (and excluding) the Strike Date to (and including) the Scheduled Valuation Date with respect to such Valuation Date.

"Ex-Dividend Date" means, in respect of an Underlying which is a Security and a Gross Cash Dividend or Gross Cash Equivalent Dividend], the date on which such Security has commenced trading ex-dividend (with respect to such Gross Cash Dividend or Gross Cash Equivalent Dividend, as applicable) on the relevant Exchange as determined by the Calculation Agent.

"Gross Cash Dividend" means, in respect of a Security, a sum equal to the gross cash dividend per one Security payable to the holder of record before application of withholding or deduction of taxes at the source by or on behalf of any relevant authority having power to tax in respect of such a dividend or distribution, and excludes any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such a dividend or distribution and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon as determined by the Calculation Agent, **provided that**, if such Gross Cash Dividend is denominated in a currency other than the Specified Currency, then the Calculation Agent shall convert the amount of such Gross Cash Dividend into the Specified Currency using the relevant Currency Pair Exchange Rate.

"Gross Cash Equivalent Dividend" means, in respect of a Security, an amount per Security equal to (i) the cash value of any stock dividend (whether or not such stock dividend comprises securities of the Underlying Company of such Security) declared by the Underlying Company or (ii) where the Underlying Company does not declare a cash value of such stock dividend, an amount determined by the Calculation Agent on the basis of the closing price of the security comprising such stock dividend as published by the relevant primary exchange on the Ex-Dividend Date for such stock dividend or if such price is not available for any reason, the value of such Gross Cash Equivalent Dividend as determined by the Calculation Agent in its sole discretion **provided that** if the amount so determined by the Calculation Agent with respect to such Gross Cash Equivalent Dividend is denominated in a currency other than the Specified Currency, then the Calculation Agent shall convert the value of such Gross Cash Equivalent Dividend into the Specified Currency using the relevant Currency Pair Exchange Rate.

"Re-Investment Percentage" means, in respect of an Underlying which is a Security, the percentage specified as such in the relevant Final Terms or, if no percentage is specified in respect of an Underlying in the relevant Final Terms, 100 per cent.

"t" means, in respect of a Decrement Observation Period, a series of whole numbers from one to T, each representing the relevant Decrement Observation Date (each **"Decrement Observation Date"**) in such Decrement Observation Period in chronological order from (and including) the first Decrement Observation Date in such Decrement Observation Period.

"T" means the total number of Decrement Observation Dates during the relevant Decrement Observation Period, as determined by the Calculation Agent.

"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 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 13A (*Consequences of a Benchmark Trigger Event*); and
- (f) a Replacement Index used pursuant to Condition 13A (*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 Event Effective Date or the Administrator/Benchmark Event Date, as applicable;

"Autocall Amount" means, in respect of an Autocall 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 Autocall Rate corresponding to such Autocall Valuation Date;

an **"Autocall Event"** will be deemed to have occurred in relation to an Autocall Valuation Date if the Reference Performance determined in respect of such Autocall Valuation Date is greater than or equal to the relevant Autocall Level specified in respect of such Autocall Valuation Date, as determined by the Calculation Agent;

"Autocall Level" means, in respect of an Autocall Valuation Date, the percentage specified as such for such Autocall Valuation Date in the relevant Final Terms;

"Autocall Rate" means, in respect of an Autocall Valuation Date:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the percentage rate specified as such for such Autocall Valuation Date in the relevant Final Terms; or
- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the percentage rate (rounded to the nearest four decimal places (with 0.00005 being rounded up)) determined by the Calculation Agent in respect of such Autocall Valuation Date in accordance with the following formula:

$$100 \text{ per cent.} + \left[\text{Autocall Annual Rate} \times \frac{\text{Actual Days}}{\text{Day Count Divisor}} \right]$$

"Autocall Redemption Date" means, in respect of an Autocall Valuation Date:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the corresponding date specified as such in relation to such Autocall 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; or
- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms, the Specified Number of Settlement Days following the Autocall Valuation Date on which an Autocall Event (if any) has occurred, as determined by the Calculation Agent;

"Autocall Valuation Date(s)" means:

- (i) unless "Daily Autocall Observation" is specified as applicable in the relevant Final Terms:
 - (a) in respect of a Note which relates to a single Underlying, 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
 - (b) in respect of a Note which relates to a 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 Underlying comprising the Basket, the Autocall Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

- (ii) if "Daily Autocall Observation" is specified as applicable in the relevant Final Terms:
 - (a) in respect of a Note which relates to a single Underlying, each Scheduled Trading Day (which is not a Disrupted Day) during the Autocall Valuation Period; or

- (b) in respect of a Note which relates to a Basket, each day during the Autocall Valuation Period which (i) is a Scheduled Trading Day in respect of all Underlyings in the Basket and (ii) is not a Disrupted Day in respect of any Underlying in the Basket;

"Autocall Valuation Period" means the period from (and including) the **"Autocall Valuation Period Start Date"** specified as such in the relevant Final Terms to (but excluding) the Final Valuation Date;

"Averaging Date(s)" means, in respect of an Underlying:

- (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 (provided that the final day in any Averaging Period which is a Scheduled Trading Day (each a **"Final Averaging Date"**) shall be a Scheduled Averaging Date regardless of whether it is a Disrupted Day and the provisions of Condition 16 (*Consequences of Disrupted Days*) shall apply with respect to any Final Averaging Date);

"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;
- (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;
- (iii) any Autocall 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;
- (iv) any Coupon Valuation Date, the period from and including the **"Coupon Averaging Start Date"** to and including the **"Coupon Averaging End Date"**, each as specified in the relevant Final Terms;
- (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;
- (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; 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;

a **"Barrier Event"** will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) if **"European"** is specified as the applicable Barrier Observation Method, the Final Performance is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;
- (ii) if **"Bermudan"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any of the Barrier Valuation Dates is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;

- (iii) if "**Daily**" is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any Barrier Valuation Date during the Barrier Valuation Period is (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level; and
- (iv) if "**American**" is specified as the applicable Barrier Observation Method, the Reference Performance determined on an intraday basis during each Barrier Valuation Date during the Barrier Valuation Period is at any time (a) less than or (b) less than or equal to (as specified in the relevant Final Terms) the Barrier Level;

"**Barrier Level**" means the percentage specified as such in the relevant Final Terms;

"**Barrier Observation Method**" means, in respect of a Barrier Event and/or an Upper Barrier Event, European, Bermudan, Daily or American as specified in the relevant Final Terms;

"**Barrier Valuation Date(s)**" means:

- (i) if "**Bermudan**" is specified as the applicable Barrier Observation Method:
 - (a) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the relevant Barrier Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

- (ii) if "**Daily**" or "**American**" is specified as the applicable Barrier Observation Method:
 - (a) in respect of a Note which relates to a single Underlying, 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 a Basket, each day in the Barrier Valuation Period which (i) is a Scheduled Trading Day in respect of all Underlyings in the Basket and (ii) is not a Disrupted Day in respect of any Underlying in the Basket (provided that the final day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Underlyings shall be a Barrier Valuation Date regardless of whether it is a Disrupted Day in respect of any Underlying, 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 relation to a Series of Notes, the Index Basket or Securities Basket (each as defined in this Condition 1) to which such Notes relate;

"**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 Underlying" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is highest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more highest performing Underlyings is the same, the Calculation Agent shall determine which of such Underlyings is the Best Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Best Performing Underlying;

"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;

"Call Strike" means the percentage specified as such in the 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 Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary 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 or a Proprietary 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, Observation Date or Decrement Observation Date (as applicable) for which the performance of the Index is to be determined; and
- (ii) in relation to an Underlying which is 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, Observation Date or Decrement Observation Date (as applicable) for which the performance of the Security is to be determined;

"Component" means, with respect to an Index, each component comprised in that Index;

"Conditional Protection" 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 Amount" means, in respect of the relevant Coupon 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 Rate corresponding to such Coupon 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 Event"** will be deemed to have occurred in relation to a Coupon Valuation Date if the Reference Performance determined in respect of such Coupon Valuation Date is greater than or equal to the relevant Coupon Level specified in respect of such Coupon Valuation Date, as determined by the Calculation Agent;

"Coupon Level" means, in respect of a Coupon Valuation Date, the percentage specified as such for such Coupon Valuation Date in the relevant Final Terms;

"Coupon Payment Date" means, in respect of a Coupon Valuation Date, the corresponding date specified as such in relation to such Coupon 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 Rate" means, in respect of a Coupon Valuation Date, the percentage rate specified as such for such Coupon Valuation Date in the relevant Final Terms;

a **"Coupon Recovery Event"** will be deemed to have occurred in relation to a Coupon Valuation Date if the Reference Performance determined in respect of such Coupon Valuation Date is greater than or equal to the relevant Coupon Recovery Level specified in respect of such Coupon Valuation Date, as determined by the Calculation Agent;

"Coupon Recovery Level" means, in respect of a Coupon Valuation Date, the percentage specified as such for such Coupon Valuation Date in the relevant Final Terms;

"Coupon Valuation Date" means:

- (i) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Coupon Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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;

"Currency Pair Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business and dealings in foreign exchange in the Reference Currency Jurisdiction and the Specified Currency Jurisdiction;

"Currency Pair Exchange Rate" means the rate of exchange between the Specified Currency and the Reference Currency expressed as the number of units of Reference Currency per one unit of Specified Currency as published on the Currency Pair Fixing Page at the Currency Pair Fixing Time on a Currency Pair Fixing Date and as observed by the Calculation Agent provided that where the Reference Currency and the Specified Currency are the same currency, the Currency Pair Exchange Rate shall be deemed to be equal to one. The Calculation Agent shall round such rate to the closest four (4) decimal places, 0.00005 being rounded up. If, on a Currency Pair Fixing Date, the Relevant Rate is not available for any reason as determined by the Calculation Agent, the Calculation Agent will determine the Currency Pair 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;

"Currency Pair Fixing Date" means:

- (i) with respect to determination of a Securities Transfer Amount and/or Residual Amount, the Final Valuation Date;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the date of receipt of such proceeds by the Issuer or its affiliates; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the Ex-Dividend Date with respect to such Gross Cash Dividend or Gross Cash Equivalent Dividend (as applicable),

or, if any such date is not a Currency Pair Business Day the immediately following day that is a Currency Pair Business Day (and for these purposes a day shall be deemed to be a Currency Pair Business Day if the market was not aware of it not being a Currency Pair Business Day (by means of a public announcement or by reference to other publicly available information) on the Currency Pair Fixing Date notwithstanding it subsequently ceases to be a Currency Pair Business Day for any reason or the market subsequently becomes aware that it was not a Currency Pair Business Day);

"Currency Pair Fixing Page" means the Reuters or other screen page as specified as such in the Final Terms or any successor page thereof or, if not specified in the relevant Final Terms or there is no successor page, the Calculation Agent will determine the relevant Currency Pair Exchange Rate by reference to the relevant spot rate prevailing in the international exchange market;

"Currency Pair Fixing Time" means the time and place specified as such with respect to the Reference Currency in the relevant Final Terms or, if no such specification is made, the time and place determined by the Calculation Agent;

"Day Count Divisor" means the number 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 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:

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

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

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

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

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

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

- (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:

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

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

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

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

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

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

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

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

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

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

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

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

"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.

"Delivery Disruption Event" means, as determined by the Calculation Agent, the failure by the Issuer to deliver or to procure delivery on the relevant Settlement Date the Securities Transfer Amount under the relevant Note due to illiquidity in the market for such Securities;

"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 Rate" means the percentage specified as such in the relevant Final Terms;

"Disrupted Day" means:

- (i) in respect of an Underlying which is 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 (c) with respect to a Proprietary Index, any Scheduled Trading Day in respect of which the Index Sponsor fails to calculate and announce the level of such Index as scheduled; or
- (ii) in respect of an Underlying which is 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;

"Downside 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 per cent.;

"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 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) (*Redemption and Purchase – Monetisation option*), 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 withdrawal from legal tender of any currency that, before the introduction of the euro, was lawful currency in one of the member states;
- (ii) the redenomination of any security into euro;
- (iii) 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;
- (iv) any change in the currency of denomination of any Index or any Security; or
- (v) 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 (other than a Multiple Exchange Index or a Proprietary 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); (b) in the case of a Multiple Exchange Index and each relevant Component, the principal exchange on which such Component is principally traded (if applicable), 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 on the Exchange in respect of such Component 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;

"Failure to Deliver" means the failure of a party to deliver, when due, the relevant Securities in respect of the Notes, where such failure is due to illiquidity in the market for such Securities;

"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 Redemption Amount" has the meaning given to it in Condition 5(a) (*Redemption and Purchase – At Maturity*);

"Final Performance" means the Reference Performance determined by the Calculation Agent in respect of the Final Valuation Date;

"Final Valuation Date" means:

- (i) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Final Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 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;

"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 Cut-off Date" has the meaning ascribed thereto in Condition 7(f) (*Price Source Disruption and FX Disruption*);

"FX Disruption Event" means the occurrence, as determined by the Calculation Agent of (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;

"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;

"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, each index 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 18 (*Additional Disruption Events*) (which, for the avoidance of doubt, shall, where so specified in the relevant Final Terms in respect of an index, include a Multiple Exchange Index or Proprietary Index (as applicable)) 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(a) (*Adjustments to Indices*) and Condition 19 (*Additional Disruption Events*);

"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 Event 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 I, 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 the rules of the 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 (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 Value" means, with respect to an Underlying, either:

- (i) the price or level (as applicable) specified as such in the relevant Final Terms; or
- (ii) the Reference Value with respect to such Underlying 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;

"Intraday Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary Index, the level of such Index as determined by the Calculation Agent as of any time on the relevant Exchange or (b) with respect to a Multiple Exchange Index or a Proprietary Index, the level of such Index as of any time as calculated and published by the Index Sponsor, in each case during the relevant Valuation Date for which the performance of the Index is to be determined; and
- (ii) in relation to an Underlying which is a Security, the price of such Security as determined by the Calculation Agent as of any time on the relevant Exchange during the relevant Valuation Date for which the performance of the Security is to be determined;

"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 Reference Performance determined in relation to such Lock-In Coupon Valuation Date is greater than or equal to the relevant 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 Underlying, 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 a 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 Underlying comprising the Basket, the Lock-In Coupon Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 Reference Performance determined in relation to such Lock-In Redemption Valuation Date is equal to or greater than the Lock-In Redemption Level specified in relation to such Lock-In Redemption Valuation Date, as determined by the Calculation Agent;

"Lock-In Redemption Rate" means the percentage specified as such in the relevant Final Terms;

"Lock-In Redemption 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 Underlying, 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 a 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 Underlying comprising the Basket, the Lock-In Redemption Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

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 Underlying which is 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 at any time, then the relevant percentage contribution of that Component 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 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, 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 is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Components 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 at that time, then the relevant percentage contribution of that Component 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 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 an Underlying which is 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;

"**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-Coupon Event Valuation Date**" means a Coupon Valuation Date in relation to which no Coupon Event occurred;

"**Observation Date(s)**" means, in respect of an Underlying:

- (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 (provided that the final day in any Performance Observation Period which is a Scheduled Trading Day (each a **"Final Observation Date"**) shall be a Scheduled Observation Date regardless of whether it is a Disrupted Day and the provisions of Condition 16 (*Consequences of Disrupted Days*) apply with respect to any Final Observation Date);

"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 (Call Option)*), 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 Valuation Date, an amount equal to the aggregate of the Coupon Amounts in respect of the Non-Coupon Event Valuation Dates falling after the last Coupon Valuation Date on which a Coupon 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 per cent.;

"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;
- (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;
- (iii) any Autocall 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;
- (iv) any Coupon Valuation Date, the period from and including the **"Coupon Observation Start Date"** to and including the **"Coupon Observation End Date"**, each as specified in the relevant Final Terms;
- (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;
- (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; 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;

"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;

"**Proprietary Index**" means an Index identified or specified as such in the relevant Final Terms, subject to adjustment pursuant to these Conditions, and "**Proprietary Indices**" shall be construed accordingly;

"**Proprietary Index-Linked Notes**" means a Series of Notes in respect of which an amount calculated by reference to a Proprietary Index or Proprietary Indices is payable (as indicated in the relevant Final Terms);

"**Protection Level**" means the percentage specified as such in the relevant Final Terms;

"**Put Strike**" means the percentage specified as such in the 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(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*);

"**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 Currency" means:

- (i) with respect to a Relevant Security and the determination of a Securities Transfer Amount and/or Residual Amount, the currency specified in the Final Terms in respect of such Security or, if no such specification is made, the currency in which the Relevant Security is denominated, as determined by the Calculation Agent;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the currency in which such proceeds amount is denominated as determined by the Calculation Agent; and
- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the currency in which such Gross Cash Dividend or the cash amount determined by the Calculation Agent with respect to such Gross Cash Equivalent Dividend is denominated as determined by the Calculation Agent;

"Reference Currency Jurisdiction" means the jurisdiction specified as such with respect to the Reference Currency in the relevant Final Terms or, if no such specification is made with respect to the relevant Reference Currency, the principal financial centre or centres for the Reference Currency as determined by the Calculation Agent;

"Reference Dealers" means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

"Reference Performance" means with respect to a Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date or the Final Valuation Date (as applicable):

- (i) in relation to a Series of Notes which relates to a single Underlying, the Underlying Performance of the Underlying in respect of such Valuation Date;
- (ii) in relation to a Series of Notes in respect of which "Worst of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Worst Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent;
- (iii) in relation to a Series of Notes in respect of which "Best of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Best Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent;
- (iv) in relation to a Series of Notes in respect of which "Weighted Basket" is specified in the relevant Final Terms, the weighted average (in line with the Weighting applicable to such Basket) of the Underlying Performances of each Underlying comprising the Basket in respect of such Valuation Date as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"Reference Value" means, with respect to an Underlying, if the "Reference Value" with respect to each Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date, the Strike Date or the Final Valuation Date (as applicable) is specified in the relevant Final Terms to be:

- (i) **"Single Observation"**, the Closing Value of such Underlying on such Valuation Date;
- (ii) **"Highest Value"**, the highest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;

- (iii) **"Lowest Value"**, the lowest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;
- (iv) **"Average Value"**, the arithmetic average of the Closing Values of such Underlying over the Averaging Dates specified in the relevant Final Terms in respect of such relevant Valuation Date, as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);
- (v) **"Intraday Observation"**, the Intraday Value of such Underlying as of any time during such Valuation Date, as determined by the Calculation Agent;
- (vi) **"Decrement Observation"**, the Adjusted Value (Adjusted Value_t) of such Underlying determined by the Calculation Agent in respect of the Final Decrement Observation Date ($\text{Decrement Observation Date}_t$) during the Decrement Observation Period relating to such Valuation Date, 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 (other than a Proprietary 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 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 Initial Value" means the Initial Value of the Relevant Security;

"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 Rate" means the Alternative Payment Currency Exchange Rate, Alternative Payment Cross Currency Rate, Currency Pair Exchange 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 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*) 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 Security" means:

- (i) in relation to a Series of Equity-Linked Notes which relate to a single Security, such Security;
- (ii) in relation to a Series of Equity-Linked Notes which relate to a Basket of Securities and in respect of which either (i) "Worst of Basket" or (ii) "Weighted Basket" is specified in the relevant Final Terms, the Security which constitutes the Worst Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;
- (iii) in relation to a Series of Equity-Linked Notes which relate to a Basket of Securities and in respect of which "Best of Basket" is specified in the relevant Final Terms, the Security which constitutes the Best Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;

"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 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*);

"Residual Amount" means, in relation to a Note, a cash amount denominated in the Settlement Currency calculated by the Calculation Agent pursuant to the following formula:

Calculation Amount – Securities Transfer Amount × Strike Level x Relevant Initial Value / Currency Pair Exchange Rate

"Residual Cash Amount" means, in relation to a Note, a cash amount denominated in the Settlement Currency calculated by the Calculation Agent pursuant to the following formula:

Residual Amount × Final Performance / Strike Level

"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 as an Averaging Date without regard to any postponement, delay or disruption;

"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 any original date specified in the relevant Final Terms as the final Averaging Date with respect to a Valuation Date on which either (i) an event causing a Disrupted Day occurs or (ii) another Averaging Date occurs as a result of the operation of Condition 16 (*Consequences of Disrupted Days*);

"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 these Conditions or the relevant Final Terms as a Decrement Observation Date or Observation Date without regard to any postponement, delay or disruption;

"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; (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; or (c) with respect to a Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of such Proprietary Index;

"Scheduled Valuation Date" means any original Valuation Date without regard to any postponement, delay or disruption;

"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*);

"Securities Entitlement" means, with respect to a Note, the Securities Transfer Amount and the Residual Cash Amount calculated with respect to such Note;

"Securities Transfer Amount" means, in relation to a Note, a number of the Relevant Securities per Note calculated by the Calculation Agent pursuant to the following formula:

$$\text{Calculation Amount} / \text{Strike Level} \times \text{Relevant Initial Value} \times \text{Currency Pair Exchange Rate}$$

rounded down to the nearest integer;

"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 or, if no such specification is made, the principal financial centre or centres for the Settlement Currency as determined by the Calculation Agent;

"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);

"Settlement Date" means, in relation to Securities to be delivered in respect of an Equity Linked Note (a) in the case of Equity-Linked Notes which relate to equity securities the later of (i) the Maturity Date and (ii) the date that falls one Settlement Cycle after the later of (i) the Exchange Business Day following the Valuation Date (the **"Notional Sale Date"**) (or if such day is not a Clearing System Business Day, the next following Clearing System Business Day) subject to the provisions of Condition 7(g) (*Payments – Physical Delivery*), (ii) the Currency Pair Fixing Date with respect to determination of the Securities Transfer Amount and the Residual Amount and (iii) the Scheduled FX Fixing Date (as postponed pursuant to Condition 7(f) (*Payment – Price Source Disruption and FX Disruption*)) falling on or immediately after such Valuation Date (if any) or, (b) in any other case, the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the Following Business Day Convention unless another Business Day Convention is specified in the relevant Final Terms. In each case, if a Settlement Disruption Event prevents delivery of such Securities on that day, then the Settlement Date shall be determined in accordance with Condition 7(g)(ii) (*Payments – Physical Delivery*);

"Settlement Disruption Event" means, in relation to the Relevant Securities, an event which the Calculation Agent determines to be beyond the control of the Issuer or relevant obligor and to be an event as a result of which the relevant Clearing System cannot clear the transfer of such Relevant Securities;

"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 Currency" means:

- (i) with respect to a Relevant Security and the determination of a Securities Transfer Amount and/or Residual Amount, the Settlement Currency;
- (ii) with respect to determination of a proceeds amount for the purposes of determining Net Liquidation Proceeds, the Settlement Currency; and

- (iii) with respect to determination of a Gross Cash Dividend or a Gross Cash Equivalent Dividend, the denomination currency of the Security in relation of which such Gross Cash Dividend or a Gross Cash Equivalent Dividend has been issued;

"Specified Currency Jurisdiction" means:

- (i) where the Specified Currency is the Settlement Currency, the Settlement Currency Jurisdiction; and
- (ii) where the Specified Currency is the denomination currency of the Security in relation to which a Gross Cash Dividend or a Gross Cash Equivalent Dividend has been issued, the Reference Currency Jurisdiction specified as such with respect to the Reference Currency of such Security, or, if no such specification is made with respect to the relevant Reference Currency, the principal financial centre or centres for the Reference Currency as determined by the Calculation Agent;

"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 Number of Settlement Days" means the tenth Business Day or such other number of Business Days specified as such in the relevant Final Terms;

"Specified Period" means the period specified as such in the relevant Final Terms;

"Strike Date" means:

- (a) in respect of a Note which relates to a single Underlying, 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 a 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 Underlying comprising the Basket, the Strike Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 16 (*Consequences of Disrupted Days*);

"Strike Level" means the percentage specified as such in the Final Terms, **provided that** if no such percentage is specified, the Strike Level shall be mean 100 per cent.;

"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 on the Exchange in respect of such Component, or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange;

