BASE PROSPECTUS

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 established a Programme for the Issuance of Notes and Warrants (the "**Programme**"). HSBC Continental Europe ("**HBCE**" or the "**Issuer**") acceded to the Programme on 26 May 2022.

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 by the Issuer under the Programme, namely notes ("**Notes**") and warrants ("**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 (which may comprise equity securities, debt securities (including Government Bonds), depository receipts or units in an exchange trade fund ("**ETF**")) or one or more funds (each an "**Underlying**" and together, the "**Underlyings**") or a combination of one or more indices and one or more securities, as the case may be. Alternatively, the Issuer may issue Notes which may bear interest and have an amount payable on maturity which are not linked to one or more Underlyings ("**Fixed Income 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 (as amended, 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 Issuer 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.

Notes may (subject to any specified exceptions) be governed by English law (the "**English Law Notes**") or French law (the "**French Law Notes**"). The terms and conditions of the Notes are set out herein in the section headed *"Terms and Conditions of the Notes*" (the "**Conditions**"). The Conditions applicable to English Law Notes and French Law Notes are referred to herein as the "**English Law Conditions**" and "**French Law Conditions**" respectively. If the relevant Final Terms relating to any Notes specify that the "Alternative Conditions" will apply to such Notes, certain alternative terms and conditions set out under the Conditions (the "**Alternative Conditions**") will apply in respect of such Notes (the "**Alternative 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 the 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**"). Application may also be made to Borsa Italiana S.p.A. for Notes or Warrants to be admitted to trading on the Italian multilateral trading facilities Securities Derivative Exchange ("**SeDeX**") and/or EuroTLX (on its segment for securitised derivatives Cert-X ("**Cert-X**")) managed by Borsa Italiana S.p.A., which are not regulated markets for the purposes of MiFID II. Additionally, application may be made by the Issuer for admission of Notes or Warrants to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange.

Notes or Warrants (as applicable) offered under the Programme may be listed and traded on a regulated (or other) market, or not listed or traded on a regulated (or other) market. The Final Terms prepared in respect of the relevant Notes or Warrants (as applicable) will specify whether or not application will be made for the Notes or Warrants (as applicable) to be listed and traded and, if so, on what market(s).

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 xii.

EU PRIIPs REGULATION – IMPORTANT - EEA RETAIL INVESTORS – Unless the Final Terms in respect of any Notes or Warrants specify the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", 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.

IMPORTANT - UK RETAIL INVESTORS – Unless the Final Terms in respect of any Notes or Warrants specify "Prohibition of Sales to UK Retail Investors" as "Not Applicable", the Notes or Warrants are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a "retail investor" means a person who is either one (or both) of the following: (i) not 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 European Union (Withdrawal) Act 2018

("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or Warrants or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or Warrants or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

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 or that any such listing or admission will meet any criteria that an investor may require. Additionally, no representation or assurance is given by the 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.

The Issuer has been assigned the following long term credit ratings: A+ by S&P; Aa3 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 Issuer 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 (as amended, 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 Issuer does 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 the Issuer and are not covered by 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 France, the United States or any other jurisdiction.

Programme Arranger

HSBC Bank plc

Dealers and Managers

HSBC Bank plc

HSBC Continental Europe

2 June 2026

HOW TO USE THIS BASE PROSPECTUS

INTRODUCTION – WHO IS THE ISSUER?

The Notes and Warrants will be issued by HSBC Continental Europe ("**HBCE**" or the "**Issuer**"). The payment of amounts due under the Notes and Warrants is subject to the Issuer's financial position and its ability to meet its obligations.

The HBCE 2025 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 the Issuer's business activities as well as certain financial information and material risks related to the Issuer.

TYPES OF NOTES AND WARRANTS

This Base Prospectus provides information about the following Notes and Warrants that may be issued under the Programme: (a) the return of which may be linked to the performance of a (i) single index or basket of indices, (ii) a single security or basket of securities, (iii) a basket of one or more indices and one or more securities or (iv) a single fund or a basket of funds and (b) Fixed Income Notes.