"Transfer Expenses" means, with respect to any Notes, all stamp, transfer, registration and similar duties and all expenses, scrip fees, levies and registration charges payable on or in respect of or arising on, or in connection with, the purchase or transfer, delivery or other disposition by the transferor to the order of the relevant Noteholders of any underlying value to which the Notes relate;

"Transfer Notice" means for the purposes of Equity-Linked Notes only a notice in the form from time to time approved by the Issuer, which must:

- (i) specify the name and address of the Noteholder;
- (ii) specify the number of Notes in respect of which it is the Noteholder;
- (iii) specify the number of the Noteholder's account at the relevant Clearing System to be debited with such Notes;
- (iv) irrevocably instruct and authorise the relevant Clearing System, (A) to debit the Noteholder's account with such Notes on the Settlement Date, if the Issuer elects (or has elected) the Physical Delivery provisions being applicable or otherwise on the Maturity Date and (B) that no further transfers of the Notes specified in the Transfer Notice may be made;
- (v) contain a representation and warranty from the Noteholder to the effect that the Notes to which the Transfer Notice relates are free from all liens, charges, encumbrances and other third-party rights;
- (vi) specify the number and account name of the account at the relevant Clearing System to be credited with the Relevant Securities if the Issuer elects (or has elected) the Physical Delivery provisions being applicable;
- (vii) contain an irrevocable undertaking to pay the Transfer Expenses (if any) and an irrevocable instruction to the relevant Clearing System to debit on or after the Settlement Date the cash or other account of the Noteholder with the relevant Clearing System specified in the Transfer Notice with such Transfer Expenses;
- (viii) include a certificate of non-US beneficial ownership in the form required by the Issuer; and
- (ix) authorise the production of the Transfer Notice in any applicable administrative or legal proceedings;

"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, in relation to a Series of Notes, each Index or Security (each as defined in this Condition 1) to which such Series of Notes relates;

"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 Performance" means, with respect to an Underlying and a Coupon Valuation Date, Autocall Valuation Date, Lock-In Coupon Valuation Date, Lock-In Redemption Valuation Date, Barrier Valuation Date or the Final Valuation Date (as applicable), the percentage (rounded to the nearest four decimal places (with 0.00005 being rounded up)) determined by the Calculation Agent in respect of such Underlying and such Valuation Date in accordance with the following formula:

$$\frac{\text{Reference Value}}{\text{Initial Value}}$$

"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;

an **"Upper Barrier Event"** will be deemed to have occurred with respect to the Notes in the following circumstances:

- (i) if **"European"** is specified as the applicable Barrier Observation Method, the Final Performance is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;
- (ii) if **"Bermudan"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any of the Barrier Valuation Dates is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;
- (iii) if **"Daily"** is specified as the applicable Barrier Observation Method, the Reference Performance determined in respect of any Barrier Valuation Date during the Barrier Valuation Period is (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level; and
- (iv) if **"American"** is specified as the applicable Barrier Observation Method, the Reference Performance determined on an intraday basis during each Barrier Valuation Date during the Barrier Valuation Period is at any time (a) greater than or (b) greater than or equal to (as specified in the relevant Final Terms) the Upper Barrier Level;

"Upper Barrier Level" means the percentage specified as such in the relevant Final Terms;

"Upside 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 per cent.;

"USD" means the lawful currency of the United States of America;

"Valid Date" means, in respect of an Underlying, 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, Autocall Valuation Date, Coupon 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 Autocall Valuation Date, any Coupon 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, or such scheduled time as set out in the Index Rules. 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, the Scheduled Closing Time on the Exchange in respect of such Component, 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;

"Weighting" means, in respect of each Underlying comprised in the relevant Basket, the percentage weighting assigned to such Underlying and specified as such in the relevant Final Terms; and

"Worst Performing Underlying" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is lowest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more lowest performing Underlyings is the same, then the Calculation Agent shall determine which of such Underlyings is the Worst Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Worst Performing Underlying.

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 "**Holders**" 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 "**Holders**" 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:
 - (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 4B(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.

"d₀" 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 d₀, 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_i" 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;
- (C) 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
- (D) 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 REF_i) 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:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{REF_i \times n_i}{Y} \right) - 1 \right] \times \frac{Y}{d}$$

- (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 Settlement 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(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)(v)(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)(v)(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, "d₀" 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, "d₀" 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 Autocall 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 Event Notes*

This Condition 4C (*Interest – Coupon Notes*) is applicable where Coupon 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 Recovery Event*) below.

If a Coupon Event occurs in relation to any Coupon 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 Amount on the relevant Coupon Payment Date.

The Calculation Agent will cause any Coupon Amount required to be determined by it together with details of the Coupon 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 Event does not occur in relation to a Coupon Valuation Date, then no Coupon Amount under this Condition 4C shall be payable in respect of the Notes on the relevant Coupon 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 Event Notes*) pay, in respect of each Note, an amount in the Settlement Currency per Calculation Amount equivalent to the Coupon Amount on each relevant Coupon Payment Date falling on or after the relevant Lock-In Coupon Valuation Date.

4E. *Coupon Recovery Event*

This Condition 4E (*Coupon Recovery Event*) shall apply if Coupon Recovery Event is specified in the relevant Final Terms as being applicable.

If a Coupon Recovery Event occurs in relation to any Coupon Valuation Date, then (in addition to any Coupon 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 Payment Date.

If a Coupon Recovery Event does not occur in relation to a Coupon Valuation Date, then no Outstanding Missed Coupon Amount shall be payable in respect of the Notes on the relevant Coupon 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 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 Event 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 Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Amount (including such Coupon 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 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 Amount" and/or "Outstanding Missed Coupon Amount" is payable in accordance with the relevant Condition, the quantum of any Coupon Amount (including such Coupon 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) 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***

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:

$$100\% + \text{Min}[\text{Cap; Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Strike Level but a Barrier Event has not occurred, 100%; or
 - I if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Final Performance.
 - b. If Booster with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(ii) *Airbag with Barrier Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold and Barrier Event has not occurred, the result of the following formula:

$$\text{Max}\{\text{Conditional Protection; } 100\% + \text{Min}[\text{Cap; Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\}$$

- (B) if the Final Performance is greater than or equal to the Return Threshold and a Barrier Event has occurred, the result of the following formula:
 - $$100\% + \text{Min}[\text{Cap; Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$
 - I if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection; or
 - (D) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

- b. If Airbag with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of,

the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(iii) *Barrier Redemption*

(x) ***unless "European" is specified as the applicable Barrier Observation Method in the relevant Final Terms***

a. Subject to limb b below, if Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, then 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 Final Performance is greater than or equal to the Strike Level, 100%; or

(B) if the Final Performance is less than the Strike Level but a Barrier Event has not occurred, 100%; or

I if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Final Performance.

b. If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(y) ***if "European" is specified as the applicable Barrier Observation Method in the relevant Final Terms:***

a. Subject to limb b below, if Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, then 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 a Barrier Event has not occurred, 100%; or

(B) if a Barrier Event has occurred, the Final Performance

b. If Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(iv) *Digital with Barrier Redemption*

a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, $100\% + \text{Digital Rate}$
 - (B) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection;
or
 - I if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

- b. If Digital with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(v) *Digital Growth with Barrier Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, the result of the following formula:
$$100\% + \text{Max}\{\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]\}$$
 - (B) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection;
or
 - I if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

- a. If Digital Growth with Barrier Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(vi) *Protected Growth Redemption*

If Protected Growth 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 Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - \text{Call Strike})]$$

- (B) if the Final Performance is less than the Call Strike, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$

(vii) *Protected Knock-Out Growth Redemption*

If Protected Knock-Out Growth 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 Final Performance is greater than or equal to the Call Strike and an Upper Barrier Event has not occurred, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - \text{Call Strike})]$$

- (B) if the Final Performance is less than the Call Strike and an Upper Barrier Event has not occurred, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Final Performance} - \text{Put Strike})]$$

- I if an Upper Barrier Event has occurred, Protection Level + Digital Rate.

(viii) *Protected Bear Redemption*

If Protected Bear 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 Final Performance is less than or equal to the Put Strike, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Put Strike} - \text{Final Performance})]$$

- (B) if the Final Performance is greater than the Put Strike, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Call Strike} - \text{Final Performance})]$$

(ix) *Protected Knock-Out Bear Redemption*

If Protected Knock-Out Bear 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 Final Performance is less than or equal to the Put Strike and a Barrier Event has not occurred, the result of the following formula:

$$100\% + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$

- (B) if the Final Performance is greater than the Put Strike and a Barrier Event has not occurred, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{Min}(0; \text{Call Strike} - \text{Final Performance})]$$

- I if a Barrier Event has occurred, Protection Level + Digital Rate.

(x) *Partial Protection Redemption*

If 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 Final Performance is greater than or equal to the Put Strike, 100%; or
 - (B) if the Final Performance is less than the Put Strike, the result of the following formula:

$$\text{Max}[\text{Protection Level}; \text{Final Performance}]$$

(xi) *Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Strike Level, 100%; or
 - (B) if the Final Performance is less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(xii) *Booster Redemption*

- a. Subject to limb b below, if Booster 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:

$$100\% + \text{Min}[\text{Cap; Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Booster Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(xiii) *Booster with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$100\% + \text{Min}[\text{Cap; Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Call Strike but greater than or equal to the Strike Level, 100%; or

- I if the Final Performance is less than the Call Strike and less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Booster with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Call Strike and less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(xiv) *Digital with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, $100\% + \text{Digital Rate}$;
 - (B) if the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, 100% ; or
 - I if the Final Performance is less than the Return Threshold and less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Digital with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(xv) *Digital Growth with Buffer Redemption*

- a. Subject to limb b below, 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 Final Performance is greater than or equal to the Return Threshold, the result of the following formula:
 $100\% + \text{Max}\{\text{Digital Rate}; \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}(0; \text{Final Performance} - 100\%)]\}$
 - (B) if the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, 100% ; or
 - I if the Final Performance is less than the Return Threshold and less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

- b. If Digital Growth with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Return Threshold and less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(xvi) *Protected Step-Down Growth Redemption*

If Protected Step-Down Growth 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 Per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
 - (A) if the Final Performance is greater than or equal to the Call Strike, the result of the following formula:

$$\text{Protection Level} + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Final Performance} - \text{Call Strike}]]$$

- (B) if the Final Performance is less than the Call Strike, the Protection Level.

(xvii) *Protected Step-Down Bear Redemption*

If Protected Step-Down Bear 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 Per Calculation Amount equal to the product of:

- (1) the Calculation Amount; and
- (2) either:
 - (A) if the Final Performance is less than or equal to the Put Strike, the result of the following formula:

$$\text{Protection Level} + \text{Min}[\text{Cap}; \text{Participation} \times \text{Max}[0; \text{Put Strike} - \text{Final Performance}]]$$

- (B) if the Final Performance is greater than the Put Strike, the Protection Level.

(xviii) *Straddle with Barrier Redemption*

If Straddle 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 a Barrier Event has not occurred, the result of the following formula:

$$100\% + \text{Downside Participation} \times \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

- (B) if a Barrier Event has occurred, the result of the following formula:

$$100\% - \text{Max}(0; 100\% - \text{Final Performance}) + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

(xix) *Straddle with Buffer Redemption*

- a. Subject to limb b below, if Straddle 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 Final Performance is greater than or equal to the Strike Level, the result of the following formula:

$$100\% + \text{Downside Participation} \times \text{Max}[0; 100\% - \text{Final Performance}] + \text{Min}[\text{Cap}; \text{Upside Participation} \times \text{Max}[0; \text{Final Performance} - 100\%]]$$

(B) if the Final Performance is less than the Strike Level, the result of the following formula:

$$\text{Final Performance} / \text{Strike Level}$$

b. If Straddle with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms and Physical Delivery is specified as being applicable, then if the Final Performance is less than the Strike Level, the Issuer shall discharge its obligation to redeem the Notes by delivering, or procuring the delivery of, the Securities Entitlement calculated in accordance with Condition 7(g) (*Payments – Physical Delivery*).

(xx) *Protected Knock-Out Straddle Redemption*

If Protected Knock-Out Straddle 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 neither an Upper Barrier Event nor a Barrier Event have occurred, the result of the following formula:

$$\text{Max}[\text{Protection Level}; 100\% + \text{ABS}(\text{Final Performance} - 100\%)]$$

(B) if either an Upper Barrier Event and/or a Barrier Event has occurred, the Protection Level plus the Digital Rate (if any).

(xxi) *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 Rate.

(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) 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).

(e) ***Autocall Event***

This Condition 5(e) applies only where Autocall Event is specified as being applicable in the relevant Final Terms.

If an Autocall Event occurs in relation to any Autocall Valuation Date, then unless previously redeemed or purchased and cancelled, the Notes will be automatically redeemed in whole, but not in part, on the corresponding Autocall 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 Autocall 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). 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 – Autocall Event*), 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.

(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 – Autocall Event*), 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) 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 7(f) 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)(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.

(g) ***Physical Delivery***

In relation to Equity-Linked Notes which are to be redeemed by the delivery of a Securities Transfer Amount, and subject to the other provisions of these Conditions and the relevant Final Terms:

(i)

- (A) Each Noteholder shall, on or before the date five calendar days before the Maturity Date (or such earlier date as the Issuer shall determine is necessary for the Issuer, the Paying Agents, the relevant Clearing System to perform their respective obligations in relation to the Notes and notify to the Paying Agents and the Noteholders) send to the relevant Clearing System, in accordance with its then applicable operating procedures, and copied to the Principal Paying Agent, a duly completed Transfer Notice.
- (B) A Transfer Notice, once delivered to the relevant Clearing System, shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not transfer any Note which is the subject of a Transfer Notice following delivery of such Transfer Notice to the relevant Clearing System. A Transfer Notice shall only be valid to the extent that the relevant Clearing System have not received conflicting prior instructions in respect of the Notes which are the subject of the Transfer Notice.
- (C) Failure properly to complete and deliver a Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided shall be made by the Principal Paying Agent and shall be conclusive and binding on the Issuer and the Noteholder.
- (D) The Principal Paying Agent shall promptly on the local banking day following receipt of a Transfer Notice send a copy thereof to the Issuer or such person as the Issuer may previously have specified.
- (E) Delivery of the Relevant Securities will be via the relevant Clearing System. The delivery or transfer of Relevant Securities to each Noteholder is at the relevant Noteholder's risk and if delivery occurs later than the earliest possible date for delivery, no additional amounts will be payable by the Issuer.
- (F) The Issuer shall discharge its obligation to redeem each Note by
 - (1) delivering, or procuring the delivery of, the Securities Transfer Amount to the Clearing System for credit to the account with the Clearing System specified in the Transfer Notice on the Settlement Date (or, if the Settlement Date falls less than one Settlement Cycle after date of receipt of a properly completed Transfer Notice in respect of any Note, with respect to such Note, the date falling one Settlement Cycle after receipt of a properly completed Transfer Notice); and
 - (2) paying an amount equal to the Residual Cash Amount to the relevant Noteholder on the Settlement Date.
- (G) The amount of Relevant Securities to be delivered to or for the account of each Noteholder shall be an amount determined by the Calculation Agent as being equal to the Securities Transfer Amount multiplied by the number of Notes in respect of which such Noteholder is the holder as specified in the relevant Transfer Notice **provided, however, that** if a Noteholder would become entitled to a number of Relevant Securities which is not equal to a board lot of the Relevant Securities at such time, as determined by the Calculation Agent,

or an integral multiple thereof, then the Noteholder's entitlement to delivery of Relevant Securities shall be rounded down to the nearest whole board lot.

- (H) The amount payable to each Noteholder shall be an amount determined by the Calculation Agent equal to the Residual Cash Amount (as determined by the Calculation Agent) multiplied by the number of Notes in respect of which such Noteholder is the holder as specified in the relevant Transfer Notice on the Settlement Date.
- (I) Each Noteholder shall be required as a condition of its entitlement to delivery of Relevant Securities in respect of any Notes to pay all Transfer Expenses in respect of such Notes.
- (J) After delivery to or for the account of a Noteholder of the Securities Transfer Amount and for such period of time as the transferor or its agent or nominee shall continue to be registered in any clearing system as the owner of the Relevant Securities comprised in such Securities Transfer Amount (the "**Intervening Period**"), none of such transferor or any agent or nominee for the Issuer or such transferor shall (i) be under any obligation to deliver to such Noteholder or any other person any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or such transferor, agent or nominee in its capacity as holder of such Relevant Securities, (ii) be under any obligation to exercise any rights (including voting rights) attaching to such Relevant Securities during the Intervening Period, or (iii) be under any liability to such Noteholder or any other person in respect of any loss or damage which the Noteholder or any other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or such transferor, agent or nominee being registered in such clearing system during such Intervening Period as legal owner of such Relevant Securities.
- (K) All dividends on Relevant Securities to be delivered will be payable to the party that would receive such dividends according to market practice for a sale of the Relevant Securities executed on the Notional Sale Date to be delivered in the same manner as such Relevant Securities. Any such dividends will be paid to or for credit to the account specified by the Noteholder in the relevant Transfer Notice. No right to dividends on the Relevant Securities will accrue to Noteholders prior to the Notional Sale Date.
- (L) If a properly completed Transfer Notice in respect of any Notes has not been received by the relevant Clearing System by the 10th Business Day following the Maturity Date (the "**Transfer Notice Cut-off Date**"), then:
 - (1) the Issuer shall be entitled (but not required) to redeem the relevant Notes by payment of an amount equal to the Net Liquidation Proceeds (as defined below);
 - (2) the Issuer shall be entitled (but not required) to treat any Transfer Notice in relation to such Notes received after the Transfer Notice Cut-off Date as being null and void, and any such determination shall be binding on the Noteholder; and
 - (3) if the Issuer elects to redeem the relevant Notes pursuant to subparagraph (1) above, then the Issuer shall pay the Net Liquidation Proceeds in respect of such Notes to the Noteholder no later than 10 Business Days after the Transfer Notice Cut-Off Date.

For these purposes "**Net Liquidation Proceeds**" means a cash amount per Note equal to (i) the proceeds received by the Issuer or any of its affiliates from the disposal of the Securities Transfer Amount relating to such Note, net of all costs, expenses, fees and levies incurred by it or any of its affiliates in connection with such disposal (including, without limitation, all brokers' fees,

transaction processing fees and all taxes and other duties) provided that if any such amount is denominated in a currency other than the Settlement Currency, then the Calculation Agent shall convert the value of such amount into the Settlement Currency using the Currency Pair Fixing Rate. For the avoidance of doubt, in the event that the Issuer elects to redeem any Note by payment of the Net Liquidation Proceeds, the Noteholder will not be entitled to any amounts in addition to the relevant Net Liquidation Proceeds, whether in respect of interest or otherwise (other than the Residual Cash Amount calculated and payable in accordance with the foregoing provisions).

- (ii) The Calculation Agent shall determine whether or not at any time a Settlement Disruption Event has occurred in relation to any Relevant Securities and where it determines such an event has occurred and so has prevented delivery of such Relevant Securities on the original day that but for such Settlement Disruption Event would have been the Settlement Date for such Relevant Securities, then the Settlement Date for such Relevant Securities will be the first succeeding day on which delivery of such Relevant Securities can take place through the relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the eight relevant Clearing System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case, if the Relevant Securities are debt securities, the Issuer shall use reasonable efforts to deliver such Relevant Securities promptly thereafter acting in good faith and in a commercially reasonable manner (as determined by the Calculation Agent) outside the Clearing System and in all other cases (a) if such Relevant Securities can be delivered in any other commercially reasonable manner (as determined by the Calculation Agent), then the Settlement Date will be the first Business Day on which settlement of a sale of Relevant Securities executed on that eighth relevant Clearing System Business Day customarily would take place using such other commercially reasonable manner (as determined by the Calculation Agent) of delivery (which other manner of delivery will be deemed the relevant Clearing System for the purposes of delivery of the Relevant Securities), and (b) if such Relevant Securities cannot be delivered in any other commercially reasonable manner (as determined by the Calculation Agent), then the Settlement Date will be postponed until delivery can be effected through the relevant Clearing System or in any other commercially reasonable manner; **provided, however, that**, in all cases (whether or not the Relevant Securities are debt securities) and notwithstanding any other provision hereof, the Issuer may at any time and so long as the Settlement Disruption Event is continuing elect if it considers 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, by giving notice to the Noteholders in accordance with Condition 11 (*Notices*), to satisfy its obligations in respect of the relevant Notes by payment by the Issuer (or any person (including any of its affiliates) as it may procure to make the relevant payment on its behalf) to the relevant Noteholders of the Disruption Cash Settlement Price on the Disruption Cash Settlement Date in lieu of physical delivery.

"Disruption Cash Settlement Date" means the fifth Business Day following the date of the notice of the relevant election to pay the Disruption Cash Settlement Price or such other date as may be specified in such notice.

"Disruption Cash Settlement Price" means, in relation to any Note which is to be redeemed on the Disruption Cash Settlement Date, the Early Redemption Amount of such Notes.

- (iii) If the Calculation Agent determines that a Delivery Disruption Event has occurred, it shall notify the Issuer who shall promptly notify the relevant Noteholder(s) and the Issuer may then:
- (A) determine, in its sole and absolute discretion, a new Settlement Date such date being no later than the earlier of (i) the Scheduled Trading Day immediately following the day on which the Delivery Disruption Event has ceased to exist and (ii) the eighth Scheduled Trading Day falling after the original Settlement

Date, provided, in each case such day is a Clearing System Business Day (or, if not, the Scheduled Trading Day that is a Clearing System Business Day immediately following such day);

- (B) determine (either upon the occurrence of a Delivery Disruption Event or, if no new Settlement Date was determined prior to the eighth Scheduled Trading Day falling after the original Settlement Date pursuant to paragraph (A) above, upon such eighth Scheduled Trading Date (the "**Postponed Determination Date**"), in its sole and absolute discretion, that the obligation to deliver the relevant Securities Transfer Amount will be terminated and the Issuer will pay such amount as in the opinion of the Calculation Agent (such opinion to be made acting in good faith and in a commercially reasonable manner) is fair (i) by reference to the spot price on an Exchange for such Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above), or if no such spot price is available (or if the Calculation Agent acting in good faith and in a commercially reasonable manner determines that such spot price materially differs from the price that would be obtained in a liquid and well-functioning market), (ii) as determined by the Calculation Agent to be the arithmetic mean of the price quoted for such Relevant Securities by investment banks appointed by the Calculation Agent that are acting in the market for the Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above) or (iii) if less than two such quotations are received, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, in each case by way of compensation for the non-delivery of the Securities Transfer Amount, in which event the entitlements of the respective Noteholder(s) to receive the relevant Securities Transfer Amount shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount; or
- (C) deliver on the Settlement Date (as may have been postponed pursuant to paragraph (A) above) such amount of the Securities Transfer Amount (if any) as it can deliver on that date and the Issuer will pay such amount as in the opinion of the Calculation Agent (such opinion to be made acting in good faith and in a commercially reasonable manner) is fair (i) by reference to the spot price on an Exchange for such Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above), or if no such spot price is available, (or if the Calculation Agent acting in good faith and in a commercially reasonable manner determines that such spot price materially differs from the price that would be obtained in a liquid and well-functioning market) (ii) as determined by the Calculation Agent to be the arithmetic mean of the price quoted for such Relevant Securities by investment banks appointed by the Calculation Agent that are acting in the market for the Relevant Securities on the date of the Delivery Disruption Event (or the Postponed Determination Date, if the Issuer has first elected to apply paragraph (A) above) or (iii) if less than two such quotations are received, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, in each case by way of compensation for the non-delivery of the remainder of the Securities Transfer Amount, in which event the entitlements of the respective Noteholder(s) to receive the relevant Securities Transfer Amount shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount.

Where this Condition 7(g)(iii) fails to be applied, insofar as the Calculation Agent determines to be practical, the same shall be applied as between the Noteholders on a *pro rata* basis, but subject to such rounding down (whether of the amount of a payment or of a number of Relevant Securities to be delivered) and also to such other adjustments as the Calculation Agent determines to be appropriate to give practical effect to such provisions.

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)) 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 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 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 (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 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, 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 (as applicable), notwithstanding the fact that such day may be a Disrupted Day.
- (b) In the event that 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, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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:
 - (x) other than in respect of a Proprietary Index-Linked Note, 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
- (y) in respect of a Proprietary Index-Linked Note only, by reference to such level or values as the Calculation Agent determines to be its good faith estimate of the level or value as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and
 - (2) in respect of an Equity-Linked Note, the Limit Valuation Date shall be deemed to be the Valuation Date, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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, Decrement Observation 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 respect of (i) an Index (other than a Proprietary Index), 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 (ii) in respect of a Proprietary Index, by reference to such level or values as the Calculation Agent determines to be its good faith estimate of the level or value as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and
- (C) in the case of a Note which relates to a Securities Basket, the Valuation Date, Decrement Observation 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 the Scheduled Observation Date (as applicable), and the Valuation Date, Decrement Observation 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, Decrement Observation 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 Closing Value, Reference Value, Final Redemption Amount, Coupon Amount or Autocall 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 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 postponed Decrement 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 postponed Decrement 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 Observation Date, the latest postponed Valuation Date or postponed Observation Date or postponed Decrement Observation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation Date or Scheduled 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 16(a) (*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, Decrement 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, Decrement 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

I 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 Reference Value or Closing Value required to be determined with respect to such Valuation Date, Observation Date, Decrement Observation Date or Averaging Date using, in lieu of a published level of that Index, the Reference Value or Closing Value required to be determined with respect to such Valuation Date, Observation Date, Decrement 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 **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.

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**") 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.
- (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**

- (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 27 June 2024 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 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 [Alternative French Law Conditions] will not apply to the Notes.]

[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 2024 Prospectus Expiry Date (as defined below), the Final Terms must be read in conjunction with the Base Prospectus dated 27 June 2024 relating to Notes issued under the above Programme, which together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 but before the 2024 Prospectus Expiry Date constitutes a base prospectus (the "**2024 Prospectus**") for the purposes of the EU Prospectus Regulation. The 2024 Prospectus shall expire on [•] 2025 (the "**2024 Prospectus Expiry Date**").

Following the 2024 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 2024 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 "**2025 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 2024 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] / [28 June 2023]] which are incorporated by reference in the Base Prospectus dated 27 June 2024 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 27 June 2024 together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 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] / [HSBC Continental Europe, 38, avenue Kléber, 75116, Paris, France and 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 2024 Prospectus Expiry Date, the 2024 Prospectus, and (ii) from but excluding the 2024 Prospectus Expiry Date, the 2025 Prospectus. The 2024 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] [HSBC Continental Europe, 38, avenue Kléber, 75116, Paris, France and www.about.hsbc.fr/investor-relations/debt-issuance]. The 2025 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] [HSBC Continental Europe, 38, avenue Kléber, 75116, Paris, France and 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 "**Original Issue**") 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): []
[In respect of French Law Notes, there should be one denomination only]
(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]

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: [Fixed Rate Note provisions are Applicable. See paragraph 11 for further details.]
- [Fixed Coupon Amount provisions are Applicable. See paragraph 11 for further details.]
- [Floating Rate Notes provisions are Applicable. See paragraph 12 for further details.]
- [Coupon Event is Applicable. See Paragraph 13 for further details.]
- [Coupon 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 Event Notes*)] [4D (*Lock-In Coupon Event*)] [4E (*Coupon 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 Payment Date][Lock-In Coupon Payment Date] *[specify dates]*
- | Interest Payment Date(s) | |
|--------------------------|--|
| [] | |
- (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]

		<table><tr><th>[Interest Payment Date]</th><th>[Rate of Interest]</th></tr><tr><td>[•]</td><td>[•]</td></tr></table>	[Interest Payment Date]	[Rate of Interest]	[•]	[•]
[Interest Payment Date]	[Rate of Interest]					
[•]	[•]					
(vii)	Interest Step-down:	[Applicable] [Not Applicable]				
		<table><tr><th>[Interest Payment Date]</th><th>[Rate of Interest]</th></tr><tr><td>[•]</td><td>[•]</td></tr></table>	[Interest Payment Date]	[Rate of Interest]	[•]	[•]
[Interest Payment Date]	[Rate of Interest]					
[•]	[•]					
(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 (<i>Coupon Event Notes</i>)] [4D (<i>Lock-In Coupon Event Notes</i>)] [4E (<i>Coupon Recovery Event</i>)] 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 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 (<i>Condition 4B(c)</i>):	[Applicable] [Not Applicable]				
(1)	Reference Rate:	[[•] month] [BBR] [EURIBOR]				
(2)	Interest Determination Date:	[]				
(3)	Relevant Screen Page:	[]				
(4)	Alternative Pre-nominated Index:	[] [<i>specify Alternative Pre-nominated Index details</i>] [Not Applicable]				
(5)	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] []				

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (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) (*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]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- 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]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- 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]
- (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]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (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 Maturity Date or redemption date (as applicable) of the Notes. – include if Payment Delay is specified][Not Applicable]
- (11) Alternative Pre-nominated Index: [] [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 Event: [Applicable] [Not Applicable]
- (i) Coupon 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 Valuation Date(s)]	[Coupon Level(s)]	[Coupon Payment Date(s)]	[Coupon Rate(s)]
[]	[]	[]	[] [Not Applicable]

- (ii) Reference Value (in respect of each Coupon Valuation Date): [Single Observation][Highest Value] [Lowest Value] [Average Value] [Decrement Observation]

[If Highest/Lowest is specified] [Performance Observation Period applies]

[Coupon Valuation Date(s)]	[Coupon Observation Start Date]	[Coupon Observation End Date]
[]	[]	[]

[Coupon Valuation Date(s)]	Observation Dates
[]	[]

[Averaging Dates: [Averaging Period applies][Not Applicable]

[If Averaging Dates are specified]

[Coupon Valuation Date(s)]	[Averaging Dates]
[]	[]

[Averaging Period: [Not Applicable]

[If Averaging Period is specified]

[Coupon Valuation Date(s)]	[Coupon Averaging Start Date]	[Coupon Averaging End Date]
[]	[]	[]

Averaging Date Market Disruption in respect of Coupon Averaging Dates: [] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

Business Day Convention with respect to 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]

(iii) Coupon Recovery Event: [Applicable] [Not Applicable]

[Coupon Valuation Date(s)]	[Coupon Recovery Level]
[]	[]

(iv) Lock-In Coupon Event: [Applicable] [Not Applicable]

[Lock-In Coupon Valuation Date(s)]	[Lock-In Coupon Level]
[]	[]

(v) Reference Value (in respect of each Lock-In Coupon Valuation Date): [Single Observation] [Highest Value] [Lowest Value] [Average Value] [Decrement Observation]

[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]
[]	[]

[Averaging Dates: [Averaging Period applies] [Not Applicable]

[If Averaging is specified]

[Lock-In Coupon Valuation Date(s)]	[Averaging Dates]
[]	[]

[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]
[]	[]	[]

Averaging Date Market Disruption in respect of Lock-In Coupon Averaging Dates: [] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

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]

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] [Protected Growth Redemption] [Protected Knock-Out Growth Redemption] [Protected Bear Redemption] [Protected Knock-Out Bear Redemption] [Partial Protection Redemption] [Buffer Redemption] [Booster Redemption] [Booster with Buffer Redemption] [Digital with Buffer Redemption] [Digital Growth with Buffer Redemption] [Protected Step-Down Growth Redemption] [Protected Step-Down Bear Redemption] [Straddle with Barrier Redemption] [Straddle with Buffer Redemption] [Protected Knock-Out Straddle Redemption] [- In addition, Lock-In Redemption Event is applicable with respect to the 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 Valuation Date: []
- [Reference Value (in respect of the Final Valuation Date):] [Single Observation][Highest Value][Lowest Value][Average Value] [Decrement Observation]
- [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 Event: [Applicable – a Barrier Event occurs if the [Final Performance][Reference Performance] is **[less than]****[less than or equal to]** the Barrier Level]] [Not Applicable]
- Barrier Level: []

Part II – Information Relating to the Notes

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

Upper Barrier Event: [Applicable – an Upper Barrier Event occurs if the [Final Performance][Reference Performance] is **[greater than][greater than or equal to]** the Upper Barrier Level]][Not Applicable]

Upper Barrier Level: []

Barrier Observation Method: [European][Bermudan][Daily][American]

[Barrier Valuation Date(s)]
[]

[Reference Value (in respect of each Barrier Valuation Date)]: [Single Observation] [Highest Value] [Lowest Value] [Average Value] [Intraday Observation] [Decrement Observation]

[If Highest/Lowest is specified] [Performance Observation Period applies]

[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 [] [Omission] [Postponement] [Modified Postponement]
Disruption in respect of Barrier [Not Applicable]
Averaging Dates:

(iii) Lock-In Redemption Event: [Applicable][Not Applicable]

[Lock-In Redemption Valuation Date(s)]	[Lock-In Redemption Level]	[Lock-In Redemption Rate]
[]	[]	[]

[Reference Value]: [Single Observation][Highest Value][Lowest Value][Average Value] [Decrement Observation]

[If Highest/Lowest is specified] [Performance Observation Period applies]

[Lock-In Redemption Valuation Date(s)]	[Lock-In Redemption Observation Start Date]	[Lock-In Redemption Observation End Date]
[]	[]	[]

[Lock-In Redemption Valuation Date(s)]	[Observation Dates]
[]	[]

[Averaging Dates: [Averaging Period applies][Not Applicable]

[If Averaging Dates are specified]

[Lock-In Redemption Valuation Date(s)]	[Averaging Dates]
[]	[]

[Averaging Period: [Not Applicable]

[If Averaging Period is specified]

[Lock-In Redemption Valuation Date(s)]	[Lock-In Redemption Averaging Start Date]	[Lock-In Redemption Averaging End Date]
[]	[]	[]

Averaging Date Market [] [Omission] [Postponement] [Modified Postponement]
Disruption in respect of Lock-In [Not Applicable]
Redemption Averaging Dates:

- (iv) Return Threshold: [[100][] per cent.] [Not Applicable]
- (v) Digital Rate: [[] per cent.] [Not Applicable]
- (vi) Strike Level: [[100][] per cent.] [Not Applicable]
- (vii) Call Strike: [[] per cent.] [Not Applicable]
- (viii) Put Strike: [[] per cent.] [Not Applicable]
- (ix) Cap: [[] per cent.] [Unlimited][Not Applicable]
- (x) Participation: [[100][] per cent.] [Not Applicable]
- (xi) Upside Participation: [[100][] per cent.] [Not Applicable]
- (xii) Downside Participation: [[100][] per cent.] [Not Applicable]
- (xiii) Protection Level: [[] per cent.] [Not Applicable]
- (xiv) Conditional Protection: [[] per cent.] [Not Applicable]
- (xv) Fixed Amount Redemption Rate: [[] per cent.] [Not Applicable]
- (xvi) Physical Delivery: [Applicable] [Not Applicable]
- (i) [Settlement Date]: [] [As per Condition 1]

16. Early Redemption:

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (i) Early Redemption Amount [[] per cent. of the Calculation Amount] [Fair Market Value] [Not Applicable]
(upon redemption for taxation reasons or illegality):

(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. Autocall Event: [Applicable] [Not Applicable]

[Autocall Valuation Date(s)]	[Autocall Level(s)]	[Autocall Redemption Date(s)]	[Autocall Rate(s)]
[]	[]	[]	[]

Daily Autocall Observation: [Applicable] [Not Applicable]

[Autocall Valuation Period Start Date]	[Autocall Level]	[Autocall Annual Rate]	[Day Count Divisor]	[Specified Number of Settlement Days]
[]	[In respect of each Autocall]	[[] per cent.]	[360][365][]	[Tenth][Fifth][] [Business Day][The

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

	Valuation Date, []			definition in Condition 1 applies]
(i)	[Reference Value (in respect of each Autocall Valuation Date)]:	[Single Value][Average Value]	[Observation][Highest Value][Lowest Decrement Observation]	

[If Highest/Lowest is specified] [Performance Observation Period applies]

[Autocall Valuation Date(s)]	[Autocall Observation Start Date]	[Autocall Observation End Date]
[]	[]	[]

[Autocall Valuation Date(s)]	[Observation Dates]
[]	[]

[Averaging Dates: [Averaging Period applies] [Not Applicable]

*[If Averaging Dates are
specified]*

[Autocall Valuation Date(s)]	[Averaging Dates]
[]	[]

[Averaging Period: [Not Applicable]

*[If Averaging Period is
specified]*

[Autocall Valuation Date(s)]	[Autocall Averaging Start Date]	[Autocall Averaging End Date]
[]	[]	[]

[Averaging Date Market Disruption in
respect of Autocall Averaging Dates: [] [Omission] [Postponement] [Modified Postponement]
[Not Applicable]]

[Business Day Convention with respect
to Autocall 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 [Applicable] [Not Applicable]
(Call Option)

(i) [Optional Redemption Date(s)] [] [Each date specified as such below.]]
(Call Option):

[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]]

(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]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (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:)*
- [Article L.228-2 option:] [Excluded] *[Delete this item, unless the option available to the Issuer under Article L.228-2 of the French Code de commerce is intended to be excluded (as described in Condition 2)]*
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]
- (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]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

(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]/[Not Applicable] *(delete paragraph in case of English Law Notes)*
- [Issue outside of France: Not Applicable] *(delete if denominations are equal to or greater than €100,000 (or its equivalent in any other currency) or, in the event that denominations are less than €100,000 (or its equivalent in any other currency), if the issue can be considered made outside of France)*
- (i) Representative: [[•] *(specify name and address)*] / [As long as the Notes 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 Conditions. 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. A Representative shall be appointed when the Notes are held by more than one Noteholder]
- [(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: []

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- 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]
 - 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]
- (v) Currency Pair Provisions: [Applicable] [Not Applicable] (*applicable if either Adjusted Value provisions or Physical Delivery apply*)
- [Reference Currency]: [] [As per the table below][As per Condition 1]
 - [Reference Currency Jurisdiction]: [] [As per the table below][As per Condition 1]

- [Currency Pair Fixing Time] [] [As per the table below][As per Condition 1]
- [Currency Pair Fixing Page] [] [As per the table below][As per Condition 1]

[Security]	[Reference Currency]	[Reference Currency Jurisdiction]	[Currency Pair Fixing Time]	[Currency Pair Fixing Page]
[]	[] [As per Condition 1]	[] [As per Condition 1]	[] [As per Condition 1]	[] [As per Condition 1]

26. Redenomination: [Applicable] [Not Applicable]
27. Provisions relating to the underlying Ind[ex] [ices]: [Applicable] [Not Applicable]
- (i) [Index][Basket]: [] [Not Applicable] [Each of the Indices specified in the table below (each, an "**Index**" and together, the "**Indices**")][The Index is a Proprietary Index][*specify relevant Indices in a basket*] are Proprietary Indices]¹
- (ii) Reference Performance: [Single Underlying] [Worst of Basket][Best of Basket][Weighted Basket][Not Applicable]
- (iii) Weighting: [Equally weighted basket][As per the table below][Not Applicable – [Worst of Basket][Best of Basket] applies] [Not Applicable]
- (iv) Index Sponsor(s): [] [As per the table below][The definition in Condition 1 applies]
- (v) Index Rules: []
- (vi) Exchange(s): [] [The Index is a Multiple Exchange Index] [As per the table below] [Not Applicable (the Index is a Proprietary Index)]
- (vii) Related Exchange(s): [] [All Exchanges] [As per the table below] [Not Applicable (the Index is a Proprietary Index)]
- (viii) Initial Value: [] [The Reference Value with respect to [the][each] Index determined with respect to the Strike Date][As per the table below]
- [Strike Date:] []
- [Reference Value (in respect of the Strike Date):] [Single Observation][Highest Value][Lowest Value][Average Value]
- [If Highest/Lowest Level is specified]*
- [Observation Dates: [] [Not Applicable][Performance Observation Period applies]]

¹ Proprietary Indices to be used in circumstances where either (i) the administrator of the relevant Proprietary Index is included in the public register maintained by the European Securities and Markets Authority under Article 36 of Regulation (EU) 2016/1011 (as amended), or (ii) the second paragraph of item 7 (*Information about the Underlying*) in Part B hereof is included.

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

[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 [] [Omission] [Postponement] [Modified Postponement]
Disruption in respect of Strike [Not Applicable]]
Averaging Dates:

(ix) Alternative Pre-nominated Index: [Applicable] [Not Applicable] [As per the table below]

[Index]	[Bloomberg Ticker]	[Alternative Pre-nominated Index]	[Index Rules]	[Index Sponsor]	[Exchanges]	[Related Exchanges]	[Initial Value]	[Weighting]
[]	[]	[]	[]	[]	[] [The Index is a Multiple Exchange Index] [Not applicable (the Index is a Proprietary Index)]	[] [All Exchanges] [Not applicable (the Index is a Proprietary Index)]	[]	[]

(x) Additional Disruption Event: [The following Additional Disruption Events apply: [Change in Law][Hedging Disruption][Increased Cost of Hedging][Failure to Deliver]] [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] []

(xiii) Adjusted Value provisions: [Applicable in relation to each Valuation Date in respect of which "Decrement Observation" is specified as the applicable Reference Value] [Not Applicable]

[Adjustment Method:] [Adjustment in Points] [Adjustment in Percentage]

[Contractual Dividend (CD):] [] [As per the table below]

(if "Adjustment in Points" is specified as the applicable Adjustment Method, the Contractual Dividend should be expressed as a number of index points)

(if "Adjustment in Percentage" is specified as the applicable Adjustment Method, the Contractual Dividend should be expressed as a percentage)

[Day Count Divisor:] [360] [365] [] [As per the table below]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

	[Index]	[Contractual Dividend]	[Day Count Divisor]
	[]	[]	[360] [365] []
28.	Provisions relating to the underlying [Applicable] [Not Applicable] Securit[y][ies]:		
(i)	[Security][Basket]:	[The Security (the " Security ") is: [[] (ISIN:[])] / [Depository Receipts of []] / [Units of an ETF, where the ETF is [name of ETF]]	
		[Each of the securities specified in the table below (each a " Security " and together the " Securities ").]	
		[" 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 [].]	
(ii)	Reference Performance:	[Single Underlying][Worst of Basket][Best of Basket][Weighted Basket][Not Applicable]	
(iii)	Weighting:	[Equally weighted basket][As per the table below][Not Applicable – [Worst of Basket][Best of Basket] applies][Not Applicable]	
(iv)	[Underlying Company(ies):	[] [and with respect to the Underlying Securities []] [The ETF] [As per the table below]]	
(v)	[Initial Value]:	[] [The Reference Value with respect to [the][each] Security determined with respect to the Strike Date][As per the table below.]	
	[Strike Date:]	[]	
	[Reference Value (in respect of the Strike Date)]:	[Single Observation][Highest Value][Lowest Value][Average Value]	
	[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]]	
(vi)	Exchange(s):	[] [As per the table below]	
(vii)	Related Exchange(s):	[] [All Exchanges] [As per the table below]	

[Security]	[ISIN]	[Underlying Company]	[Exchanges]	[Related Exchanges]	[Initial Value]	[Weighting]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

- (viii) 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) []
- (ix) Extraordinary Event: Condition [18(b) of the English Law Conditions][17(b) of the French Law Conditions] is [Applicable] [Not Applicable]
- (x) 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)
- (xi) Correction of Prices: Condition [18(d) of the English Law Conditions][17(d) of the French Law Conditions] is [Applicable] [Not Applicable]
- (xii) Additional Disruption Event [The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]] [Insolvency Filing] [Not Applicable]
- (xiii) Substitution of Securities: [Applicable] [Not applicable]
- (xiv) Adjusted Value provisions: [Applicable in relation to each Valuation Date in respect of which "Decrement Observation" is specified as the applicable Reference Value] [Not Applicable]
- [Adjustment Method:] [Denominator in Points] [Denominator in Percentage] [Numerator in Percentage] [Numerator in Points]
- [Contractual Dividend (CD):] [] [As per the table below]
- (if "Denominator in Points" or "Numerator in Points" is specified as the applicable Adjustment Method, the Contractual Dividend should be expressed as a currency amount)*
- (if "Denominator in Percentage" or "Numerator in Percentage" is specified as the applicable Adjustment Method, the Contractual Dividend should be expressed as a percentage)*
- [Day Count Divisor:] [360] [365] [] [As per the table below]
- [Re-investment Percentage:] [[100][] per cent.] [As per the table below]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

[Security]	[Contractual Dividend]	[Day Count Divisor]	[Re-Investment Percentage]
[]	[]	[360] [365] []	[[100][] per cent.]

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]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

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.][and][the official list of the Luxembourg stock Exchange *[option available in respect of HBCE only]*]. 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")][and][the regulated market of the Luxembourg Stock Exchange *[option available in respect of HBCE only]*]. 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

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

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 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*].

[The complete set of rules of the [Index][Proprietary Indices comprised in the Index Basket] and information on the performance of the [Index][Proprietary Indices comprised in the Index Basket] are freely accessible on the Issuer's website or on the website of the provider of such [Index][Proprietary Index]: [•]]. The governing rules in respect of the [Index][Proprietary Indices comprised in the Index Basket] (including methodology of the index for the selection and the re-balancing of the components of the index, description of market disruption events and of adjustment rules) are based on predetermined and objective criteria.]

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:

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

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] / [<https://www.about.hsbc.fr/investor-relations/debt-issuance>] in [Republic of Ireland] [Belgium] [France] [Italy][Luxembourg *[option in respect of HBCE only]*][Malta *[option in respect of HBCE only]*] (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: []
(Where the maximum amount of securities to be offered cannot be specified herein, also specify that acceptances of the purchase or subscription of securities may be withdrawn up to two working days after the amount of securities to be offered to the public has been filed)
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]
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 [] [Not Applicable]]

Section II.7 – Form of Final Terms for Notes (General English Law Conditions and French Law Conditions)

rates and description of the main terms of their commitment:

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 AND ALTERNATIVE 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 *["Alternative Terms and Conditions of the English Law Notes"]* *["Terms and Conditions of the French Law Notes"]* in the Base Prospectus dated 27 June 2024 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 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 [Alternative Note General Conditions] will apply to the Notes.]

[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 27 June 2024 relating to Notes issued under the above Programme, which together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 but before the 2024 Prospectus Expiry Date constitutes a base prospectus (the "**2024 Prospectus**") for the purposes of the EU Prospectus Regulation. The 2024 Prospectus shall expire on [•] 2025 (the "**2024 Prospectus Expiry Date**").

Following the 2024 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 2024 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 "**2025 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 2024 Prospectus (the "**Conditions**"). The Conditions shall be

Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)

incorporated by reference into the 2025 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"]* / *["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] / [28 June 2023]]* which are incorporated by reference in the Base Prospectus dated 27 June 2024 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 27 June 2024 together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 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.

[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 2024 Prospectus Expiry Date, the 2024 Prospectus, and (ii) from but excluding the 2024 Prospectus Expiry Date, the 2025 Prospectus. The 2024 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. The 2025 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.]