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 Digital Redemption

(vii) Protected Growth Redemption;

(viii) Protected Knock-Out Growth Redemption;

(ix) Protected Bear Redemption;

(x) Protected Knock-Out Bear Redemption;

(xi) Partial Protection Redemption;

(xii) Geared Buffer Redemption;

(xiii) Booster Redemption;

(xiv) Booster with Geared Buffer Redemption;

(xv) Digital with Buffer Redemption;

(xvi) Digital with Geared Buffer Redemption;

(xvii) Digital Growth with Geared Buffer Redemption;

(xviii) Protected Step-Down Growth Redemption;

(xix) Protected Step-Down Bear Redemption;

(xx) Straddle with Barrier Redemption;

(xxi) Straddle with Geared Buffer Redemption;

(xxii) Protected Knock-Out Straddle Redemption;

(xxiii) Star Barrier Redemption; and

(xxiv) 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 Amounts linked to Underlying(s).

The Notes are unsecured obligations of the 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 the Issuer.

WHAT OTHER DOCUMENTS DO I NEED TO READ?

This Base Prospectus (including the HBCE 2025 Universal Registration Document (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 Issuer 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 Issuer, 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.	52
Section I.4:	"**Use of Proceeds**" provides details of what the Issuer intends to do with the subscription monies it receives for the Notes or Warrants it issues.	55
Section I.5:	"**Taxation**" provides a summary of the withholding tax position in relation to the Notes and Warrants in the Republic of Ireland, Belgium, France, Italy, Luxembourg and the Netherlands.	58
Section I.6:	"**General Information**" provides additional, general disclosure in relation to the Programme and the Issuer not included in other sections of the Base Prospectus.	82

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.	85

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.	177
Section II.3:	"**Subscription and Sale of Notes**" sets out details of the arrangements between the Issuer 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.	181
Section II.4:	"**Terms and Conditions of the Notes**" sets out the terms and conditions which govern the Notes.	192
Section II.5:	"**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 and which will complete the terms and conditions in respect of each such issue of Notes.	365

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.	399
Section III.2:	"**Purchase and Sale of Warrants**" sets out details of the arrangements between the Issuer 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.	413
Section III.3:	"**Terms and Conditions of the Warrants**" sets out the terms and conditions which govern the Warrants.	424
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 which will complete the terms and conditions in respect of each such issue of Warrants.	472

Part IV – Information relating to Indices and ETFs:

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.	489
Section IV.2:	"**Information relating to the Hang Seng Tech Index**" sets out information which is applicable in respect of an issue of Notes or Warrants which are linked to the performance of the Hang Seng Tech Index.	491
Section IV.3:	"**Information relating to the Hang Seng China Enterprises Index**" sets out information which is applicable in respect of an issue of Notes or Warrants which are linked to the performance of the Hang Seng China Enterprises Index.	493
Section IV.4:	"**Information relating to the Hang Seng Index**" sets out information which is applicable in respect of an issue of Notes or Warrants which are linked to the performance of the Hang Seng Index.	495
Section IV.5:	"**Statements regarding Hang Seng Indices**" sets out disclaimers may be applicable in respect of an issue of Notes or Warrants which are linked to the	497

	performance of the Hang Seng Tech Index, Hang Send China Enterprises Index and/or Hang Seng Index.	

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 Notes*". Instead, the terms and conditions applicable to such Notes or Warrants will either be, in the case of Notes, the 2025 Note Conditions, the 2024 Note Conditions, 2023 Note Conditions or the 2022 Note Conditions or, in the case of Warrants, the 2025 Warrant Conditions or the 2024 Warrant Conditions (each as defined in the section entitled "*Incorporation by Reference*" below) and the relevant set of terms and conditions will be specified in the first paragraph of the relevant Final Terms.

IMPORTANT NOTICES

Responsibility for information in the Base Prospectus

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer the information contained in this Base Prospectus 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 the same Series of Notes will be issued in one denomination only. 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.

The Issuer does not intend 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 Issuer 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 Issuer, 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 the Issuer, the Programme Arranger or any Dealer to any recipient of this Base Prospectus to subscribe for or purchase any Notes or Warrants. 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 Issuer. 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 the 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**".

Issuer's consent to use of this Base Prospectus

The Issuer accepts responsibility in the Republic of Ireland, Belgium, France, Italy, Luxembourg and the Netherlands (each, a "**Public Offer Jurisdiction**") for the content of the Base Prospectus in relation to any person in the Public Offer Jurisdiction to whom an offer of any Notes or Warrants is made by any financial intermediary to whom the Issuer has given its consent to use the 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 the Base Prospectus. However, none of the Issuer, the Programme Arranger or 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 or Warrants (as applicable) may be made are the Republic of Ireland, Belgium, France, Italy, Luxembourg and the Netherlands only.