[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

Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)

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 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 "**Original Issue**") 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. 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 Nominal 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:
- [Fixed Rate Note provisions are Applicable.
See paragraph 12 for further details.]
- [Fixed Coupon Amount provisions are Applicable. See paragraph 12 for further details.]
- [Floating Rate Notes provisions are Applicable. See paragraph 13 for further details.]
- [Coupon Event is Applicable. See Paragraph 14 for further details.]
- [Coupon Recovery Event is Applicable. See Paragraph 14 for further details.]
- [Lock-in Coupon Event is Applicable. See Paragraph 14 for further details.]
- [Not Applicable]
11. Change of interest basis: [Applicable][Not Applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

12. 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]
13. Floating Rate Note provisions: [Applicable] [Not Applicable]

Part II – Information Relating to the Notes

Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)

(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 (<i>Condition</i> [4B(c)]):	[Applicable] [Not Applicable]
(1)	Reference Rate:	[[•] month] [BBR] [EURIBOR]
(2)	Interest Determination Date:	[]
(3)	Relevant Screen Page:	[]
(4)	Alternative Pre-nominated Index:	[] [<i>specify Alternative Pre-nominated Index details</i>] [Not Applicable]
(5)	Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition [13A(b)] (<i>Consequences of a Benchmark Trigger Event</i>):	[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	[3] []

	Payment Date pursuant to Condition [13A(b)] (Consequences of a Benchmark Trigger Event):	
	- 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: [] [<i>specify Alternative Pre-nominated Index details</i>] [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] <i>(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.)</i>
(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]
	(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]

Part II – Information Relating to the Notes

Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)

(2)	Relevant Screen Page	[] [Not applicable] – <i>This is only required if SONIA is the Reference Rate</i>
(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 (<i>Payments</i>)) – <i>use for Payment Delay only</i>]
(5)	Determination Method:	[Compounded Daily Rate][Weighted Average Rate]
(6)	Observation Method:	[Observation Shift][Lag][Lock-Out][Payment Delay]
(7)	Y:	[360 – <i>likely to be specified for USD</i>][365 – <i>likely to be specified for GBP</i>][•]
(8)	"p":	[Specify if Observation Shift or Lag are applicable][Not Applicable]
(9)	ARRC Fallbacks:	[Applicable][Not Applicable] – <i>May be applicable if SOFR is the Reference Rate only</i>
(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. – <i>include if Payment Delay is specified</i>][Not Applicable]
(11)	Alternative Pre-nominated Index:	[] [<i>specify Alternative Pre-nominated Index details</i>] [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]

14. Coupon Event:

[Applicable] [Not Applicable]

- (i) Coupon 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 Valuation Date(s)]	[Coupon Level(s)]	[Coupon Payment Date(s)]	[Coupon Rate(s)]
[]	[]	[]	[] [Not Applicable]

- (ii) Reference Value (in respect of each Coupon Valuation Date): [Single Observation][Highest Value] [Lowest Value] [Average Value] [Decrement Observation]

[If Highest/Lowest is specified]

[Performance Observation Period applies]

[Coupon Valuation Date(s)]	[Coupon Observation Start Date]	[Coupon Observation End Date]
[]	[]	[]

[Coupon Valuation Date(s)]	Observation Dates
[]	[]

[Averaging Dates: [Averaging Period applies][Not Applicable]

[If Averaging Dates are specified]

[Coupon Valuation Date(s)]	[Averaging Dates]
[]	[]

[Averaging Period: [Not Applicable]

[If Averaging Period is specified]

[Coupon Valuation Date(s)]	[Coupon Averaging Start Date]	[Coupon Averaging End Date]
[]	[]	[]

Averaging Date Market Disruption in respect of Coupon Averaging Dates: [] [Omission] [Postponement] [Modified Postponement] [Not Applicable]

Business Day Convention with respect to 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]

- (iii) Coupon Recovery Event: [Applicable] [Not Applicable]

[Coupon Valuation Date(s)]	[Coupon Recovery Level]
[]	[]

- (iv) Lock-In Coupon Event: [Applicable] [Not Applicable]

[Lock-In Coupon Valuation Date(s)]	[Lock-In Coupon Level]
[]	[]

- (v) Reference Value (in respect of each Lock-In Coupon Valuation Date): [Single Observation][Highest Value][Lowest Value][Average Value] [Decrement Observation]

[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]
[]	[]

[Averaging Dates:

[Averaging Period applies] [Not Applicable]

[If Averaging is specified]

[Lock-In Coupon Valuation Date(s)]	[Averaging Dates]
[]	[]

[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]
[]	[]	[]

Averaging Date Market Disruption in respect of Lock-In Coupon Averaging Dates:

[] [Omission] [Postponement]
[Modified Postponement] [Not Applicable]

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

15. 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] [Protected Growth Redemption] [Protected Knock-Out Growth Redemption] [Protected Bear Redemption] [Protected Knock-Out Bear Redemption] [Partial Protection Redemption] [Buffer Redemption] [Booster Redemption] [Booster with Buffer Redemption] [Digital with Buffer Redemption] [Digital Growth with Buffer Redemption] [Protected Step-Down Growth Redemption] [Protected Step-Down Bear Redemption] [Straddle with Barrier Redemption] [Straddle with Buffer Redemption] [Protected Knock-Out Straddle Redemption] [- In addition, Lock-In Redemption Event is applicable with

respect to the Notes, and the provisions of Condition [5(c)] (*Lock-In Redemption*) shall apply.] [Fixed Amount Redemption]

16. Provisions relating to the calculation of the Final Redemption Amount of each Note:

- (i) Final Valuation Date: []
- [Reference Value (in respect of the Final Valuation Date)]: [Single Observation][Highest Value][Lowest Value][Average Value][Decrement Observation]
- [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 Event: [Applicable – a Barrier Event occurs if the [Final Performance][Reference Performance] is **[less than]****[less than or equal to]** the Barrier Level]][Not Applicable]
- Barrier Level: []
- Upper Barrier Event: [Applicable – an Upper Barrier Event occurs if the [Final Performance][Reference Performance] is **[greater than]****[greater than or equal to]** the Upper Barrier Level]][Not Applicable]
- Upper Barrier Level: []
- Barrier Observation Method: [European][Bermudan][Daily][American]

[Barrier Valuation Date(s)]	
[]	

[Reference Value (in respect of each Barrier Valuation Date)]: [Single Observation][Highest Value][Lowest Value][Average Value][Intraday Observation][Decrement Observation]

[If Highest/Lowest is specified]

[Performance Observation Period applies]

[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 [] [Omission] [Postponement]
Barrier Averaging Dates: [Modified Postponement] [Not Applicable]

(iii) Lock-In Redemption Event:

[Applicable][Not Applicable]

[Lock-In Redemption Valuation Date(s)]	[Lock-In Redemption Level]	[Lock-In Redemption Rate]
[]	[]	[]

[Reference Value]:

[Single Observation][Highest Value][Lowest Value][Average Value]
[Decrement Observation]

[If Highest/Lowest is specified]

[Performance Observation Period applies]

[Lock-In Redemption Valuation Date(s)]	[Lock-In Redemption Observation Start Date]	[Lock-In Redemption Observation End Date]
[]	[]	[]

[Lock-In Redemption Valuation Date(s)]	[Observation Dates]
[]	[]

[Averaging Dates:

[Averaging Period applies][Not Applicable]

[If Averaging Dates are specified]

[Lock-In Redemption Valuation Date(s)]	[Averaging Dates]
☐	☐

[Averaging Period:

[Not Applicable]

[If Averaging Period is specified]

[Lock-In Redemption Valuation Date(s)]	[Lock-In Redemption Averaging Start Date]	[Lock-In Redemption Averaging End Date]
☐	☐	☐

Averaging Date Market Disruption in respect of ☐ [Omission] [Postponement]
Lock-In Redemption Averaging Dates: [Modified Postponement] [Not Applicable]

- (iv) Return Threshold: ☐ [100] ☐ per cent.] [Not Applicable]
- (v) Digital Rate: ☐ per cent.] [Not Applicable]
- (vi) Strike Level: ☐ [100] ☐ per cent.] [Not Applicable]
- (vii) Call Strike: ☐ per cent.] [Not Applicable]
- (viii) Put Strike: ☐ per cent.] [Not Applicable]
- (ix) Cap: ☐ per cent.] [Unlimited] [Not Applicable]
- (x) Participation: ☐ [100] ☐ per cent.] [Not Applicable]
- (xi) Upside Participation: ☐ [100] ☐ per cent.] [Not Applicable]
- (xii) Downside Participation: ☐ [100] ☐ per cent.] [Not Applicable]
- (xiii) Protection Level: ☐ per cent.] [Not Applicable]
- (xiv) Conditional Protection: ☐ per cent.] [Not Applicable]
- (xv) Fixed Amount Redemption Rate: ☐ per cent.] [Not Applicable]
- (xvi) Physical Delivery: [Applicable] [Not Applicable]
- (i) [Settlement Date]: ☐ [As per Condition 1]

17. 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)] [Not Applicable]
(Condition [5(d)] (Redemption and Purchase – Redemption for Taxation Reasons) or [5(g)] (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)]]/[7(e)(Y)]] (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)]]/[7(e)(Y)] (*Payments – Price Source Disruption and FX Disruption*) 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]

18. Autocall Event: [Applicable] [Not Applicable]

[Autocall Valuation Date(s)]	[Autocall Level(s)]	[Autocall Redemption Date(s)]	[Autocall Rate(s)]
[]	[]	[]	[]

Daily Autocall Observation: [Applicable] [Not Applicable]

[Autocall Valuation Period Start Date]	[Autocall Level]	[Autocall Annual Rate]	[Day Count Divisor]	[Specified Number of Settlement Days]
[]	[In respect of each Autocall Valuation Date, []]	[[] per cent.]	[360][365][]	[Tenth][Fifth][] [Business Day][The definition in Condition 1 applies]

- (i) [Reference Value (in respect of each Autocall Valuation Date)]: [Single Observation][Highest Value][Lowest Value][Average Value] [Decrement Observation]

[If Highest/Lowest is specified] [Performance Observation Period applies]

[Autocall Valuation Date(s)]	[Autocall Observation Start Date]	[Autocall Observation End Date]
[]	[]	[]

[Autocall Valuation Date(s)]	[Observation Dates]
[]	[]

[Averaging Dates: [Averaging Period applies] [Not Applicable]

[If Averaging Dates are specified]

[Autocall Valuation Date(s)]	[Averaging Dates]
[]	[]

[Averaging Period: [Not Applicable]

[If Averaging Period is specified]

[Autocall Valuation Date(s)]	[Autocall Averaging Start Date]	[Autocall Averaging End Date]
[]	[]	[]

[]	[]	[]
[Averaging Date Market Disruption in respect of Autocall Averaging Dates:	[] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]	

[Business Day Convention with respect to Autocall 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]]

19. 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]]
- (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]]

20. Taxation: [Condition [6A / 6D] [[(Taxation – No Gross-up)] [(Taxation – No Gross-up (HBEU))] /[(Taxation – No Gross-up (HBCE))]] is applicable] [Condition [6B / 6C] [[(Taxation – Gross-up)] / [(Taxation – Gross-up (HBEU))] / [(Taxation – Gross-up (HBCE))]] is applicable]

(Condition 6 (Taxation))

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. 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 Alternative French Law Conditions Notes:)

[Bearer dematerialised notes]

[Article L.228-2 option:

[Excluded]] *[Delete this item, unless the option available to the Issuer under Article L.228-2 of the French Code de commerce is intended to be excluded (as described in Condition 2)]*

22. 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]

23. Exchange Date for exchange of Temporary Global Note:

[] [Not earlier than 40 days after the Issue Date] [Not Applicable *(in case of Alternative French Law Conditions Notes)*]

24. 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 Alternative French Law Conditions 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]

25. *[Masse (Condition [13] of the Alternative French Law Conditions):]*

[Condition [13] applies]/[Not Applicable] *(delete paragraph in case of English Law Notes)]*

[Issue outside of France: Not Applicable] *(delete if denominations are equal to or*

greater than €100,000 (or its equivalent in any other currency) or, in the event that denominations are less than €100,000 (or its equivalent in any other currency), if the issue can be considered made outside of France)

(i) Representative: [[•] (*specify name and address*)] / [As long as the Notes 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 Conditions. 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. A Representative shall be appointed when the Notes are held by more than one Noteholder]

[(ii) Alternative Representative: [•] (*specify name and address*)]

(iii) Remuneration of Representative: [•]

26. Payments:

(i) Relevant Financial Centre Day: [specify all places]

(ii) Business Centre(s): []

(iii) Payment of Alternative Payment Currency [Applicable] [Not Applicable]
Equivalent:

- 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]
- Alternative Pre-nominated Index: [] [Not Applicable]

Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)

- Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition [13A(b)] (*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 (*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]
- (v) Currency Pair Provisions: [Applicable] [Not Applicable] (*applicable if either Adjusted Value provisions or Physical Delivery apply*)
 - [Reference Currency]: [] [As per the table below][As per Condition 1]
 - [Reference Currency Jurisdiction]: [] [As per the table below][As per Condition 1]
 - [Currency Pair Fixing Time]: [] [As per the table below][As per Condition 1]
 - [Currency Pair Fixing Page]: [] [As per the table below][As per Condition 1]

[Security]	[Reference Currency]	[Reference Currency Jurisdiction]	[Currency Pair Fixing Time]	[Currency Pair Fixing Page]
[]	[] [As per Condition 1]	[] [As per Condition 1]	[] [As per Condition 1]	[] [As per Condition 1]

- [Settlement Currency Jurisdiction]: [] [As per Condition 1][As per paragraph [24(iii)] (*where Payment of Alternative Payment Currency Equivalent is applicable*)]

27. Redenomination:

[Applicable] [Not Applicable]

28. Provisions relating to the underlying Ind[ex] [ices]:	[Applicable] [Not Applicable]
(i) [Index][Basket]:	[] [Not Applicable] [Each of the Indices specified in the table below (each, an " Index " and together, the " Indices ")][The Index is a Proprietary Index][<i>specify relevant Indices in a basket</i>] are Proprietary Indices] ²
(ii) Reference Performance:	[Single Underlying][Worst of Basket][Best of Basket][Weighted Basket][Not Applicable]
(iii) Weighting:	[Equally weighted basket][As per the table below][Not Applicable – [Worst of Basket][Best of Basket] applies] [Not Applicable]
(iv) Index Sponsor(s):	[] [As per the table below][The definition in Condition 1 applies]
(v) Index Rules:	[]
(vi) Exchange(s):	[] [The Index is a Multiple Exchange Index] [As per the table below] [Not Applicable (the Index is a Proprietary Index)]
(vii) Related Exchange(s):	[] [All Exchanges] [As per the table below] [Not Applicable (the Index is a Proprietary Index)]
(viii) Initial Value:	[] [The Reference Value with respect to [the][each] Index determined with respect to the Strike Date][As per the table below]
[Strike Date:]	[]
[Reference Value (in respect of the Strike Date):]	[Single Observation][Highest Value][Lowest Value][Average Value]
<i>[If Highest/Lowest Level is specified]</i>	
[Observation Dates:	[] [Not Applicable][Performance Observation Period applies]]
[Strike Observation Start Date:	[] [Not Applicable]]
[Strike Observation End Date:	[] [Not Applicable]]
<i>[If Average Level is specified]</i>	
[Averaging Dates:	[] [Averaging Period applies][Not Applicable]]
[Strike Averaging Start Date:	[] [Not Applicable]]

² Proprietary Indices to be used in circumstances where either (i) the administrator of the relevant Proprietary Index is included in the public register maintained by the European Securities and Markets Authority under Article 36 of Regulation (EU) 2016/1011 (as amended), or (ii) the second paragraph of item 7 (*Information about the Underlying*) in Part B hereof is included.

[Strike Averaging End Date: [] [Not Applicable]]

[Averaging Date Market Disruption in respect of Strike Averaging Dates: [] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]

(viii) Alternative Pre-nominated Index: [Applicable] [Not Applicable] [As per the table below]

[Index]	[Bloomberg Ticker]	[Alternative Pre-nominated Index]	[Index Rules]	[Index Sponsor]	[Exchanges]	[Related Exchanges]	[Initial Value]	[Weighting]
[]	[]	[]	[]	[]	[] [The Index is a Multiple Exchange Index] [Not applicable (the Index is a Proprietary Index)]	[] [All Exchanges] [Not applicable (the Index is a Proprietary Index)]	[]	[]

(ix) Additional Disruption Event: [The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Failure to Deliver]] [Not Applicable]

(x) Index Substitution: [Applicable] [Not Applicable]

(xi) Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition [13A(b)] (*Consequences of a Benchmark Trigger Event*): [3] []

(xii) Adjusted Value provisions: [Applicable in relation to each Valuation Date in respect of which "Decrement Observation" is specified as the applicable Reference Value] [Not Applicable]

[Adjustment Method:] [Adjustment in Points] [Adjustment in Percentage]

[Contractual Dividend (CD):] [] [As per the table below]

(if "Adjustment in Points" is specified as the applicable Adjustment Method, the Contractual Dividend should be expressed as a number of index points)

(if "Adjustment in Percentage" is specified as the applicable Adjustment Method, the Contractual Dividend should be expressed as a percentage)

[Day Count Divisor:] [360] [365] [] [As per the table below]

[Index]		[Contractual Dividend]	[Day Count Divisor]		
[]		[]	[360]	[365]	[]

29. Provisions relating to the underlying Securit[y][ies]: [Applicable] [Not Applicable]

(i) [Security][Basket]: [The Security (the "**Security**") is: [[] (ISIN:[]) / [Depository Receipts of []] / [Units of an ETF, where the ETF is [name of ETF]]

[Each of the securities specified in the table below (each a "**Security**" and together the "**Securities**").]

["**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 [].]

(ii) Reference Performance: [Single Underlying][Worst of Basket][Best of Basket][Weighted Basket][Not Applicable]

(iii) Weighting: [Equally weighted basket][As per the table below][Not Applicable – [Worst of Basket][Best of Basket] applies][Not Applicable]

(iv) [Underlying Company(ies): [] [and with respect to the Underlying Securities []] [The ETF] [As per the table below]]

(v) [Initial Value]: [] [The Reference Value with respect to [the][each] Security determined with respect to the Strike Date][As per the table below.]

[Strike Date:] []

[Reference Value (in respect of the Strike Date)]: [Single Observation][Highest Value][Lowest Value][Average Value]

[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]]

Part II – Information Relating to the Notes

Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)

[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]

(vi) Exchange(s): ☐ [As per the table below]

(vii) Related Exchange(s): ☐ [All Exchanges] ☐ [As per the table below]

[Security]	[ISIN]	[Underlying Company]	[Exchanges]	[Related Exchanges]	[Initial Value]	[Weighting]

(viii) Potential Adjustment Event: Condition ☐ [[18(a)] / [17(a)]] 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) ☐

(ix) Extraordinary Event: Condition ☐ [[18(b)] / [17(b)]] is ☐ [Applicable] ☐ [Not Applicable]

(x) Conversion: Condition ☐ [[18(c)] / [17(c)]] is ☐ [Applicable] ☐ [Not Applicable]
(for Notes relating to Government Bonds and debt securities only)

(xi) Correction of Prices: Condition ☐ [[18(d)] / [17(d)]] is ☐ [Applicable] ☐ [Not Applicable]

(xii) Additional Disruption Event ☐ [The following Additional Disruption Events apply: ☐ [Change in Law] ☐ [Insolvency Filing] ☐ [Not Applicable]

(xiii) Substitution of Securities: ☐ [Applicable] ☐ [Not applicable]

(xiv) Adjusted Value provisions: ☐ [Applicable in relation to each Valuation Date in respect of which "Decrement Observation" is specified as the applicable Reference Value] ☐ [Not Applicable]

[Adjustment Method:] ☐ [Denominator in Points] ☐ [Denominator in Percentage] ☐ [Numerator in Percentage] ☐ [Numerator in Points]

[Contractual Dividend (CD):] ☐ [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 and Alternative French Law Conditions)

(if "Denominator in Points" or "Numerator in Points" is specified as the applicable Adjustment Method, the Contractual Dividend should be expressed as a currency amount)

(if "Denominator in Percentage" or "Numerator in Percentage" is specified as the applicable Adjustment Method, the Contractual Dividend should be expressed as a percentage)

[Day Count Divisor:]

[360] [365] [] [As per the table below]

[Re-investment Percentage:]

[[100][] per cent.] [As per the table below]

[Security]	[Contractual Dividend]	[Day Count Divisor]	[Re-Investment Percentage]
[]	[]	[360] [365] []	[[100][] per cent.]

30. 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] / [15]] [3] []

31. Valuation Time:

[] [The definition in Condition 1 applies]

32. 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.]

33. 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

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.][and][the official list of the Luxembourg Stock Exchange *[option available in respect of HBCE only]*]. 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")][and][the regulated market of the Luxembourg Stock Exchange *[option available in respect of HBCE only]*]]. 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].

[The complete set of rules of the [Index][Proprietary Indices comprised in the Index Basket] and information on the performance of the [Index][Proprietary Indices comprised in the Index Basket] are freely accessible on the Issuer's website or on the website of the provider of such [Index][Proprietary Index]: [•]]. The governing rules in respect of the [Index][Proprietary Indices comprised in the Index Basket] (including methodology of the index for the selection and the re-balancing of the components of the index, description of market disruption events and of adjustment rules) are based on predetermined and objective criteria.]

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] / [<https://www.about.hsbc.fr/investor-relations/debt-issuance>] in [Republic of Ireland] [Belgium] [France] [Italy][Luxembourg *[option in respect of HBCE only]*][Malta *[option in respect of HBCE only]*] (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]
- [Select Euroclear France for Alternative French Law Conditions Notes]*
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 Depositary: ☐ [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: ☐
(Where the maximum amount of securities to be offered cannot be specified herein, also specify that acceptances of the purchase or subscription of securities may be withdrawn up to two working days after the amount of securities to be offered to the public has been filed)
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]
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]

Section II.8 - Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)

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.

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, 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 Warrants. No representation or warranty is made by the Issuer or any of its affiliates that any scenario shown below can be duplicated under any actual investment in Warrants. Actual results may vary from the results shown below, 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.

(1) **Introduction**

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

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

Amounts payable following expiry

Unless a Warrant has been terminated earlier, a Warrant will be exercised at the end of its term on the "**Expiry Date**". The amount which an investor will receive following exercise (the "**Cash Settlement Amount**") 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:

- Call Warrants;
- Call Spread Warrants;
- Put Warrants; or
- Put Spread Warrants.

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**" shall mean a Basket of Indices or Basket of Securities, as the case may be.

Further details and explanations of the above-listed 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 illustrating the calculations of such amounts.

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

Ascertaining the Reference Value	Pages 584 to 587
Single Observation	Pages 584 to 585

Ascertaining the Reference Value	Pages 584 to 587
Highest Value	Pages 585 to 586
Lowest Value	Page 586
Average Value	Pages 587 to 587
Ascertaining the performance of the Underlying (for each Underlying in the Basket)	Pages 588 to 591
Determining Underlying Performance	Pages 588 to 588
Determining Reference Performance	Page 588
Reference Performance – single Underlying	Page 589
Reference Performance – Worst of Basket	Pages 589 to 590
Reference Performance – Weighted Basket	Pages 590 to 591

The following table sets out for each set of cash settlement amount provisions which may apply to the Warrants details of where an explanation of such provisions and a related worked example can 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:
<i>Cash Settlement Amount provisions</i>	Page 591
Call Warrants	Pages 591 to 592
Call Spread Warrants	Pages 592 to 593
Put Warrants	Pages 593 to 594
Put Spread Warrants	Pages 594 to 596

(2) ***Ascertaining the Reference Value***

Each Cash Settlement Amount which may be payable in respect of a Warrant will be determined by reference to the performance of the Underlying or Basket (as applicable) to which the Warrant is linked. Details of how to ascertain the performance of an Underlying or Basket are set out below, together with worked examples illustrating how the calculations are made in practice.

In order to make calculations with respect to the Warrants, the Calculation Agent will first be required to determine the value of the relevant Underlying or, with respect to a Basket, each Underlying comprising such Basket.

In order to determine the value of an Underlying the Calculation Agent will need to determine the "**Reference Value**" with respect to such Underlying.

The Reference 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 Reference Value of an Underlying 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) is described below.

- Where "**Single Observation**" is specified as being applicable with respect to such determination:
 - the Reference Value of an Underlying which is an Index with respect to the relevant date for determination shall be (i) in the case of an Underlying 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 an Underlying which is 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; and
 - the Reference Value of an Underlying which is 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,

in each case, the "**Closing Value**".

Single Observation 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.
- "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 2025.
- 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 2025 at 5.00 p.m. (London time) is 6,000.

What is the Reference Value?