If so specified in the Final Terms in respect of any Tranche of Notes or Warrants, the Issuer consents and, (in connection with paragraph (iv) below) offers to grant its consent, to the use of the 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:

Specific consent

(i) the Dealer(s) specified in the relevant Final Terms;

(ii) any financial intermediaries specified in the relevant Final Terms; and

(iii) any other financial intermediary appointed after the date of the relevant Final Terms and whose name is published on the website of the Issuer (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 such 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; and

General consent

(iv) if General Consent is specified in the relevant Final Terms as applicable, any other financial intermediary which (a) is authorised to make such offers under MiFID II, including any applicable implementing measure in each relevant jurisdiction, and any other applicable laws and regulations, (b) satisfies any additional conditions attached to the consent to use the Base Prospectus (if any) which may be specified in the relevant Final Terms, and (c) **accepts such offer by publishing on its website the following statement (with the information in square brackets duly completed with the relevant information) in connection with the consent to use the Base Prospectus and the conditions attached thereto (the "Acceptance Statement**"):

"*We, [specify name of financial intermediary], refer to the offer of [specify title of securities] (the "**[Notes][Warrants]**") described in the Final Terms dated [specify date] (the "**Final Terms**") published by HSBC Continental Europe (the "**Issuer**"). In consideration of the Issuer offering to grant its consent to our use of the Prospectus (as defined in the Final Terms) in connection with the offer of the [Notes][Warrants] in the Public Offer Jurisdictions (as defined in the Final Terms) during the Offer Period (as defined in the Final Terms) in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and the additional conditions (if any) attached to such consent to the use of the Prospectus (as specified in the Final Terms), we accept the offer by the Issuer. We confirm that we are authorised under Directive 2014/65/EU (as amended) (including any applicable implementing measure in each relevant jurisdiction, "**MiFID II**") to make, and are using the Prospectus in connection with, the Public Offer accordingly. Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Prospectus and/or the Final Terms (as applicable).*"

The "**Authorised Offeror Terms**" are that the relevant financial intermediary:

(a) acts in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes or Warrants (as applicable and as defined in the relevant Acceptance Statement) by an investor and disclosure to any potential investor;

(b) complies with the restrictions set out under "*Section II.3 – Subscription and Sale*" (in the case of Notes) and "*Section III.2 – Purchase and Sale of Warrants*" (in the case of Warrants) in the Base Prospectus which would apply as if it were a Dealer;

(c) considers the relevant manufacturer's target market assessment and distribution channels which has been communicated by the Issuer (or any person on its behalf);

(d) ensures that any fee, commission, benefits of any kind, rebate received or paid by that financial intermediary in relation to the offer or sale of the relevant Notes or Warrants (as applicable) does not violate the Rules and is fully and clearly disclosed to investors or potential investors;

(e) holds all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes or Warrants (as applicable) under the Rules, including authorisation under MiFID II;

(f) complies with, and takes appropriate steps in relation to, applicable anti-money laundering, anti-bribery, prevention of corruption and "know your client" Rules, and does not permit any application for the Notes or Warrants (as applicable) in circumstances where the financial intermediary has any suspicions as to the source of the application monies;

(g) retains investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the relevant Dealer and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer in order to enable the Issuer and/or the relevant Dealer to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to the Issuer and/or the relevant Dealer;

(h) does not, directly or indirectly, cause the Issuer or the relevant Dealer to breach any Rule or subject the Issuer or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;

(i) immediately gives notice to the Issuer and the relevant Dealer if at any time it becomes aware or suspects that it is or may be in violation of any Rules or the terms of this paragraph (iv), and takes all appropriate steps to remedy such violation and comply with such Rules and this paragraph (iv) in all respects;

(j) does not give any information other than that contained in the Base Prospectus or make any representation in connection with the offering or sale of, or the solicitation of interest in, the Notes or Warrants (as applicable);

(k) agrees that any communication in which it attaches or otherwise includes any announcement published by the Issuer via its website at the end of the Offer Period will be consistent with the Base Prospectus, and (in any case) must be fair, clear and not misleading and in compliance with the Rules and must state that such Authorised Offeror has provided it independently from the Issuer and must expressly confirm that the Issuer has not accepted any responsibility for the content of any such communication;

(l) agrees and accepts that, where the offer relates to English Law Notes (as defined in the Base Prospectus): (i) the relevant Authorised Offeror Terms and any non-contractual obligations arising out of or in connection with such Authorised Offeror Terms are governed by and shall be construed in accordance with English law and (ii) the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with such Authorised Offeror Terms.

(m) agrees and accepts that, in the case of English Law Notes, the Dealers will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the contract between the Issuer and the financial intermediary, formed upon acceptance by the financial intermediary of the Issuer's offer to use of the Base Prospectus with its consent in connection with the relevant Public Offer, which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity (if any) given by the financial intermediary pursuant to the Authorised Offeror Terms;

(n) agrees and accepts that, where the offer relates to French Law Notes (as defined in the Base Prospectus) and Warrants: (i) the relevant Authorised Offeror Terms and any non-contractual obligations arising out of or in connection with such Authorised Offeror Terms are governed by and shall be construed in accordance with French law and (ii) the Commercial Courts of Paris have exclusive jurisdiction to settle any dispute arising out of or in connection with such Authorised Offeror Terms; and

(o) agrees to any other conditions set out in Part B of the relevant Final Terms.

The conditions to the Issuer's consent referred to in paragraphs (i), (ii), (iii) and (iv) above 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 the Base Prospectus to make Public Offers of the relevant Tranche of Notes or Warrants in the Public Offer Jurisdiction specified in the relevant Final Terms.

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

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 Issuer's website (https://www.about.hsbc.fr/investor-relations/debt-issuance).

If the Issuer has not consented to the use of the Base Prospectus by an offeror, the investor should check with such offeror whether anyone is responsible for the 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 the 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 Issuer, the Programme Arranger, any Dealer or any relevant Authorised Offeror in the Public Offer Jurisdiction and subject to any relevant conditions.

None of the Issuer, the Programme Arranger or 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 Issuer, the Programme Arranger, any Dealer nor any Authorised Offeror and none of the Issuer, 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"). The Issuer will not 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, the 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 Issuer, 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.

The 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 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 Issuer, the Programme Arranger or 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 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 the Issuer nor any of its affiliates is under any obligation to provide information in respect of any Underlying (as defined below) or the component securities of the Underlying(s) (where the Underlying(s) is an equity index) or monitor whether or not any event or circumstance in respect of such Underlying(s) or securities has occurred unless it is explicitly and positively stated that such person will do so. The Issuer may have acquired, or during the term of the Notes or Warrants may acquire, non-public information with respect to one or more Underlyings or the component securities of the Underlying(s) (where the Underlying(s) is an equity index). The Issuer is 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 Underlying(s) or securities as it would if it were investing directly in such Underlying or securities.

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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, the Netherlands, Norway, Peru, Portugal, 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.**

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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 Notes" or "Terms and Conditions of the Warrants" shall have the same meanings in this Overview of the Programme.

Issuer:	HSBC Continental Europe
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 Issuer to fulfil its obligations under the Notes and Warrants are discussed under "*Risk Factors*" 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. BNP Paribas (as Principal Paying Agent and Paying Agent only) in relation to French Law Notes or Warrants.
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, application may be made by the Issuer for (i) listing Notes and Warrants issued under the Programme on Borsa Italiana S.p.A. and to trading on the regulated market MOT or on the multilateral trading facilities SeDeX or EuroTLX (on its segment for securitised derivatives Cert-X), and (ii) admission of Notes and Warrants to listing on the official list and to trading on the regulated market of Luxembourg Stock Exchange. Notes or Warrants (as applicable) offered under the Programme may be listed and traded on a regulated (or other) market, or not listed or traded on a regulated (or other) market. The Final Terms prepared in respect of the relevant Notes or Warrants (as applicable) will specify whether or not application will be made for the Notes or Warrants (as applicable) to be listed and traded and, if so, on what market(s).
Clearing Systems:	(in relation to English Law Notes) Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") 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 or in registered form. French Law Notes may be issued in bearer dematerialised form (*au porteur*).

Forms of Warrants: ..... Warrants may be issued in bearer dematerialised form (*au porteur*).