The Reference Value 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 2025 at 5.00 pm (London time) is 6,000, thus the Reference Value will be 6,000.

- Where "**Highest Value**" is specified as being applicable with respect to such determination in relation to an Underlying, the Reference Value of such Underlying with respect to the relevant date for determination shall be the highest Closing Value observed with respect to such Underlying over particular observation dates or during a particular observation period.

Highest Value 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.
- "**Highest Value**" 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 2025.

- The Observation Dates specified in the Final Terms with respect to the relevant determination are 28 June 2025, 29 June 2025 and 30 June 2025.
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).
- The price of Company A shares on:
 - 28 June 2025 at 5.00 p.m. (London time) is GBP 200.
 - 29 June 2025 at 5.00 p.m. (London time) is GBP 250.
 - 30 June 2025 at 5.00 p.m. (London time) is GBP 180.

What is the Reference Value?

The Reference Value of the Company A shares will be the highest price of the Company A shares recorded at the Valuation Time over each Observation Date.

Thus, in order to determine the Reference Value, the Calculation Agent will obtain the price of the Company A shares on each of 28 June 2025, 29 June 2025 and 30 June 2025, 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 2025, thus the Reference Value will be GBP 250.

- Where "**Lowest Value**" is specified as being applicable with respect to such determination in relation to an Underlying, the Reference Value of such Underlying with respect to the relevant date for determination shall be the lowest Closing Value observed with respect to such Underlying over particular observation dates or during a particular observation period.

Lowest Value 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 B.
- "Lowest Value" 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 2025.
- 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 2025 to and including the Valuation Date (being 30 June 2025).
- 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 2025 – is a bank holiday and thus no price is ascertained with respect to such date.
 - 27 June 2025 at 5.00 p.m. (London time) is EUR 450.
 - 28 June 2025 at 5.00 p.m. (London time) is EUR 435.
 - 29 June 2025 at 5.00 p.m. (London time) is EUR 475.
 - 30 June 2025 at 5.00 p.m. (London time) is EUR 450.

What is the Reference Value?

The Reference Value of the Company B shares will be the lowest price of the Company B shares recorded at the Valuation Time over the Observation Period.

Thus, in order to determine the Reference Value, the Calculation Agent will obtain the price of the Company B shares on each scheduled trading day from and including 26 June 2025 to and including the Valuation Date (being 30 June 2025), 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 2025, thus the Reference Value will be EUR 435.

- Where "**Average Value**" is specified as being applicable with respect to such determination in relation to an Underlying, the Reference Value of such Underlying with respect to the relevant date for determination shall be the arithmetic average of the Closing Values observed with respect such Underlying over particular averaging dates or during a particular averaging period.

Average Value 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.
- "Average Value" 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 2025, 29 June 2025 and 30 June 2025.
- 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 2025 at 5.00 p.m. (London time) is 5,800.
 - 29 June 2025 at 5.00 p.m. (London time) is 6,200.
 - 30 June 2025 at 5.00 p.m. (London time) is 6,000.

What is the Reference Value?

The Reference Value 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 Reference Value, the Calculation Agent will calculate the arithmetic average of the levels of the Index over each of the three Averaging Dates.

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

(3) ***Ascertaining the performance of the Underlying (or each Underlying in the Basket)***

In order to determine the Cash Settlement Amount payable with respect to the Warrants, the Calculation Agent will need to determine the relevant "**Reference Performance**", representing the appreciation or depreciation in the performance of the Underlying or Basket with respect to the relevant valuation date specified in relation to such determination.

Once it has ascertained the Reference Value for the Underlying or in respect of each Underlying in a Basket in accordance with the foregoing provisions (see sub-section (2)), the Calculation Agent will determine the

Reference Performance of the relevant Underlying or Basket in accordance with the provisions specified in the relevant Final Terms.

Determining Underlying Performance

In order to ascertain the relevant Reference Performance, the Calculation Agent must first determine the "**Underlying Performance**" of the Underlying or, in respect of each Underlying in a Basket. The Underlying Performance is a percentage representing any appreciation or depreciation in the Reference Value of an Underlying, in comparison to the initial level or initial price (as applicable) of such Underlying.

Underlying Performance 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.
- The initial level of FTSE®100 Index is specified in the Final Terms to be 5,800.
- "Lowest Value" is specified to apply with respect to the relevant determination and the Reference Value of the FTSE®100 Index is 6,200, as determined by the Calculation Agent using the "Lowest Value" valuation method.

What is the Underlying Performance of the Underlying (FTSE®100 Index)?

In order to determine the Underlying Performance of the Underlying, the Reference Value with respect to the Underlying is divided by its initial level to produce a percentage representing the appreciation or depreciation of such Underlying against its initial level.

- FTSE®100 Index: $6,200 \text{ divided by } 5,800 = 106.89\%$

Thus, the Underlying Performance of the Underlying (FTSE®100 Index) shall be 106.89%.

Determining Reference Performance

In the case of Warrants which relate to a single Underlying, the relevant Reference Performance will be equal to the relevant Underlying Performance determined with respect to the Underlying and relevant valuation date. Where Warrants relate to a Basket in respect of which "Worst of Basket" or "Weighted Basket" is specified in the relevant Final Terms, the Underlying Performance for each Underlying comprising such Basket will be determined in accordance with these foregoing provisions (please see the immediately preceding sub-section 3(a)) in order to then ascertain the Reference Performance of the Basket.

The Reference Performance to be determined in respect of a valuation date will be:

- where the Warrants relate to a single Underlying, the Underlying Performance of that Underlying;
- where the Warrants relate to a Basket in respect of which "Worst of Basket" is specified to apply, the Underlying Performance of the worst performing Underlying in such Basket; and
- where the Warrants relate to a Basket in respect of which "Weighted Basket" is specified to apply, the weighted average of the Underlying Performances of the Underlyings in the Basket in line with the weighting specified in the Final Terms.

Each of the potential valuation methods (together with a worked example) for the Reference Performance of the Underlying or Basket are described below.

- Where the Warrants relate to only a **single Underlying** (i.e. the Warrants do not relate to a Basket), the Reference Performance will be the Underlying Performance of the Underlying to which the Warrants relate, which is determined by comparing the Reference Value (as determined in accordance with the valuation provisions specified in relation to the relevant valuation date) with the initial underlying value

(being the initial index level or security price (as applicable)) (either as specified in the relevant Final Terms or determined in accordance with one of the valuation methods described above) of such Underlying.

Reference Performance – single Underlying 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 X.
- The initial security price of Company X is specified in the Final Terms to be USD 500.
- "Single Observation" is specified to apply with respect to the relevant determination and the Reference Value of the Company X shares is USD 480, as determined by the Calculation Agent using the "Single Observation" valuation method.

What is the Underlying Performance of the Underlying (Company X)?

In order to determine the Underlying Performance of the Underlying, the Reference Value with respect to the Underlying is divided by its security price to produce a percentage representing the appreciation or depreciation of such Underlying against its initial price:

- Company X shares: USD 480 divided by USD 500 = 96%

Thus, the Underlying Performance of the Underlying (Company X) shall be 96%.

What is the Reference Performance?

The Warrants relate only to a single Underlying. Therefore, the Reference Performance shall be equal to the Underlying Performance and thus, the Reference Performance is 96%.

- Where "**Worst of Basket**" is specified as applicable with respect to a Basket and the Underlying Performance of each Underlying in such Basket has been determined in accordance with the foregoing provisions (please see the preceding sub-section 3(a)), the Reference Performance is ascertained by determining the lowest Underlying Performance amongst the Underlyings in such Basket.

Reference Performance – Worst of Basket worked example:

The hypothetical scenario

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

- An investor purchases a Warrant 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 Reference Value of the FTSE®100 Index is 6,120, as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Single Observation" valuation method.

What is the Underlying Performance of each Underlying (Index) in the Basket?

In order to determine which is the worst performing Underlying, the Underlying Performance with respect to each Underlying in the Basket must first be determined by dividing the Reference Value of each such Underlying by its initial index level to produce a percentage representing the appreciation or depreciation of such Underlying 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%

What is the "Worst Performing Underlying" and what is the Reference Performance in respect of the Basket?

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

The Reference Performance of the Basket will thus be the Underlying Performance of the FTSE®100 Index (being the Worst Performing Underlying): 102%.

- Where "**Weighted Basket**" is specified as applicable with respect to a Basket and the Underlying Performance of each Underlying in such Basket has been determined in accordance with the foregoing provisions (please see the preceding sub-section 3(a)), the Reference Performance is ascertained by determining the weighted average of the Underlying Performance amongst the Underlyings in such Basket.

Reference Performance – Weighted Basket worked example:

The hypothetical scenario

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

- An investor purchases a Warrant linked to a Basket consisting of the FTSE®100 Index and the S&P 500® Index.
- "Weighted Basket" is specified in the Final Terms with respect to such Basket, and the Basket is specified to be an equally-weighted basket.
- The Final Valuation Date is 30 June 2025.
- 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 Final Valuation Date:
 - The Reference Value of the FTSE®100 Index is 6,120, as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Single Observation" valuation method.

What is the Underlying Performance of each Underlying (Index) in the Basket?

The Underlying Performance of the FTSE®100 Index is determined by dividing the Final Reference Level by the initial index level: 6,120 divided by 6,000 = 102%

The Underlying Performance of the S&P 500® Index is determined by dividing the Final Reference Level by the initial index level: 2,500 divided by 2,000 = 125%

What is the Reference Performance of the Basket (Weighted Basket)?

The Reference Performance is determined by determining the weighted average of the Underlying Performances of each Underlying: $[(50\% \times 102\%) = 51\%] + [(50\% \times 125\%) = 62.50\%] = 113.50\%$.

(4) *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.

Call Warrants

If "Call Warrants" 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:

$$\text{Max}[0; \text{Final Performance} - \text{Strike Level}]$$

Call Warrants:

The hypothetical scenario

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

- An investor purchases a Warrant linked to the FTSE®100 Index and which specifies "**Call Warrants**" in respect of the Cash Settlement Amount.
- The face value of each Warrant is GBP 1,000.
- The settlement currency is GBP.
- The initial index level set out in the relevant Final Terms against which the performance of the Index will be measured is 6,450.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Reference Value of the FTSE®100 Index with respect to the Final Valuation Date is 6,800, as determined by the Calculation Agent using the "Single Observation" valuation method.
- The Strike Level is 100%.

(1) *What is the Final Performance?*

To determine the Final Performance, the Reference Value (6,800) determined with respect to the Final Valuation Date is divided by the initial index level (6,450), which is equal to 1.0542 and, when expressed as a percentage, is 105.42%. Therefore, the Final Performance is 105.42%.

(2) *Calculating the formula for Call Warrants*

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.

$$\text{Max}[0; \text{Final Performance} - \text{Strike Level}]$$

The Final Performance (105.42%) minus the Strike Level (100%) (105.42% less 100% is equal to 5.42%) is greater than 0, and so the percentage produced by the formula is 5.42% rather than 0.

(3) **Cash Settlement Amount for Call Warrants**

The Cash Settlement Amount per Warrant will be:

GBP	1000	x	(the face value of each Warrant)
	5.42%		(the percentage ascertained from the formula representing the performance of the Underlying)
GBP	54.20		The Cash Settlement Amount per Warrant

Call Spread Warrants

If "Call Spread Warrants" 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:

$$\text{Min}[\text{Cap}; \text{Max}(0; \text{Final Performance} - \text{Strike Level})]$$

Call Spread Warrants:

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 B and which specifies "Call Spread Warrants" in respect of the Cash Settlement Amount.
- The face value of each Warrant is GBP 1,000.
- The settlement currency is GBP.
- The Strike Date is specified in the Final Terms as 5 June 2025.
- The Final Valuation Date specified in the Final Terms is 30 June 2025.
- "Single Observation" is specified to apply with respect to the Final Valuation Date and the Reference Value of the ordinary shares of Company B with respect to the Final Valuation Date is EUR 450 as determined by the Calculation Agent using the "Single Observation" valuation method.
- "Lowest Value" is specified to apply with respect to the relevant determination of the Reference Value in respect of the Strike Date for determination of the Initial Value.
- The Averaging Period with respect to the Strike Date is specified as the period from (and including) 1 June 2025 to (and including) the Strike Date (5 June 2025).
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).
- The closing price of the Company B shares on:
 - 1 June 2025 – is a bank holiday and this no price is ascertained with respect to such date.
 - 2 June 2025 at 5.00 p.m. (London time) is EUR 415.
 - 3 June 2025 at 5.00 p.m. (London time) is EUR 430.
 - 4 June 2025 at 5.00 p.m. (London time) is EUR 420.
 - 5 June 2025 at 5.00 p.m. (London time) is EUR 445.
- The Strike Level is 100%.

- The Cap is 9.00%.

(1) ***What is the Reference Value and the Final Performance of the Underlying in respect of the Final Valuation Date?***

The Reference Value of the Company B shares in respect of the Strike Date will be the lowest price of the Company B shares recorded at the Valuation Time over the Averaging Period.

The lowest price recorded is EUR 415 on 2 June 2025, thus the Initial Value is EUR 415.

The Reference Value of the Company B shares in respect of the Final Valuation Date will be the price of the Company B shares recorded at the Valuation Time on the Final Valuation Date (30 June 2025). Thus, the Reference Value will be EUR 450 (which is the Reference Value on the Final Valuation Date).

To determine the Final Performance, the Reference Value (450) determined in respect of the Final Valuation Date is divided by the Initial Value (415) which is equal to 1.0843 and, when expressed as a percentage, is 108.43%. Therefore, the Final Performance is 108.43%.

(2) ***Calculating the formula for Call Spread Warrants***

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.

$$\text{Min}[\text{Cap}; \text{Max}(0; \text{Final Performance} - \text{Strike Level})]$$

- The Final Performance (108.43%) minus the Strike Level (100%) (108.43% less 100% is equal to 8.43%) is greater than 0, and so the percentage produced by the second part of the formula is 8.43%, rather than 0.
- The percentage produced by the second part of the formula (8.43%) is less than the Cap (9%), and so 8.43% is used in the first part of the formula and, therefore, the overall percentage produced by the formula is 8.43%.

(3) ***Cash Settlement Amount for Call Spread Warrants***

The Cash Settlement Amount per Warrant will be:

GBP	1000	x	(the face value of each Warrant)
	8.43%		(the percentage ascertained from the formula representing the performance of the Underlying)
GBP	84.30		The Cash Settlement Amount per Warrant

Put Warrants

If "Put Warrants" 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:

$$\text{Max}[0; \text{Strike Level} - \text{Final Performance}]$$

Put Warrants:

The hypothetical scenario

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

- An investor purchases a Warrant linked to the FTSE®100 Index and which specifies "Put Warrants" in respect of the Cash Settlement Amount.
- The face value of each Warrant is GBP 1,000.

- The settlement currency is GBP.
- The initial index level set out in the relevant Final Terms against which the performance of the Index will be measured is 6,300.
- The Final Valuation Date specified in the Final Terms with respect to the relevant determination is 30 June 2025.
- "Average Value" is specified to apply with respect to the Final Valuation Date in respect of determination of the Reference Value.
- The Averaging Dates specified in the Final Terms with respect to the Final Valuation Date for determination of the Reference Value are 28 June 2025, 29 June 2025 and 30 June 2025.
- 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 2025 at 5.00 p.m. (London time) is EUR 6,200.
 - 29 June 2025 at 5.00 p.m. (London time) is EUR 6,060.
 - 30 June 2025 at 5.00 p.m. (London time) is EUR 6,400.
- The Strike Level is 100%.

(1) ***What is the Reference Value and the Final Performance of the Underlying in respect of the Final Valuation Date?***

The Reference Value of the FTSE®100 Index in respect of the Final Valuation Date will be the arithmetic average of the levels of the FTSE®100 Index recorded at the Valuation Time over the Averaging Dates.

The Reference Value is therefore 6,220, being (6,200 + 6,060 + 6,400) divided by 3.

To determine the Final Performance, the Reference Value (6,220) determined in respect of the Final Valuation Date is divided by the initial index level (6,300) which is equal to 0.9873 and, when expressed as a percentage, 98.73%.

(2) ***Calculating the formula for Put Warrants***

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.

$$\text{Max}[0; \text{Strike Level} - \text{Final Performance}]$$

The Strike Level (100%) minus the Final Performance (98.73%) (100% less 98.73% is equal to 1.27%) is greater than 0, and so the percentage produced by the formula is 1.27% rather than 0.

(3) ***Cash Settlement Amount for Put Warrants***

The Cash Settlement Amount per Warrant will be:

GBP	1000	x	(the face value of each Warrant)
	1.27%		(the percentage ascertained from the formula representing the absolute value of the negative performance of the Underlying)
GBP	12.70		The Cash Settlement Amount per Warrant

If "Put Spread Warrants" 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:

$$\text{Min}[\text{Cap}; \text{Max}(0; \text{Strike Level} - \text{Final Performance})]$$

Put Spread Warrants:

The hypothetical scenario

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

- An investor purchases a Warrant linked to a Basket comprising the FTSE®100 Index and the S&P 500® Index and which specifies "Put Spread Warrants" in respect of the Cash Settlement Amount.
- The face value of each Warrant is GBP 1,000.
- The settlement currency is GBP.
- The Final Valuation Date specified in the Final Terms is 30 June 2025.
- "Single Observation" is specified in the Final Terms with respect to the Final Valuation Date for determination of the Reference Value in respect thereof:
 - The Reference Value of the FTSE®100 Index is 6,120, as determined by the Calculation Agent using the "Single Observation" valuation method.
 - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Single Observation" valuation method.
- "Weighted Basket" is specified in the Final Terms with respect to the Basket, and the Basket is specified to be weighted as follows:

FTSE®100 Index = 75%

S&P 500® Index = 25%
- The Initial Value of the FTSE®100 Index is specified in the Final Terms to be 6,000
- The Initial Value of the S&P 500® Index is specified in the Final Terms to be 2,000.
- The Strike Level is 100%.
- The Cap is 9%.

(1) ***What is the Underlying Performance of each Underlying in the Basket and the Reference Performance of the Basket?***

The Underlying Performance of the FTSE®100 Index is determined by dividing the Reference Value determined in respect of the Final Valuation Date (6,120) by the initial index level (6,000): 6,120 divided by 6,000 = 1.0200 and, when expressed as a percentage, 102%.

The Underlying Performance of the S&P 500® Index is determined by dividing the Reference Value determined in respect of the Final Valuation Date (2,500) by the initial index level (2,000): 2,500 divided by 2,000 = 1.2500 and, when expressed as a percentage, 125%.

The Reference Performance is determined by determining the weighted average of the Underlying Performances of each Underlying: $[(75\% \times 102\%) = 76.50\%] + [(25\% \times 125\%) = 31.25\%] = 107.75\%$. Therefore the Final Performance (i.e. the Reference Performance of the Basket in respect of the Final Valuation Date) is 107.75%.

(2) ***Calculating the formula for Put Spread Warrants***

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.

$$\text{Min}[\text{Cap}; \text{Max}(0; \text{Strike Level} - \text{Final Performance})]$$

- The Strike Level (100%) minus the Final Performance (107.75%) (100% less 107.75% is equal to minus 7.75%), and so 0 is used rather than minus 7.75% in the second part of the formula.
- The number produced by the second part of the formula (0) is less than the Cap (9%), and so 0 is used in the first part of the formula and the overall number produced by the formula is therefore 0.

(3) ***Cash Settlement Amount for Put Spread Warrants***

The Cash Settlement Amount per Warrant will be:

GBP	1000	x	(the face value of each Warrant)
	0%		(the percentage ascertained from the formula representing the performance of the Underlying)
GBP	00.00		The Cash Settlement Amount per Warrant

SECTION III.2 – 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.

Abu Dhabi Global Market

The Warrants have not been and may not be offered to any person in the Abu Dhabi Global Market unless such offer is:

- (a) an "**Exempt Offer**" in accordance with the Markets Rules Module of the Financial Services Regulatory Authority (the "**FSRA**") rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Module of the FSRA rulebook.

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, as amended from time to time, and any other applicable French law or regulation; 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 Luxembourg Securities Law

The Warrants may not be offered or sold to the public within the territory of the Grand Duchy of Luxembourg ("**Luxembourg**") and the Base Prospectus, any Final Terms or other offering material relating to an offer of the Warrants may not be distributed within the territory of Luxembourg unless:

- (a) a prospectus in relation to the Warrants has been duly approved by the Commission de Surveillance du Secteur Financier (the "**CSSF**") pursuant to part II of the Luxembourg law dated 16 July 2019 on prospectuses for securities, which applies the EU Prospectus Regulation (as defined below) (the "**Luxembourg Prospectus Law**") and remains valid; or
- (b) a prospectus in relation to the Warrants has been duly approved in accordance with Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**") by a competent authority of a Member State of the EEA and notified to the CSSF and remains valid; or
- (c) the offer of Warrants benefits from an exemption from, or constitutes a transaction not subject to, the requirement to publish a prospectus under the Luxembourg Prospectus Law and any notice requirements under the Luxembourg Prospectus Law have been complied with; or
- (d) with respect to Warrants with a maturity of less than 12 months that qualify as securities and money market instruments or other comparable instruments in accordance with article 17(1) of the Luxembourg Prospectus Law:
 - (i) an alleviated prospectus (*prospectus allégé*) has been duly approved by the CSSF pursuant to part III of the Luxembourg Prospectus Law and remains valid; or
 - (ii) the offer benefits from an exemption from or constitutes a transaction not subject to, the requirement to publish an alleviated prospectus under part III of the Luxembourg Prospectus Law and any additional requirements under part III of the Luxembourg Prospectus Law have been complied with.

Selling Restrictions Addressing Additional Maltese Securities Laws

No marketing activity or communication disseminated to the public by means of any type of media (other than a prospectus) which promotes the offering of the Warrants may be directed to any person/s in Malta unless its contents have been approved by a person licensed to provide an investment service in terms of the Investment Services Act (Chapter 370 of the Laws of Malta).

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 and 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**"), 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 and the Financial Services (Restricted Promotions) Regulations 2023 (to the extent that they apply) 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(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 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 this purpose, an "**accredited investor**" means:

- (a) an individual who has a minimum net worth (or joint net worth with their spouse) of U.S.\$1,000,000 excluding that person's principal place of residence;
- (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;

- (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); or
- (d) any other entity which is an "accredited investor" as defined in the Central Bank of Bahrain Rulebook.

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), the Central Bank (Investment Market Conduct) Rules 2019 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.

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 the Warrants in Taiwan.

The 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 Abu Dhabi Global Market and 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 (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre) (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.3 – 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 HBCE and which are completed by the Final Terms for each issue of Warrants. HBEU does not intend to issue Warrants.*

The Warrants are issued by HSBC Continental Europe ("**HBCE**" or the "**Issuer**") pursuant to a programme for the issuance of notes and warrants (the "**Programme**"). The Warrants will have the benefit of a French law agency agreement dated on or about 31 May 2024 ((as further modified, supplemented and/or amended from time to time, the "**HBCE Warrant Agency Agreement**") and made between the Issuer and BNP Paribas as principal paying agent and paying agent (the "**HBCE Principal Warrant Agent**" and the "**HBCE Warrant Agent**"). 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, supplemented and/or amended from time to time, the "**Warrant Agency Agreement**") made between, among others, the Issuer and 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) in relation to the appointment of the Calculation Agents with respect of the Warrants.

As used herein, the expression "**Warrant Agents**" shall include the HBCE Principal Warrant Agent and any other warrant agents appointed pursuant to the HBCE Warrant 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 24 May 2024 (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 and the HBCE Warrant Agency Agreement 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 HBCE Principal Warrant Agent. The Warrantholders (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 HBCE Warrant Agency Agreement.

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**"). 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 HBCE Warrant 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 HBCE Warrant 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 Cost 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 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 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;

"Applicable Benchmark" means any of the following:

- (i) a Relevant Benchmark;
- (ii) any index, benchmark or other price source that is referred to in a Relevant Benchmark;
- (iii) an Alternative Pre-nominated Index used pursuant to Condition 9A (*Consequences of a Benchmark Trigger Event*); and
- (iv) a Replacement Index used pursuant to Condition 9A (*Consequences of a Benchmark Trigger Event*);

"Averaging Date(s)" means, in respect of an Underlying:

- (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 17 (*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 (provided that the final day in any Averaging Period which is a Scheduled Trading Day (each a **"Final Averaging Date"**) shall be a Scheduled Averaging Date regardless of whether it is a Disrupted Day and subject to the provisions of Condition 17 (*Consequences of Disrupted Days*);

"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; and
- (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;

"Basket" means, in relation to a Series of Warrants, the Index Basket or Securities Basket (each as defined in this Condition 1);

"Benchmark Trigger Event" means 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 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 or Components 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 France, Euroclear and/or Clearstream, Luxembourg 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 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 Value" means:

- (i) in relation to an Underlying which is an Index (a) with respect to an Index other than a Multiple Exchange Index or a Proprietary 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 or a Proprietary 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; and
- (ii) in relation to an Underlying which is 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" means, with respect to an Index, each component comprised in that Index;

"Conversion" means, in respect of any Securities, any irreversible conversion by the Underlying Company of such Securities into other securities;

"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*);

"Disrupted Day" means:

- (i) in respect of an Underlying which is 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 has occurred or (c) with respect to a Proprietary Index, any Scheduled Trading Day in respect of which the Index Sponsor fails to calculate and announce the level of such Index as scheduled; or
- (ii) in respect of an Underlying which is 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 Warrants 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 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 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 Termination Amount" means, in relation to each Warrant, an amount equal to the percentage of the Face Value (per Warrant) or its Fair Market Value, in each case as specified in the relevant Final Terms for the event giving rise to the early termination;

"EMU Event" means the occurrence of any of the following, as determined by the Calculation Agent:

- (i) the withdrawal from legal tender of any currency that, before the introduction of the euro, was lawful currency in one of the member states;
- (ii) the redenomination of any security into euro;
- (iii) 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;
- (iv) any change in the currency of denomination of any Index or any Security; or
- (v) 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;

"Euroclear France" means Euroclear France S.A.;

"Exchange" means (a) with respect to a Security or an Index (other than a Multiple Exchange Index or a Proprietary 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, the principal exchange on which such Component is principally traded (if applicable), 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;

"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 on the Exchange in respect of such Component or (ii) futures or options contracts relating to the Index on the relevant Related Exchange;

"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;

"Exercise Notice" means any notice in the form Scheduled to the HBCE Warrant Agency Agreement or such other form as may from time to time be agreed by the Issuer and the HBCE 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:**

- (X) if Automatic Exercise is specified as **"Not Applicable"** in the relevant Final Terms:
 - (i) 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 Business Day following the later of (i) the relevant postponed Valuation 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. In respect of a Warrant which relates to a 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
 - (ii) if the Scheduled FX Fixing Date on or immediately preceding the Expiry Date is postponed pursuant to the provisions of Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*) (but the Valuation Date is not also postponed), then the Expiry Date shall be the Business Day immediately following the later of (i) the Valuation Date and (ii) the relevant Postponed FX Fixing Date, or if later, the FX Cut-off Date, as applicable; and
- (Y) if Automatic Exercise is specified as **"Applicable"** in the relevant Final Terms:
 - (i) 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 relevant postponed Valuation 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. In respect of a Warrant which relates to a 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
 - (ii) if the Scheduled FX Fixing Date on or immediately preceding the Expiry Date is postponed pursuant to the provisions of Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*) (but the Valuation Date is not also postponed), then the Expiry Date shall fall on the later of (i) the Valuation Date and (ii) the relevant Postponed FX Fixing Date, or if later, the FX Cut-off Date, as applicable;

"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 Warrantholders 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 Performance" means the Reference Performance determined by the Calculation Agent in respect of the Final Valuation Date;

"Final Valuation Date" means:

- (i) in respect of a Warrant which relates to a single Underlying, 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 which relates to a 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 Underlying comprising the Basket, the Final Valuation Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 17 (*Consequences of Disrupted Days*);

"FX Cut-off Date" has the meaning ascribed thereto in Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*);

"FX Disruption Event" means, the occurrence, as determined by the Calculation Agent of (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;

"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;

"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 after using commercially reasonable efforts and acting in good faith, to wholly or partially (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 risk (including, without limitation, any equity, dividend or 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, each index 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*) (which, for the avoidance of doubt, shall, where so specified in the relevant Final Terms in respect of an index, include a Multiple Exchange Index or Proprietary Index (as applicable)) 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*);

"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 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 Value" means, with respect to an Underlying, either:

- (i) the price or level (as applicable) specified as such in the relevant Final Terms; or
- (ii) the Reference Value with respect to such Underlying 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;

"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 HBCE Principal Warrant Agent or the HBCE Warrant Agent 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 at any time, then the relevant percentage contribution of that Component 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 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, 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 is principally traded, OR (cc) an Early Closure; AND (2) the aggregate of all Components 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 at that time, then the relevant percentage contribution of that Component 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 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;

"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);

"Observation Date(s)" means, in respect of an Underlying:

- (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 17 (*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 (provided that the final day in any Performance Observation Period which is a Scheduled Trading Day (each a **"Final Observation Date"**) shall be a Scheduled Observation Date regardless of whether it is a Disrupted Day and the provisions of Condition 17 (*Consequences of Disrupted Days*) shall apply with respect to any Final Observation Date);

"Participating Member State" means any member state of the European Union that has adopted or adopts the single currency in accordance with the Treaty;

"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; and
- (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; and

"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;

"**Proprietary Index**" means an Index identified or specified as such in the relevant Final Terms, subject to adjustment pursuant to these Conditions, and "**Proprietary Indices**" shall be construed accordingly;

"**Proprietary Index-Linked Warrants**" means a Warrant in respect of which an amount calculated by reference to a Proprietary Index or Proprietary Indices is payable (as indicated in the relevant Final Terms);

"**Reference Dealers**" means leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent;

"**Reference Performance**" means with respect to the Final Valuation Date:

- (i) in relation to a Series of Warrants which relates to a single Underlying, the Underlying Performance of the Underlying in respect of such Final Valuation Date;
- (ii) in relation to a Series of Warrants in respect of which "Worst of Basket" is specified in the relevant Final Terms, the Underlying Performance of the Worst Performing Underlying in respect of such Final Valuation Date, as determined by the Calculation Agent; and
- (iii) in relation to a Series of Warrants in respect of which "Weighted Basket" is specified in the relevant Final Terms, the weighted average in line with the Weighting applicable to such Basket) of the Underlying Performances of each Underlying comprising the Basket in respect of such Final Valuation Date as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"**Reference Value**" means, with respect to an Underlying, if the "Reference Value" with respect to the Strike Date or the Final Valuation Date (as applicable) is specified in the relevant Final Terms to be:

- (i) "**Single Observation**", the Closing Value of such Underlying on such Valuation Date;
- (ii) "**Highest Value**", the highest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent;
- (iii) "**Lowest Value**", the lowest Closing Value of such Underlying over the Observation Dates specified in the relevant Final Terms in respect of such Valuation Date, as determined by the Calculation Agent; and
- (iv) "**Average Value**", the arithmetic average of the Closing Values of such Underlying over the Averaging Dates specified in the relevant Final Terms in respect of such relevant Valuation Date,

as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"Related Exchange" means, subject to the proviso below, in respect of an Index (other than a Proprietary 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 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 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 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;

"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 as an Averaging Date without regard to any postponement, delay or disruption;

"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 any original date specified in the relevant Final Terms as the final Averaging Date with respect to a Valuation Date on which either (i) an event causing a Disrupted Day occurs or (ii) another Averaging Date occurs as a result of the operation of Condition 17 (*Consequences of Disrupted Days*);

"Scheduled FX Fixing Date" has the meaning specified in Condition 5(g) (*Exercise Procedure – Price Source Disruption and FX Disruption*);

"Scheduled Observation Date" means any original date specified in these Conditions or the relevant Final Terms as an Observation Date without regard to any postponement, delay or 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; (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; or (c) with respect to a Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of such Proprietary Index;

"Scheduled Valuation Date" means any original Valuation Date, without regard to any postponement, delay or disruption;

"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*);

"**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 Warrants) 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 or, if no such specification is made, the principal financial centre or centres for the Settlement Currency as determined by the Calculation Agent;

"**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);

"**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,

- (i) in respect of a Warrant which relates to a single Underlying, 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 which relates to a 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 Underlying comprising the Basket, as the case may be, the Strike Date in respect of such Underlying shall be the next date which is a Scheduled Trading Day in respect of such Underlying),

in each case, subject to the provisions of Condition 17 (*Consequences of Disrupted Days*);

"**Strike Level**" means the percentage specified as such in the relevant Final Terms, **provided that** if no such percentage is specified, "**Strike Level**" shall mean 100 per cent.;

"**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;

"**Successor Index**" has the meaning given to it in Condition 18(a) (*Adjustments to Indices – Successor Index*);

"**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;

"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 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 on the Exchange in respect of such Component, 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, in relation to a Series of Warrants, each Index or Security (each as defined in this Condition 1) to which such Series of Warrants relates;

"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 Performance" means, with respect to an Underlying and the Final Valuation Date, the percentage (rounded to the nearest four decimal places) (with 0.00005 being rounded up) determined by the Calculation Agent in respect of such Underlying and such Final Valuation Date in accordance with the following formula:

$$\frac{\text{Reference Value}}{\text{Initial Value}}$$

"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 Date" means the Strike Date or the Final 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, or such scheduled time as set out in the Index Rules. 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;

"Warrantholder" has the meaning given to it in Condition 2 (*Form and Transfer*);

"Weighting" means, in respect of each Underlying comprised in the relevant Basket, the percentage weighting assigned to such Underlying and specified as such in the relevant Final Terms; and

"Worst Performing Underlying" means, in respect of a Valuation Date, the Underlying for which the Underlying Performance is lowest amongst the Underlyings in the Basket in respect of such Valuation Date, as determined by the Calculation Agent. In the event that the Underlying Performance for the two or more lowest performing Underlyings is the same, then the Calculation Agent shall determine which of such Underlyings is the Worst Performing Underlying in its sole and absolute discretion, and such Underlying as so selected shall be deemed to be the Worst Performing Underlying.

2. **Form and Transfer**

The Warrants will be issued in dematerialised bearer form (*au porteur*). Title to the Warrants 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 Warrants.

The Warrants will, upon issue, be inscribed in the books of Euroclear France (acting as central depository) 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 depository bank for Clearstream Banking S.A. (**"Clearstream"**), and **"holder of Warrants"** or **"holder of any Warrant"**, **"Holder"** or **"Warrantholder"** means the individual or entity whose name appears in the account of the relevant Account Holder.

Title to the Warrants shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of the Warrants 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 depository the following identification information of the holders of Warrants: 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 Warrants held by each of them.

3. **Status of the Warrants**

The Warrants are direct, unconditional, senior preferred and unsecured obligations of the Issuer and rank and will rank at all times:

- (a) *pari passu* without any preference among themselves and with other Senior Preferred Obligations of the Issuer;
- (b) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking junior to Senior Non-Preferred Obligations; and
- (c) 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 Warrantholders to payment under the Senior Preferred Obligations rank:

- (i) junior to present and future claims benefiting from other preferred exceptions; and
- (ii) senior to Senior Non Preferred Obligations.

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) 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 HBCE 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 HBCE Principal Warrant Agent on behalf of the Warrantholders 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).

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 paris_bp2s_warrants_emetteurs_gct@bnpparibas.com, or such other email address as notified to the Warrantholders by the HBCE 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 HBCE Principal Warrant Agent) to the HBCE 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, email and facsimile details of the Warrantholder 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 Warrantholder'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 Warrantholder has irrevocably instructed, the relevant Clearing System to debit the Warrantholder's account with the Warrants being exercised and to credit the same to the account of the HBCE Principal Warrant Agent;
- (D) where applicable, specify the number of the Warrantholder'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 Warrantholder 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 HBCE 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 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 HBCE Principal Warrant Agent***

The relevant Clearing System shall notify the HBCE Principal Warrant Agent in writing (with a copy to the Issuer) 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 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 HBCE Principal Warrant Agent (in favour of the Issuer) with the Warrants being exercised together with any applicable Taxes.

(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 HBCE Principal Warrant Agent of such amounts on the Business Day following the date so specified.

The Issuer will transfer to the HBCE 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 HBCE 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.

(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 HBCE 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

Part III – Information Relating to the Warrants
Section III.3 – Terms and Conditions of the Warrants

- (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, acting in good faith and in a commercially reasonable manner, 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 Warrantholders 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 Warrantholders); 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 HBCE 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 of any relevant Account Holder) and neither the Issuer nor the HBCE 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 HBCE Principal Warrant Agent shall under any circumstances be liable for any acts or defaults of any Clearing System or any Account Holder in the performance of their 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 HBCE 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 HBCE 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) ***Call Warrants***

If Call Warrants 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:

- (1) the Face Value; and
- (2) the result of the following formula:

$$\text{Max}[0; \text{Final Performance} - \text{Strike Level}]$$

(b) ***Call Spread Warrants***

If Call Spread Warrants 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:

- (1) the Face Value; and
- (2) the result of the following formula:

$$\text{Min}[\text{Cap}; \text{Max}(0; \text{Final Performance} - \text{Strike Level})]$$

(c) ***Put Warrants***

If Put Warrants 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:

- (1) the Face Value; and
- (2) the result of the following formula:

$$\text{Max}[0; \text{Strike Level} - \text{Final Performance}]$$

(d) ***Put Spread Warrants***

If Put Spread Warrants 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:

- (1) the Face Value; and
- (2) the result of the following formula:

$$\text{Min}[\text{Cap}; \text{Max}(0; \text{Strike Level} - \text{Final Performance})]$$

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 acting in a commercially reasonable manner 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 HBCE 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 HBCE Principal Warrant Agent or the HBCE Warrant Agent or the Calculation Agent and to appoint another HBCE Principal Warrant Agent or a HBCE Warrant Agent or a substitute Calculation Agent, **provided that** so long as any Warrant is outstanding, the Issuer will maintain a HBCE Principal Warrant Agent and a Calculation Agent. Notice of any termination of appointment and of any change in the specified office of the HBCE Principal Warrant Agent or a HBCE Warrant Agent or a Calculation Agent and of any appointment of the HBCE Principal Warrant Agent or a HBCE Warrant Agent or a Calculation Agent will be given to Warrantholders in accordance with Condition 12 (*Notices*). In acting under the HBCE Warrant Agency Agreement, the HBCE 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 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 HBCE Principal Warrant Agent or the HBCE Warrant Agent or the Calculation Agent shall (in the absence of

manifest error or wilful misconduct) be binding on the Issuer and the Warrantholders and (subject as aforesaid) no liability to the Warrantholders (or any of them) shall attach to the HBCE Principal Warrant Agent or the HBCE 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 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 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 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 acting in a commercially reasonable manner 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 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 acting in a commercially reasonable manner 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 acting in a commercially reasonable manner 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 HBCE Principal Warrant 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 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 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 HBCE 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 acting in a commercially reasonable manner 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. 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 breach by the Issuer of any of its obligations or 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 if the Issuer determines, acting in good faith and in a commercially reasonable manner, that the payment would be 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).

12. **Notices**

All notices to the Holders of Warrants will be valid either: (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 Warrants are for the time being cleared; **provided that**, in the case of Warrants 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 Warrants 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).

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 transferred by the Issuer to the HBCE Principal Warrant Agent or other HBCE Warrant Agent for cancellation or held in custody by or on behalf of the Issuer and/or sold, resold or otherwise disposed of by the Issuer in accordance with, and within the limits set by, French law from time to time.

15. **Cancellation**

All Warrants where the Issuer's obligations thereunder are terminated pursuant to Condition 11(a) (*Illegality*) and all Warrants purchased by the Issuer for cancellation pursuant to Condition 14 (*Purchase by the Issuer*), shall be cancelled forthwith. All such Warrants where the Issuer's obligations thereunder are terminated or which are purchased and cancelled as aforesaid may not be reissued or resold.

16. **Determinations by the Issuer**

Notwithstanding any provision of the Conditions or any Final Terms to the contrary, all calculations and determinations made by the Issuer pursuant to the Conditions for the purposes of the Warrants shall be made in a commercially reasonable manner.

17. **Consequences of Disrupted Days**

- (a) For the purposes of this Condition 17, "**Limit Valuation Date**" shall mean, if any Scheduled Valuation Date or Scheduled Observation Date (as applicable) in respect of a Warrant is a Disrupted Day, the Specified Maximum Number of Disrupted Days following such Scheduled Valuation Date or Scheduled Observation Date (as applicable), notwithstanding the fact that such day may be a Disrupted Day.
- (b) In the event that any Scheduled Valuation Date or Scheduled Observation Date (as applicable) is a Disrupted Day, then:
 - (A) in the case of a Warrant 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 Warrant, 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:
 - (x) other than in respect of a Proprietary Index-Linked Warrant, 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
 - (y) in respect of a Proprietary Index-Linked Warrant only, by reference to such level or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and

- (2) in respect of an Equity-Linked Warrant, 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 Warrant 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 respect of (i) an Index (other than a Proprietary Index), 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 (ii) in respect of a Proprietary Index, by reference to such level or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Limit Valuation Date of each Component comprised in the relevant Proprietary Index; and
 - (C) in the case of a Warrant 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**" 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(b) (*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 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 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 Valuation Date and the Expiry Date will be postponed, if needed, such that the Expiry Date shall fall at least one Business Day following such Averaging Date;

- (2) **"Postponement"**, then Condition 17(b) (*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 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 Warrants. If any Averaging Dates occur after the relevant Scheduled Valuation Date to which they relate 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 the relevant Valuation Date and the Expiry Date will be postponed, if needed, such that the Expiry Date shall fall at least one 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 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 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 the relevant Valuation 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 Valuation Date and the Expiry Date will be postponed, if needed, such that the Expiry Date shall fall at least one 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.

- (d) If a Scheduled Valuation Date or Scheduled Observation Date is postponed (x) in accordance with this Condition 17 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 Condition 17(d) will be deemed to be, in respect of a Scheduled Valuation Date or Scheduled Observation Date, the latest postponed Valuation Date or postponed Observation Date or Limit Valuation Date, as applicable, occurring in respect of such Scheduled Valuation or Scheduled Observation Date.

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 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 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 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:

- (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, acting in good faith and a commercially reasonable manner, 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 Reference Value or Closing Value required to be determined with respect to such Valuation Date, Observation Date or Averaging Date (as the case may be) using, in lieu of a published level of that Index, the Reference Value or Closing Value 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
 - (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 **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 Warrantholder, 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.

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 Initial Value, 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) (*Adjustments and Events affecting Securities – 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 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.

(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 acting in a commercially reasonable manner 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 Warrantholders 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 Warrantholder, 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 Value of the Substitute Security shall be determined in accordance with the following formula:

$$\text{Initial Value} = \text{Substitute Price} \times (\text{Affected Security Price(k)}/\text{Affected Security Price(j)})$$

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 Value 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(e), the Issuer may make appropriate adjustments or terminate the Warrants of the relevant Series in accordance with Condition 19(b) (*Adjustments and Events*

affecting Securities – Extraordinary Events) or Condition 20 (*Additional Disruption Events*), as applicable.

20. **Additional Disruption Events**

Without prejudice to Condition 19(e) (*Adjustments and Events affecting Securities – 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 acting in a commercially reasonable manner 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. **Dividend Equivalent Payments**

In respect of any Series of Warrants where the payments in respect of such Warrants are determined by reference to one or more variables such as an index, formula, security, commodity, currency exchange rate, interest rate, inflation index, the credit of one or more entities 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 Warrants states the Warrants are "Section 871(m) Warrants", 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 Warrants.

If "Dividend Withholding" is specified in the relevant Final Terms, the relevant Final Terms shall provide for the Issuer to make payments to Warrantholders 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 Warrants 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 Warrantholders.

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 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 Warrants (including any Dispute regarding the existence, validity or termination of the Warrants or the consequences of their nullity).

26. **Modification**

Subject in the case of the HBCE Warrant Agency Agreement and the Master Warrant Issuance Agreement (as applicable) to the agreement of the other parties thereto the Issuer may agree, without the consent of the Warrantholders, to:

- (i) any modification (except as mentioned above) of the HBCE 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;
- (ii) any modification of the Conditions or the HBCE 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

Part III – Information Relating to the Warrants
Section III.3 – Terms and Conditions of the Warrants

- (iii) any modification of the Warrants which is made to correct an inconsistency between the final terms and 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.

SECTION III.4 – 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 Continental Europe

(a société anonyme registered in France)

Programme for the Issuance of Notes and Warrants

Legal Entity Identifier (LEI): F0HUI1NY1AZMJMD8LP67

[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 27 June 2024 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 but before the issue date or listing date of the Warrants, 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 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 2024 Prospectus Expiry Date (as defined below), the Final Terms must be read in conjunction with the Base Prospectus dated 27 June 2024 relating to Warrants issued under the above Programme, which together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 but before the 2024 Prospectus Expiry Date constitutes a base prospectus (the "**2024 Prospectus**") for the purposes of the EU Prospectus Regulation. The 2024 Prospectus shall expire on [•] 2025 (the "**2024 Prospectus Expiry Date**").

Following the 2024 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 2024 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 "**2025 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 2024 Prospectus (the "**Conditions**"). The Conditions shall be incorporated by reference into the 2025 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 *[[insert date]]* which are incorporated by reference in the Base Prospectus dated 27 June 2024 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 27 June 2024 together with each supplemental prospectus relating to the Programme published by the Issuer after 27 June 2024 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 Continental Europe, 38, avenue Kléber, 75116, Paris, France and 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 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 2024 Prospectus Expiry Date, the 2024 Prospectus, and (ii) from but excluding the 2024 Prospectus Expiry Date, the 2025 Prospectus. The 2024 Prospectus is available for viewing during normal business hours at HSBC Continental Europe, 38, avenue Kléber, 75116, Paris, France and www.about.hsbc.fr/investor-relations/debt-issuance. The 2025 Prospectus shall be available for viewing from its date of publication during normal business hours at HSBC Continental Europe, 38, avenue Kléber, 75116, Paris, France and www.about.hsbc.fr/investor-relations/debt-issuance.]

[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 Continental Europe
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: ☐
4. Aggregate Number of Warrants in the:
 - (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] ☐ [Security] ☐ [Securities Basket]
10. Form of Warrant: ☐ [Bearer dematerialised warrants]
[Article L.228-2 option: ☐ [Excluded]] *[Delete this item, unless the option available to the Issuer under Article L.228-2 of the French Code de commerce is intended to be excluded (as described in Condition 2)]*
11. Style of Warrants: The Warrants are European Style ☐ [Call] ☐ [Put] ☐ [Spread] Warrants. Condition 4(a) (*Rights on Exercise – European Style Exercise*) is applicable.
12.
 - (i) Automatic Exercise: ☐ [Applicable] ☐ [Not Applicable]
 - (ii) Minimum Exercise Number: ☐ Warrants
 - (iii) Permitted Multiple: ☐ Warrants

PROVISIONS RELATING TO CASH SETTLEMENT

13. Method for determining the Cash Settlement Amount of each Warrant: [Call Warrants] [Call Spread Warrants] [Put Warrants] [Put Spread Warrants]
14. Cash Settlement Date: [] [or, if later, the fifth Business Day following the Exercise Date]
- [Disrupted Day Related Payment Date:] []
15. Provisions relating to the calculation of the Cash Settlement Amount:
- (i) Final Valuation Date: []
- (ii) Reference Value (in respect of the Final Valuation Date): [Single Observation] [Highest Value] [Lowest Value] [Average Value]
- [If Highest/Lowest Value is specified]*
- [Observation Dates: [] [Not Applicable] [Performance Observation Period applies]]
- [Final Valuation Observation Start Date: []]
- [Final Valuation Observation End Date: []]
- [If Average Value is specified]*
- [Averaging Dates: [] [Averaging Period]]
- [Final Valuation Averaging Start Date: []]
- [Final Valuation Averaging End Date: []]
- [Averaging Date Market Disruption in respect of the Final Averaging Dates: [] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]
- (iii) Strike Level: [[100][] per cent.] [Not Applicable]
- (iv) Cap: [[] per cent.] [Unlimited][Not Applicable]
16. 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 (each, an "**Index**" and together, the "**Indices**").] [] [The Index is a Proprietary Index][[specify relevant Indices in a basket] are Proprietary Indices]³

³ Proprietary Indices to be used in circumstances where either (i) the administrator of the relevant Proprietary Index is included in the public register maintained by the European Securities and Markets Authority under Article 36 of Regulation (EU) 2016/1011 (as amended), or (ii) the second paragraph of item 4 (*Information about the Underlying*) in Part B hereof is included.

- (ii) Reference Performance: [Single Underlying] [Worst of Basket] [Weighted Basket]
- (iii) Weighting: [Equally weighted basket][As per the table below][Not Applicable – [Worst of Basket][Best of Basket] applies] [Not Applicable]
- (iv) Index Sponsor(s): [] [As per the table below][The definition in Condition 1 applies]
- (v) Index Rules: []
- (vi) Exchange(s): [] [As per the table below] [The Index is a Multiple Exchange Index] [Not Applicable (the Index is a Proprietary Index)]
- (vii) Related Exchange(s): [] [All Exchanges] [As per the table below] [Not Applicable (the Index is a Proprietary Index)]
- (viii) Initial Value: [] [The Reference Value with respect to [the][each] Index determined with respect to the Strike Date] [As per the table below]
- [Strike Date: []]
- [Reference Value (in respect of the Strike Date): [Single Observation] [Highest Value] [Lowest Value] [Average Value]]
- [If Highest/Lowest Value is specified]*
- [Observation Dates: [] [Not Applicable] [Performance Observation Period applies]]
- [Strike Observation Start Date: []]
- [Strike Observation End Date: []]
- [If Average Value is specified]*
- [Averaging Dates: [] [Averaging Period]]
- [Strike Averaging Start Date: []]
- [Strike Averaging End Date: []]
- [Averaging Date Market Disruption in respect of the Strike Averaging Dates: [] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]
- (ix) Additional Disruption Event: [The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]] [Not Applicable]
- (x) Index Substitution: [Applicable] [Not Applicable]
- (xi) Alternative Pre-nominated Index: [] [*specify Alternative Pre-nominated Index details*] [Not Applicable]

[Index]	[Bloomberg Ticker]	[Alternative Pre-nominated Index]	[Index Sponsor]	[Index Rules]	[Exchange]	[Related Exchanges]	[Initial Value]	[Weighting]
[]	[]	[]	[]	[]	[] [The Index is a Multiple Exchange Index] [Not applicable (the Index is a Proprietary Index)]	[] [All Exchanges] [Not applicable (the Index is a Proprietary Index)]	[]	[]

(xii) 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] []

17. Provisions relating to the underlying Securities: [Applicable] [Not Applicable]

- (i) [Security Basket]: [Security] [] [Each of the securities specified in the table below (each a "Security" and together the "Securities").]
- (ii) Reference Performance: [Single Underlying] [Worst of Basket] [Weighted Basket]
- (iii) Weighting: [Equally weighted basket] [As per the table below] [Not Applicable – [Worst of Basket] [Best of Basket] applies] [Not Applicable]
- (iv) Underlying Company(ies): [] [and with respect to the Underlying Securities []] [The ETF] [As per the table below]
- (v) Exchange(s): [] [As per the table below]
- (vi) Related Exchange(s): [] [All Exchanges] [As per the table below]
- (vii) Initial Value: [] [The Reference Value with respect to [the][each] Security determined with respect to the Strike Date] [As per the table below]
- Strike Date: []
- [Reference Value (in respect of the Strike Date): [Single Observation] [Highest Value] [Lowest Value] [Average Value]]

[If Highest/Lowest Value is specified]

[Observation Dates: ☐ [Not Applicable] [Performance Observation Period applies]]

[Strike Observation Start ☐]
Date:

[Strike Observation End ☐]
Date:

[If Average Value is specified]

[Averaging Dates: ☐ [Averaging Period]]

[Strike Averaging Start ☐]
Date:

[Strike Averaging End Date: ☐]

[Averaging Date Market ☐]
Disruption:

(viii) Potential Adjustment Event: Condition 19(a) 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)

(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) Additional Disruption Event: [The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]]
[Insolvency Filing] [Not Applicable]

(xiii) Substitution of Securities: [Applicable] [Not applicable]

[Security]	[ISIN]	[Underlying Company]	[Exchange]	[Related Exchanges]	[Initial Value]	[Weighting]
☐	☐	☐	☐	☐ [All Exchanges]	☐	☐

18. Business Day: ☐

19. Business Centre(s): ☐

20. Valuation Time: ☐ [The definition in Condition 1 (*Definitions*) applies]

21. Payments:

- (i) Payment of Alternative [Applicable] [Not Applicable]
Payment Currency
Equivalent:
- 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 [] [Condition 1 (*Definitions*) applies] [[the relevant
Payment Currency [jurisdictions/places] for the purposes of the Alternative
Fixing Date: Payment Currency Fixing Date are []]
 - Additional [] [Not Applicable]
Alternative
Payment Currency
Event:
 - Alternative Pre- [] [*specify Alternative Pre-nominated Index details*] [Not
nominated Index: Applicable]
 - Number of local [3] []
banking days for
the purpose of
postponing
Relevant
Benchmark Related
Payment Date
pursuant to
Condition 9A(b)
(*Consequences of a
Benchmark Trigger
Event*):
- (ii) Price Source Disruption: [Applicable] [Not Applicable]
- FX Cut-off Date: [] [Condition 1 (*Definitions*) applies]
 - Number of local [3] []
banking days for

- the purpose of postponing Related Payment Dates pursuant to Condition 5(g) (*Exercise Procedure – 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*)]]
- (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 Benchmark Trigger Event: [[] per cent. of the Face Value][Fair Market Value][Not Applicable]
- (*Condition 5(g)(Y) (Exercise Procedure – Price Source Disruption and FX Disruption) or 9A Consequences of a Benchmark Trigger Event*)
22. 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 CONTINENTAL EUROPE

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.][and][the official list of the Luxembourg Stock Exchange]. 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")][and][the regulated market of the Luxembourg Stock Exchange]]. 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: [] [See the "Use of Proceeds" section of the Base Prospectus]
- (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]]

[The complete set of rules of the [Index][Proprietary Indices comprised in the Index Basket] and information on the performance of the [Index][Proprietary Indices comprised in the Index Basket] are freely accessible on the Issuer's website or on the website of the provider of such [Index][Proprietary Index]: [•]]. The governing rules in respect of the [Index][Proprietary Indices comprised in the Index Basket] (including methodology of the index for the selection and the re-balancing of the components of the index, description of market disruption events and of adjustment rules) are based on predetermined and objective criteria.]

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 <https://www.about.hsbc.fr/investor-relations/debt-issuance> in [Republic of Ireland] [France] [Italy] [Luxembourg] [Malta] (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 France] ☐
17.	Delivery:	Delivery [against] [free of] payment
18.	HBCE Principal Warrant Agent:	☐ [BNP Paribas]
19.	Calculation Agent:	[HSBC Bank plc] [HSBC Continental Europe] ☐
20.	HBCE Warrant Agent:	☐ [BNP Paribas]

[TERMS AND CONDITIONS OF THE OFFER]

21.	Offer Price:	[Issue Price] ☐
22.	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:	☐ <i>(Where the maximum amount of securities to be offered cannot be specified herein, also specify that acceptances of the purchase or subscription of securities may be withdrawn up to two working days after the amount of securities to be offered to the public has been filed)</i>
23.	The time period, including any possible amendments, during which the offer will be open:	☐ [Not Applicable]
24.	Conditions to which the offer is subject:	☐ [Not Applicable]
25.	Description of the application process:	☐ [Not Applicable]
26.	Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	☐ [Not Applicable]
27.	Details of the minimum and/or maximum amount of application:	☐ [Not Applicable]
28.	Details of the method and time limits for paying up and delivering of the securities:	☐ [Not Applicable]
29.	Manner in and date on which results of the offer are to be made public:	☐ [Not Applicable]
30.	Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	☐ [Not Applicable]
31.	Whether tranche(s) have been reserved for certain countries:	☐ [Not Applicable]
32.	Process for notification to applicants of the amount allotted and the	☐ [Not Applicable]

- indication whether dealing may begin before notification is made:
33. Amount of any expenses and taxes specifically charged to the subscriber or purchaser: ☐ [Not Applicable]
34. 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]
35. Name and address of any paying agents and depositary agents in each country: ☐ [Not Applicable]
36. 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

37. 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 II – 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."

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 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	Administrator/Benchmark Event Date	276
¥ x	Administrator/Benchmark Event Date	313
€ x, 189, 288, 327, 439, 614	Administrator/Benchmark Event Date	426
€STR	AD _t	175
2019 Note Conditions	AD _t	424
2020 Note Conditions	Affected Instrument	38
2021 Final Terms	Affected Relevant Benchmark	176, 276, 313, 426, 608
2021 ISDA Definitions	Affected Security	35, 268, 417, 520, 644
2021 Note Conditions	Affected Security Price(j)	268, 520, 644
2022 Final Terms	Affected Security Price(k)	268, 520, 644
2022 HBEU Annual Report and Accounts	Affected Unit(s)	270, 419, 521, 645
2022 Note Conditions	Agents	176, 426
2023 Final Terms	Aggregate Outstanding Nominal Amount	177, 276, 313, 426
2023 HBEU Annual Report and Accounts	Aggregate Outstanding Nominal Amount Rounding	148
2023 Note Conditions	Alternative English Law Conditions	ii
2023 Prospectus	Alternative English Law Conditions Notes	ii
2024 Prospectus	Alternative Exchange	177, 187, 276, 287, 313, 324, 426, 436, 608, 609, 612
2024 Prospectus Expiry Date	Alternative French Law Conditions	ii
2025 Prospectus	Alternative French Law Conditions Notes	ii, 272
30/360	Alternative General Conditions Notes	ii
30E/360	Alternative Payment Cross Currency Rate	177, 276, 314, 426, 609
30E/360 (ISDA)	Alternative Payment Currency	22, 177, 276, 314, 426, 609
360/360	Alternative Payment Currency Equivalent	177, 276, 314, 426, 609
A/360	Alternative Payment Currency Exchange Rate	177, 276, 314, 426, 609
A/365 (Fixed)	Alternative Payment Currency Fixing Date	177, 277, 314, 427, 609
A/365F	Alternative Payment Currency Fixing Page	178, 277, 315, 427, 610
ABS	Alternative Payment Currency Fixing Time	178, 277, 315, 427, 610
Account Holders	Alternative Payment Currency Jurisdiction	178, 277, 315, 427, 610
Accountholder	Alternative Pre-nominated Index	178, 277, 315, 427, 610
accredited investor	Alternative Representative	403
Accredited Investor	Alternative Terms and Conditions of the English Law Notes	iv
accredited investors	American	180, 181, 280, 310, 318, 349, 430, 460
ACPR	AMF	164, 599
Act/360	Amounts Due	420
Act/365 (Fixed)	Applicable	615
Act/Act	Applicable Benchmark	178, 277, 315, 427, 610
Act/Act (ICMA)	Applicable Fallback Effective Date	278, 315
Act/Act (ISDA)	Applicable Framework	51
Actual Days	Applicable Period	217, 357, 468
Actual Dividend _t	ARRC Fallbacks	223, 224, 363, 474
Actual/360	Article L.228-2 option	350
Actual/365 (Fixed)		
Actual/365 (Sterling)		
Actual/Actual		
Actual/Actual (ICMA)		
Actual/Actual (ISDA)		
Additional Disruption Event		
Adjusted Value		
Adjusted Value _{t-1}		
Adjusted Value _t		
Adjusted Value _{t-1}		
Adjustment Method		
Administrator/Benchmark Event		
Administrator/Benchmark Event Date		

Asset Management Tax	65	BOFIP	58
atypical securities	65	Bond Basis.....	186, 285, 323, 435
AUD	203, 303, 342, 454	bridge institution.....	10
Authorised Offeror	vii	BRRD.....	9, 11
Autocall Amount.....	178, 278, 315, 428	Business Centre	611
Autocall Annual Rate	278, 315	Business Centre(s)	182, 281, 319, 431
Autocall Averaging End Date	180, 279, 317, 429	Business Day	182, 281, 319, 431, 611
Autocall Averaging Start Date ...	180, 279, 317, 429	Business Day Convention.....	182, 281, 319, 431
Autocall Event	81, 179, 278, 315, 428	C(WUMP)O	167, 602
Autocall Level.....	179, 278, 315, 428	Calculation Agent	173, 272, 422, 608
Autocall Observation End Date..	199, 299, 338, 450	Calculation Amount	147, 182, 282, 319, 432
Autocall Observation Start Date.	199, 299, 338, 450	Calculation Period.....	185, 285, 322, 434, 467
Autocall Rate	179, 278, 316, 428	Call Spread Warrants	592
Autocall Redemption Date(s)....	178, 278, 316, 428	Call Strike.....	97, 119, 124, 133, 182, 282, 319, 432
Autocall Valuation Date	179, 428	Call Warrants.....	591
Autocall Valuation Dates(s).....	278, 316	Cap97, 100, 111, 113, 116, 118, 120, 125, 127, 131, 140, 142, 182, 282, 319, 432, 611	
Autocall Valuation Period.....	179, 279, 316, 429	Cash Settlement Amount.....	583, 611, 633
Autocall Valuation Period Start Date	279, 316	Cash Settlement Date	611
Automatic Early Redemption Event.....	144	CD.....	175, 424
Automatic Early Redemption Percentage	144	Central Bank.....	ii
Automatic Early Redemption Rate.....	144	Change in Law.....	17, 183, 282, 320, 432, 611
AV.....	174, 273, 311, 423	CHF.....	203, 303, 342, 454
AV _{t-1}	424	CISA	169, 604
AV ₋₁	175	Clearing System.....	183, 282, 320, 432, 611
Average Price.....	87	Clearing System Business Day.....	183, 282, 320, 432, 611
Average Value	341, 587, 622	Clearing System Currency Eligibility Event.....	21
Averaging Date Market Disruption.....	263, 412, 515, 639	Clearing System Currency Eligibility Event.....	183
Averaging Date(s)	179, 279, 316, 429, 610	Clearing System Currency Eligibility Event.....	283
Averaging Period	180, 279, 317, 429, 610	Clearing System Currency Eligibility Event.....	320
AV _t	273, 311	Clearing System Currency Eligibility Event.....	432
Bail-In Legislation.....	420	Clearing System Currency Eligibility Event.....	611
Banking Act.....	9	Clearstream.....	350, 627
Barrier.....	95	Clearstream, Luxembourg.....	183, 283, 320, 432, 611
Barrier Event.....	97, 100, 103, 105, 107, 111, 115, 120, 137, 142, 180, 280, 317, 429	closed day	178, 277, 314, 427, 609
Barrier Level.....	95, 97, 100, 103, 105, 107, 111, 115, 120, 137, 142, 180, 280, 317, 430	Closing Price	85, 88
Barrier Observation Method	181, 280, 317, 430	Closing Value	183, 283, 320, 424, 432, 585
Barrier Valuation Date.....	88, 95, 98, 101, 181, 280, 318, 430	Closing Value ₀	175
Barrier Valuation Dates	95	Closing Value _{t-1}	175
Barrier Valuation Period.....	181, 281, 318, 430	Closing Value ₀	424
Barrier Valuation Period End Date.....	181, 281, 318, 430	Closing Value _t	175
Barrier Valuation Period Start Date.....	181, 281, 318, 430	Closing Value _{t-1}	424
Base Prospectus.....	ii	CMP Regulations 2018	525, 555, 650
Basket.....	81, 181, 281, 318, 430, 583, 611	Collective Decisions.....	403
Basket of Indices	81	Collective Investment Fund Substitute Tax	65
Basket of Securities.....	81, 583	Common Code	77
BBR.....	181, 281, 318, 430	Common Depositary	158
Bearer Notes	210, 461	Companies Act.....	77
Belgian Consumer	164, 599	Component	183, 283, 320, 432, 612
Benchmark Trigger Event.....	19, 181, 281, 318, 431, 611	Computershare Agency Agreement	173, 422
Bermudan.....	95, 104, 180, 181, 280, 309, 317, 318, 349, 429, 430, 460	Conditional Protection.....	183, 283, 320, 432
Best Performing Underlying	181, 281, 318, 431	Conditional Protection Percentage	99, 107, 110
BITC 1992	60	Conditionsx, 5, 173, 272, 422, 523, 524, 553, 554, 608, 648, 649	
		Confirmation.....	467
		CONSOB.....	164, 599
		Contractual Dividend	40, 175, 424
		Conversion.....	183, 283, 320, 433, 612
		Corresponding Tenor	228, 368, 478

Coupon Amount.....	150, 184, 283, 320, 433
Coupon Averaging End Date	180, 279, 317, 429
Coupon Averaging Start Date	180, 279, 317, 429
Coupon Event	81, 184, 283, 321, 433
Coupon Level.....	150, 184, 283, 321, 433
Coupon Observation End Date....	199, 299, 338, 450
Coupon Observation Start Date..	199, 299, 338, 450
Coupon Payment Date	184, 283, 321, 433
Coupon Rate	150, 184, 283, 321, 433
Coupon Recovery Event	82, 184, 283, 321, 433
Coupon Recovery Level	184, 284, 321, 433
Coupon Valuation Date	184, 284, 321, 433
Couponholders	173, 422
Coupons.....	173, 422
CRD IV.....	12
credit risk.....	14
CREST	1, 184, 433
CREST Registrar.....	173, 422
Cross Currency.....	184, 284, 321, 433, 612
Cross Currency Jurisdiction.....	184, 284, 321, 433, 612
Currency Pair Business Day	184, 284, 433
Currency Pair Business Day	321
Currency Pair Exchange Rate	184, 284, 434
Currency Pair Exchange Rate	321
Currency Pair Fixing Date	185, 434
Currency Pair Fixing Date	284
Currency Pair Fixing Date	322
Currency Pair Fixing Page	185, 434
Currency Pair Fixing Page	284
Currency Pair Fixing Page	322
Currency Pair Fixing Time	185, 434
Currency Pair Fixing Time	285
Currency Pair Fixing Time	322
d 217, 357, 468	
D 449	
d ₀ 217, 357, 468	
D ₁	435, 436
D ₂	436
Daily95, 180, 181, 280, 309, 317, 318, 349, 430, 460	
Day Count Divisor	185, 434
Day Count Divisor	285
Day Count Divisor	322
Day Count Fraction.....	147, 185, 285, 322, 434
Decrement Observation Date	425
Decrement Observation Period	425
Dealer	vi, 173, 272, 422
Dealers.....	173, 272, 422
Decree No. 239	63
Decree No. 252	64
Decree No. 461	63
Decree No. 58	164, 599
Decree no. 917	63
Decrement Observation	88, 341
Decrement Observation Date	88, 89, 175
Decrement Observation Period	176
Deductibility Exclusion	57
Deed of Covenant.....	173, 422
Deferral Period.....	187, 250, 287, 324, 392, 393, 436, 501, 612, 631
Definitive Bearer Notes	158
Definitive Notes.....	210, 461
Definitive Registered Notes.....	160
Delisting	187, 287, 324, 436, 612
Delivery Disruption Event.....	187, 287, 324, 436
Deposit Agreement	187, 287, 324, 436, 612
Depository	187, 287, 324, 436, 612
Depository Receipt(s).....	187, 287, 324, 436, 612
Derivative Component	324, 436
Derivative Component Market Value.....	324, 437
Description of the Notes.....	iv
Description of the Warrants.....	iv
Designated Maturity	466
designee.....	226, 366, 477
DFSA	162, 597
Digital Coupon.....	184, 283, 320, 433
Digital Rate.....	115, 120, 187, 287, 325, 437
Digital Return Percentage....	107, 110, 122, 129, 131
Dispute	271, 421, 522, 646
Disrupted Day.....	188, 287, 325, 437, 612
Disrupted Day Related Payment Date.....	188, 287, 325, 437, 613
Disruption Cash Settlement Date	253, 397, 504
Disruption Cash Settlement Price	253, 397
Distribution Cash Settlement Price	504
Distributors.....	547, 548, 577, 578, 658
dividend equivalent.....	76
Downside Participation.....	137, 140, 188, 287, 325, 437
DR-Linked Notes	188, 287, 325, 437
DR-Linked Warrants.....	613
Early Closure	188, 287, 325, 437, 613
Early Redemption Amount.....	188, 288, 325, 437
Early Redemption Date	257, 401, 508
Early Redemption Valuation Date	326, 438
Early Termination Amount.....	613
ECB.....	12
EDFR	222, 361, 472
EDFR Spread.....	222, 361, 472
EEA.....	ii, 524, 554, 649
EEA Member State	163, 598
Effective Date	467
Effective Interest Payment Date.....	218, 357, 468
Electronic Consent	404
EMU Event.....	188, 288, 326, 438, 613
English Law Notes	ii
Equity-Linked Notes	ii, 96, 189, 288, 326, 438
Equity-Linked Warrants	ii, 613
ESG Index	46
ETF	189, 288, 326, 438, 613
ETF Adviser	189, 288, 326, 439, 613
ETF Documents	189, 288, 327, 439, 613
ETFs.....	32
EU Benchmarks Regulation.....	iii, 19
EU CRA Regulation.....	iii
EU Green Bond Regulation.....	45
EU Prospectus Regulation.....	ii, 163, 164, 523, 524, 553, 554, 598, 599, 648, 649
EU Taxonomy Regulation.....	45
EuGB.....	45
EUR x, 189, 203, 288, 303, 327, 343, 439, 454, 614	
EURIBOR	18, 189, 288, 327, 439

euro.....	x, 189, 288, 327, 439, 614
Euro.....	x, 189, 288, 327, 439, 614
Euro Business Day	189, 288, 327, 439, 614
Euro Exchange Date.....	189, 439
Euro Exchange Notice.....	189, 439
Eurobond Basis.....	186, 286, 323, 435
Euroclear.....	1, 189, 288, 327, 350, 439, 614, 627
Euroclear France	1, 288, 327, 614
Eurodollar Convention	182, 281, 319, 431
Euronext Dublin.....	ii
European95, 106, 180, 280, 309, 317, 349, 429, 460	
European Style.....	628
EUWA.....	iii, 524, 554, 606, 649
Event of Default.....	3, 4, 256, 400, 401, 507
Exception.....	57
Exchange	189, 289, 327, 439, 614
Exchange Business Day.....	189, 289, 327, 439, 614
exchange date.....	189, 439
Exchange Disruption	190, 289, 327, 439, 614
Exchange Traded Contract.....	34
Ex-Dividend Date.....	176, 425
Exempt Offer	597
exercise.....	628
Exercise Date	614
Exercise Notice	614
Expiry Date.....	583, 615
Extraordinary Dividend	190, 289, 327, 440, 615
Extraordinary ETF Event... 190, 289, 328, 440, 615	
Extraordinary Event	191, 291, 329, 441, 617
Extraordinary Fund Event.....	36
F 449	
Face Value	617
Failure to Deliver	18, 192, 291, 329, 441
Fair Market Value	192, 291, 329, 441, 617
Fallback Reference Price	249, 391, 393, 500
Fall-Back Reference Price	630
FATCA withholding.....	390
FCA.....	iii
Fed Recommended Rate.....	224, 364, 475
Federal Reserve Board.....	226, 366, 477
Fee Component	329, 441
FIEA.....	167, 602
Final Averaging Date	317, 610
Final Fallback Rate.....	222, 362, 472
Final Observation Date.....	299, 450
Final Performance	94, 192, 291, 329, 442, 617
Final Redemption Amount80, 192, 233, 291, 329, 373, 441, 483	
Final Terms.....	ii, 80, 173, 272, 422, 583, 608
Final Valuation Averaging End Date180, 279, 317, 429, 610	
Final Valuation Averaging Start Date180, 279, 317, 429, 610	
Final Valuation Date.....	192, 291, 329, 442, 617
Final Valuation Observation End Date199, 299, 338, 450, 621	
Final Valuation Observation Start Date199, 299, 338, 450, 621	
FINMA	169, 604
FinSA	169, 525, 555, 604, 650
FinSO	169, 525, 555, 604, 650
First Barrier Valuation Date	104
Fitch.....	iii
Fixed Amount Redemption Rate 192, 292, 330, 442	
Fixed Coupon Amounts.....	147
Fixed Income Notes	ii
Fixed Rate Note	192, 292, 330, 442
Fixed Rate Note provisions	81
Fixed/Floating Rate Notes.....	192, 292, 330, 442
Floating Rate Convention.....	182, 281, 319, 431
Floating Rate Note	192, 292, 330, 442
Floating Rate Note Provisions	81
Floating Rate Option.....	192, 292, 330, 442, 466
Following Business Day Convention182, 281, 319, 431	
FOMC Target Rate.....	226, 366, 476
Force Majeure.....	330, 442
foreign passthru payments.....	75
Form of English Law Notes and Summary of Provisions Relating to the English Law Notes While in Global Form.....	iv
Form of Final Terms for Notes	iv
Form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions)	iv
Form of Final Terms for Warrants	iv
French FTT.....	38
French Law Conditions	ii
French Law Notes.....	ii
French Note Agency Agreement.....	272
French Qualifying Securities	38
FRN Convention.....	182, 281, 319, 431
FS Act	167, 602
FSA	167, 602
FSA19	601
FSMA.....	iii, 524, 554, 607, 649
FSRA.....	597
Fund	64
Funds.....	64
FX Cut-off Date250, 292, 330, 392, 393, 501, 618, 631	
FX Disruption Event	192, 292, 330, 442, 618
FX Disruption Relevant Currency192, 292, 330, 442, 618	
GBP.....	x, 203, 303, 343, 454
General English Law Conditions	ii
General Information	iii
General Meeting	403
GFSC.....	601
Gibraltar PRIIPS Regulations.....	601
Global Note	158
Global Registered Notes.....	160
Government Bond.....	193, 292, 330, 442, 618
Government Bonds	193, 292, 330, 442, 618
Governmental Authority.....	193, 292, 330, 442, 618
Green Assets.....	45
Green Notes	45
Gross Cash Dividend.....	176, 275, 425
Gross Cash Equivalent Dividend	176, 275, 425
HBCE.....	ii, i, 272

HBCE 2022 Universal Registration Document...	48	Interest Commencement Date	147, 195, 295, 333, 445
HBCE 2023 Universal Registration Document...	48	Interest Determination Date.....	195, 295, 333, 445
HBCE French Note Agency Agreement.....	272	Interest Payment Date	196, 295, 333, 445
HBCE Principal Warrant Agent.....	608	Interest Payment Dates.....	147
HBCE Warrant Agency Agreement	608	Interest Period.....	147, 196, 296, 334, 445
HBEU	ii, i, 272	Intermediaries	64
HBEU 2023 Form 20-F	8	Intermediary	64
Hedging Disruption.....	17, 193, 292, 618	Intervening Period.....	252, 395, 503
Highest Price.....	85	Intraday Observation.....	341
Highest Value.....	341, 585, 622	Intraday Value	196, 296, 334, 446
Highest Value (Structured)	330, 442	Investor's Currency	22
Highest Value (Vanilla).....	330, 443	IRAP	69
HK\$.....	x	IRC.....	196, 296, 334, 446, 619
HKD	x	ISDA	196, 296, 334, 446
HM Treasury.....	9	ISDA Definitions	196, 226, 296, 334, 366, 446, 477
HMRC.....	54	ISDA Fallback Adjustment.....	226, 366, 477
Holder.....	211, 350, 462, 618, 627	ISDA Fallback Rate	227, 366, 477
holder of any Note.....	350, 627	ISDA Rate	215, 354, 465
holder of Notes.....	350, 627	ISIN.....	77
Holders	211, 461, 462	Issue Agent	173, 422
Hong Kong	x	Issue Date	196, 296, 334, 446, 619
Hong Kong dollars	x	Issue Specific Summary	8
HSBC Green Bond Framework.....	51	Issuer	ii, i, 173, 272, 422, 608
HSBC Group.....	45	Issuers	ii, i, 272
i 218		Issuing and Paying Agency Agreement	173, 272, 422
I 357, 468		Italian FTT.....	38
IBORs.....	42	Italian FTT on Derivatives.....	38
IGA.....	75	Italian FTT on Shares.....	39
Illiquidity	193, 292, 331, 443, 618	Italian Notes.....	196, 296, 334, 446
Income Tax Act.....	55	Italian Stock Exchange.....	196, 296, 334, 446, 619
Inconvertibility.....	193, 292, 331, 443, 618	Italian Warrants.....	619
Incorporation by Reference.....	iii	Japanese Yen	x
Increased Cost of Hedging.....	17, 193, 293, 618	JPY.....	x, 343
Index ⁸¹ , 193, 293, 331, 443, 541, 571, 583, 619, 651		Law of 23 December 2005	72
Index and ETF Disclaimers.....	v	LEI	78
Index Basket	193, 293, 331, 443, 619	LIBOR.....	19
Index Cancellation.....	266, 415, 517, 642	Licensee.....	663, 664
Index Cancellation Notice.....	266, 415, 517, 642	Limit Valuation Date	16, 196, 262, 265, 296, 334, 410, 414, 446, 513, 516, 619, 638, 641
Index Cessation Event	193, 293, 331	Live Date	28
Index Cessation Event Effective Date	195, 294, 332, 444	local banking day	196, 296, 334, 446, 619
Index Modification.....	266, 415, 517, 641	Lock-In Coupon Averaging End Date	180, 200, 279, 299, 317, 338, 429, 450
Index of Defined Terms.....	v	Lock-In Coupon Averaging Start Date	180, 200, 279, 299, 317, 338, 429, 450
Index Rules	195, 294, 332, 445	Lock-In Coupon Event	82, 196, 296, 334, 446
Index Sponsor	195, 294, 332, 445, 619	Lock-In Coupon Level	197, 296, 334, 446
Index Substitution Notice ..	195, 295, 333, 445, 619	Lock-In Coupon Observation End Date	200, 299, 338, 450
Index-Linked Notes.....	ii, 195, 294, 332, 444	Lock-In Coupon Observation Start Date	200, 299, 338, 450
Index-Linked Warrants.....	ii, 619	Lock-In Coupon Valuation Date	197, 296, 334, 446
Indices 193, 293, 331, 443, 541, 571, 583, 619, 651		Lock-In Redemption Averaging End Date	180, 279, 317, 429
Initial Authorised Offeror[s]	549, 579, 659	Lock-In Redemption Averaging Start Date	180, 279, 317, 429
Initial Representative.....	403	Lock-In Redemption Event	81, 143, 197, 296, 334, 446
Initial Value	195, 295, 333, 445, 619		
in-scope securities	39		
Insolvency.....	195, 295, 333, 445, 619		
Insolvency Filing.....	17, 195, 295, 333, 445, 619		
Insurance Distribution Directive	ii, 163, 524, 554, 598, 649		
interest.....	56		
Interest.....	63		
Interest Amount....	81, 147, 156, 157, 230, 370, 481		

Lock-In Redemption Level.....	197, 446	Non-Coupon Event Valuation Date	199, 298, 338, 449
Lock-In Redemption Observation End Date.....	200, 299, 339, 450	Non-exempt Offer.....	163, 598
Lock-In Redemption Observation Start Date.....	200, 299, 339, 450	Non-Representative.....	194, 294, 332
Lock-In Redemption Percentage.....	81, 297, 335	Non-Reset Date.....	218, 357, 468
Lock-In Redemption Rate.....	197, 446	Non-transferability.....	199, 298, 449, 621
Lock-In Redemption Trigger Level...	143, 297, 335	Not Applicable.....	615
Lock-In Redemption Valuation Date.	297, 335, 447	Noteholder.....	211, 350, 462, 627
longer-dated futures contract.....	31	Noteholders.....	173, 422
Lowest Price.....	86	Notes.....	ii
Lowest Value.....	341, 586, 622	Notional Date Sale.....	306, 346
M ₁	435, 436	Notional Sale Date.....	206, 457
M ₂	435, 436	OBFR.....	225, 365, 475
Manager.....	608	Observation Date.....	199, 298, 338, 449
Managers.....	608	Observation Period.....	218, 357, 468
Margin.....	148, 197, 297, 335, 447	offer.....	171, 606
Market Disruption Event ...	197, 297, 335, 447, 619	offer of Notes to the public.....	163, 171
Market Value 1.....	336, 447	offer of Warrants to the public.....	598, 606
Market Value 2.....	336, 448	Offer Period.....	vi, vii, 549, 579, 659
Masse.....	403	OFP.....	61
Mass-marketing.....	168, 603	Omission.....	263, 412, 515, 639
Master Note Issuance Agreement.....	173, 272, 422	Operator.....	212, 463
Master Warrant Issuance Agreement.....	608	Operator register of corporate securities....	212, 463
Maturity Date	80, 198, 233, 298, 336, 373, 448, 483	Optional Redemption Date (Call Option).....	338
Max.....	591, 594	Order.....	167, 602
Maximum Interest Rate.....	149, 198, 298, 336, 448	Original Exchange.....	189, 289, 327, 439, 614
Merger Event.....	198, 298, 336, 337, 448, 449, 620	Original Issue.....	525, 555, 650
MiFID II.....	ii, 163, 524, 554, 598, 649	Outstanding Missed Coupon Amount.....	155
Minimum Exercise Number.....	620, 633	Outstanding Missed Coupon Amounts	153, 199, 299, 338, 450
Minimum Interest Rate.....	198, 298, 337, 449	Overview of the Programme.....	iii
Minimum Interest Rate'	148	p	218, 357, 468
Minimum Redemption Percentage	113, 115, 117, 119, 122, 133, 135	Participating Member State	199, 299, 338, 450, 621
Modified Business Day Convention	182, 281, 319, 431	participating securities.....	212, 463
Modified Following Business Day Convention	182, 281, 319, 431	Participation	97, 100, 111, 113, 116, 118, 120, 125, 127, 131, 134, 135, 142, 199, 299, 338, 450
Modified Postponement.....	264, 413, 515, 640	Paying Agent.....	272
Monetisation Amount.....	337, 449	Paying Agents.....	173, 299, 338, 422
Moody's.....	iii	Pension Fund Tax.....	65
MOT.....	ii, 55, 78, 547, 577, 658	Performance Observation Period	199, 299, 338, 450
Multiple Exchange Index...	198, 298, 337, 449, 620	Permanent Global Note.....	158
Multiple Exchange Index-Linked Notes	198, 298, 337, 449	Permitted Multiple.....	621, 633
Multiple Exchange Index-Linked Warrants.....	621 n 449	Person.....	77
National Currency Unit.....	198, 298, 337, 449, 621	Postponed Determination Date.....	254, 397, 505
Nationalisation.....	198, 298, 337, 449, 621	Postponed FX Fixing Date.	250, 392, 393, 501, 631
near-dated futures contract.....	31	Postponement.....	264, 413, 515, 640
Net Liquidation Proceeds.....	252, 396, 503	Potential Adjustment Event	200, 299, 300, 339, 450, 451, 621, 622
net recipients.....	63	Preceding Business Day Convention	182, 281, 319, 431
New Issuer.....	199, 262, 449, 513	Price Source Disruption.....	200, 300, 339, 451, 622
New York City Business Day.....	227, 477	PRIIPs Regulation.....	ii, 524, 554, 649
New York Fed Business Day.....	227, 366, 477	Principal Paying Agent.....	4, 173, 272, 422
ni	218, 357, 468	Principal Protected Amount.....	339, 451
No Adjustment.....	182, 282, 319, 432	Private Offer Exemptions.....	168, 603
Non transferability.....	337	Proceeds.....	45
Non-Cooperative State.....	57	Professional Clients.....	170, 604
		professional investors.....	167
		Programme.....	ii, 7, 173, 272, 422, 608
		Proprietary Index.....	200, 300, 339, 451, 622

Proprietary Index-Linked Notes.....	200
Proprietary Index-Linked Notes.....	300
Proprietary Index-Linked Notes.....	339
Proprietary Index-Linked Notes.....	451
Proprietary Index-Linked Warrants.....	622
Proprietary Indices	200, 300, 339, 451, 622
prospectus.....	167
Prospectus.....	523, 524, 553, 554, 648, 649
Protection Level	141, 200, 451
Protection Level Percentage.....	300, 339
Public Offer	vii
Public Offer Jurisdiction.....	vii, 549, 579, 659
Publisher.....	663, 664
Purchase and Sale of Warrants.....	iv
Put Strike	113, 115, 200, 300, 339, 451
qualified investors.....	599
Qualifying Certificates of Deposit.....	40
Qualifying Markets.....	39
Qualifying Shares.....	39
r	449
Rate Cut-Off Date	218, 357, 468
Rate of Interest.....	147, 200, 300, 339, 451
RBVL	168, 603
Record	211, 462
Record Date	248, 499
record of uncertificated corporate securities	212, 463
Redemption Amount.....	201, 244, 301, 340, 385, 386, 451, 495
Redemption Amount (Call Option).....	301, 340
Redenomination Date	201, 301, 340, 451
Reference Asset.....	231, 371, 481, 646
Reference Asset Component.....	231, 371, 481, 646
Reference Asset(s).....	14
Reference Bank(s).....	201, 301, 340, 452
Reference Currency.....	201, 203, 301, 303, 340, 342, 452, 454
Reference Currency Jurisdiction	201, 301, 340, 452
Reference Dealers	201, 301, 340, 452, 622
Reference Performance.....	90, 201, 301, 341, 452, 587, 622
Reference Rate... ..	202, 218, 302, 341, 358, 453, 469
Reference Rate Business Day	219, 359, 470
Reference Rate Business Day(i).....	218, 220, 357, 359, 468, 470
Reference Rate Determination Date ..	220, 359, 470
Reference Rate(i)	219, 358, 469
Reference Time	227, 367, 477
Reference Value... ..	85, 202, 302, 341, 452, 584, 622
REFi	219, 358, 469
Register.....	210, 461
Registered Notes	210, 461
Registrar	173, 422
Registration Document.....	48
Regular Date	202, 302, 342, 453
Regular Period	202, 302, 341, 453
Regulation No. 11971.....	164, 599
Regulation S.....	iii
Regulation S Definitive Registered Notes	160
Regulation S Global Registered Note.....	160
Regulations.....	211, 462
Re-Investment Percentage	176, 425
Related Exchange.....	202, 203, 302, 303, 342, 453, 623
Related Payment Date	203, 303, 342, 453, 623
Relevant Banking Day.....	203, 453
Relevant Benchmark	203, 303, 342, 454, 623
Relevant Benchmark Determination Date.....	203, 303, 342, 454, 623
Relevant Benchmark Payment Date.....	203, 303, 342, 454
Relevant Benchmark Related Payment Date	623
Relevant Currency Business Day.....	204, 303, 343, 454, 623
Relevant Date	246, 388, 389, 497
Relevant Financial Centre ..	148, 204, 304, 343, 454
Relevant Financial Centre Day ..	204, 304, 343, 454
Relevant Governmental Body.....	227, 367, 477
Relevant Initial Value.....	108, 204, 304, 343, 455
Relevant Nominating Body	204, 304, 343, 455, 623
Relevant Rate.....	204, 220, 304, 343, 359, 455, 470, 624
Relevant Rate – Fixed	184, 283, 320, 433
Relevant Rate – Floating	184, 283, 321, 433
Relevant Recommended Rate	222, 362, 473
Relevant Reference Asset Fallback Provisions	204, 304, 343, 455, 624
Relevant Screen Page	204, 304, 344, 455
Relevant Security	205, 304, 344, 455
relevant system	212, 463
relevant tenor.....	194, 293, 332, 444
Relevant Time.....	205, 305, 344, 455
Relevant UK Resolution Authority	420
relevant UKRA	9
re-offer spread.....	547, 577, 658
Replacement DRs.....	205, 305, 344, 456, 624
Replacement Index.....	19, 205, 260, 305, 344, 406, 408, 456, 510, 624, 635
Representative	403
Reset Date	466
resident of Japan	167, 602
Residual Amount	205, 305, 344, 456
Residual Cash Amount.....	109, 205, 305, 344, 456
Resolution Authority.....	11
retail investor	163, 171, 598, 606
Return Threshold.....	97, 100, 103, 107, 111, 113, 115, 118, 120, 122, 123, 125, 127, 128, 129, 131, 133, 135, 140, 142, 205, 305, 344, 456
RFR Financial Centre.....	222, 362, 473
RFR triggers	44
Risk Factors.....	iii
S&Ps	iii
Safe Harbour.....	58
Sanctions	77
SBS	168, 603
Scheduled Averaging Date	205, 305, 344
Scheduled Closing Time.....	205, 305, 344, 456, 624
Scheduled Final Averaging Date.....	205, 305, 344, 345, 456, 624
Scheduled FX Fixing Day.....	205, 249, 305, 344, 391, 393, 456, 500, 624, 630
Scheduled Observation Date.....	205, 456, 624

Scheduled Trading Day	205, 305, 345, 456, 624
Scheduled Valuation Date..	206, 305, 345, 456, 624
SDCA	54
SEC	8
Second Barrier Valuation Date	104
Section 871(m).....	76
Securities	206, 306, 345, 456, 543, 573, 624, 653
Securities Act.....	iii, ix, 625
Securities Basket	625
Securities Entitlement.....	206, 306, 345, 456
Securities Transfer Amount	109, 206, 306, 345, 457
Security.....	81, 306, 543, 573, 583, 624, 653
SEDOL	77
Senior Non-Preferred Obligations	306, 345, 625
Senior Preferred Obligations.....	306, 345, 625
Series.....	173, 272, 422, 608
Settlement Currency.....	206, 306, 345, 457, 625
Settlement Currency Exchange Rate	206, 306, 345, 457, 625
Settlement Currency Jurisdiction	206, 306, 345, 457, 625
Settlement Cycle	206, 306, 345, 457, 625
Settlement Date	206, 306, 346, 457
Settlement Disruption Event	307, 346, 457
SFA	169, 525, 555, 604, 650
SFDR.....	45
SFO	167, 601
SGD.....	343
SGRs	64
SIFMA.....	219, 227, 359, 367, 470, 477
SIMs	64
Singapore and London Banking Day.	194, 294, 332
Single Observation	85, 88, 341, 585, 622
Single Supervisory Mechanism.....	12
SMV	168, 603
SOFR.....	42, 206, 223, 307, 346, 358, 457
SOFR Replacement Adjustment	227, 367, 477
SOFR Replacement Date	227, 367, 478
SOFR Replacement Rate	228, 368, 478
SOFR Transition Event.....	228, 368, 478
SONIA.....	42, 207, 218, 307, 346, 358, 457, 469
SOR	207, 307, 346, 457
SOR Administrator.....	194, 294, 332, 444
SORA	42, 207, 229, 307, 346, 358, 457, 469
Spanish FTT Law	39
Spanish Securities Markets and Investment Services Law	601
Specified Currency	207, 307, 346, 457
Specified Currency Jurisdiction .	207, 307, 346, 458
Specified Denomination	207, 307, 346, 458
Specified Maximum Number of Disrupted Days	207, 307, 346, 458, 625
Specified Number of Settlement Days	207, 307, 346, 458
Specified Period.....	207, 307, 347, 458
Specified Rate	194, 293, 331, 443
Specified Security	76
SRB	13
SRF.....	12
SRM	12
SRM Regulation	12
Start Date.....	28
Sterling.....	x
Stock Exchange Tax Representative	62
Strike Averaging End Date.	180, 279, 317, 429, 610
Strike Averaging Start Date	180, 279, 317, 429, 610
Strike Date.....	207, 307, 347, 458, 625
Strike Level	96, 207, 308, 347, 458, 625
Strike Observation End Date	199, 299, 338, 450, 621
Strike Observation Start Date	199, 299, 338, 450, 621
Strike Percentage	123, 124, 127, 128, 129, 131
structured product	167
Subscription and Sale of Notes	iv
Substitute Index	207, 308, 347, 458, 625
Substitute Price	269, 520, 644
Substitute Security	35, 268, 417, 520, 644
Substitution Reference Date	268, 417, 520, 644
sub-unit	213, 231, 244, 351, 370, 385, 386, 464, 481, 495
Successor Index	266, 415, 517, 625, 641
Synthetic Dividend.....	28
Synthetic French Qualifying Securities	38
t	176, 425
T	176, 425
T2.....	208, 308, 347, 458, 625
Talons.....	173, 422
TARGET Business Day	189, 288, 327, 439, 614
Tax Reform.....	63, 68
Taxation.....	iii
Taxes	625, 629
TEFRA C.....	158
TEFRA D	158
Temporary Global Note.....	158
Tender Offer	208, 308, 347, 458, 626
Termination Date	467
Terms and Conditions of the English Law Notes..	iv
Terms and Conditions of the French Law Notes..	iv
Terms and Conditions of the Public Offer.....	viii
Terms and Conditions of the Warrants.....	iv
Third Party Administrator	26
Third Party Calculation Agent.....	26
Threshold Events	23
TONA	42, 229, 308, 347, 358, 458, 469
Trade Date	308, 347, 626
Trading Disruption.....	208, 308, 347, 458, 626
Tranche.....	173, 272, 422, 608
Transfer Agent	173, 422
transfer date	209, 459
Transfer Expenses.....	208, 308, 347, 459
Transfer Notice	208, 308, 347, 459
Transfer Notice Cut-off Date.....	252, 396
Treaty	209, 309, 348, 459, 626
TWAP	33
U.S. Permitted Withholding.....	246, 389, 497, 637
U.S. Underlying Equities.....	76
UAE	171, 606
UK.....	iii, 524, 554, 649
UK Bail-in Power	421

UK Benchmarks Regulation	19	US\$	x
UK CRA Regulation.....	iii	USD x, 204, 210, 303, 310, 343, 349, 454, 460, 626	
UK EU Prospectus Regulation.....	171, 607	Use of Proceeds	iii
UK PRIIPs Regulation.....	iii, 525, 555, 649	Valid Date	210, 310, 349, 460, 626
Unadjusted SOFR Replacement.....	229, 369, 479	Valoren Number	77
Uncertificated Registered Notes.....	210, 461	Valuation Date.....	210, 310, 349, 460, 626
Uncertificated Securities Regulations.....	211, 462	Valuation Time	210, 310, 349, 460, 627
Underlying	i, 3, 81, 209, 309, 348, 459, 583	Warrant Agency Agreement	608
Underlying Company	209, 309, 348, 459, 626	Warrant Agents.....	608
Underlying Fallback Rate	195, 294, 332	Warrantholder	627
Underlying Index	209, 309, 348, 460, 573, 626	Warrants	ii
Underlying Indices	3	Weighted Basket.....	590
Underlying Performance.....	90, 209, 309, 348, 460, 588	Weighting.....	210, 310, 349, 461, 627
Underlying Securities	3	White List.....	67
Underlying Security	209, 309, 348, 460, 626	Worst of Basket	589
Underlyings.....	3	Worst Performing Underlying.....	210, 310, 349, 461, 627
Unit.....	209, 309, 348, 460, 543, 573, 626	Written Resolution	403
United States person.....	158	Written Resolution Date	404
Unscheduled Holiday	209, 309, 348, 460, 626	Y	220, 360, 471
Upper Barrier Event	95, 209, 309, 349, 460	Y ₁	435, 436
Upper Barrier Level.....	95, 209, 310, 349, 460	Y ₂	435, 436
Upside Participation ...	137, 140, 209, 310, 349, 460		
US dollars	x		

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