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: ..... 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:

- *pari passu* 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 (*liquidation amiable ou liquidation judiciaire*) 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.

The provisions of Condition 3 (*Status*) of the Terms and Conditions of the Notes will be governed by, and construed in accordance with, French law, whether the Notes are French Law Notes or English Law Notes.

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 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 the same Series of Notes will be issued in one denomination only. 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 events.

The rate of interest applicable to the Notes may be subject to a maximum or minimum percentage.

Some Notes may, subject as specified in the relevant Final Terms, provide that:

- "Conditional Coupon Event" provisions are applicable. In this case, depending on the performance of the Underlying(s) (as defined below) to which a Note is linked, a coupon payment may or may not be made by the Issuer to an investor;

- "Performance Coupon" provisions are applicable. In this case, a coupon payment may be made (which may be subject to a floor and/or a cap) by the Issuer to an investor, the amount of which depends on the performance of the Underlying(s) to which a Note is linked.

Further, some Notes in respect of which Conditional Coupon Event is specified to apply may specify in their Final Terms that either:

- "Coupon Recovery Event" provisions are applicable with respect to Conditional Coupon Event. In this case, if a Conditional Coupon Event occurs in relation to a Coupon Valuation Date, in addition to any amount otherwise determined by reference to the occurrence of such Conditional Coupon Event, investors will receive an additional payment equivalent to the sum of all coupons which did not become 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).

- "Lock-In Coupon Event" provisions are applicable with respect to Conditional Coupon Event. In this case, if the performance of the Underlying(s) exceeds a specified threshold in respect of any lock-in coupon valuation date, then coupon payments will be made to an investor in respect of all future coupon payment dates, regardless of the future performance of the Underlying.

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, price or value of the Underlying (as defined below). The Notes and Warrants may be linked to underlying securities (which may comprise equity securities, debt securities (including Government Bonds), depository receipts or units in an exchange traded fund (ETF)) ("**Securities**"), underlying indices ("**Indices**") or underlying funds ("**Funds**", together with the Securities and Indices, 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 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 Noteholder (as defined in the French Law Conditions), to accelerate the Notes held by such holder: (i) the Issuer fails to remedy a default in (a) the repayment of any principal due on the Notes or (b) the payment of any interest due in respect of the Notes or (c) the delivery of any security or other asset or the payment of any residual cash amount in connection with such delivery 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(ii) (*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 or delivery (as applicable) (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 or delivery (as applicable) 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 or delivery (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 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. The following events constitute events of default (each, an "**Event of Default**") under the Alternative Conditions Notes and would entitle (A) with respect to English Law Notes to which the Alternative Conditions apply, any Noteholder or (B) with respect to French Law Notes to which the Alternative Conditions apply, the Representative (as defined in the French Law Conditions) acting upon request of any Noteholder (as defined in the French Law Conditions), to accelerate the Notes held by such holder: (i) the Issuer fails to remedy a default in (a) the repayment of any principal due on the Notes or (b) the payment of any interest due

in respect of the Notes or (c) the delivery of any security or other asset or the payment of any residual cash amount in connection with such delivery 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 which the Alternative Conditions apply, 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(ii) (*Notices from Noteholders*), and, in relation to French Law Notes to which the Alternative Conditions apply, 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 or delivery (as applicable) (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 delivery (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 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 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 Issuer were required under 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 Redemption at the Option of the Issuer (Call Option) is specified as being applicable in relation to a Series of Notes, the 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: ..... Unless Condition 6(ii) 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 or any other relevant jurisdiction other than the mere holding of such a Note.

If Condition 6(ii) 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 (save for Condition 3 (*Status*) which will be governed by French law) or French law with respect to Notes.

French law with respect to Warrants.

Ratings: ..... The Issuer is 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 "*Subscription and Sale of Notes*" and Section III.2 "*Purchase and Sale of Warrants*".

SECTION I.2 – RISK FACTORS

Guidance on this Risk Factors section

This section provides details of the principal risks associated with the Issuer and the Notes and Warrants. References to the "Notes" or the "Warrants" are references to (i) notes or warrants linked to one or more indices, securities or funds, or a combination of one or more indices or securities, or (ii) 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 the Issuer and the industry in which the 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 HBCE 2025 Universal Registration Document (as defined below), incorporated by reference. The 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 HBCE	8	All Notes and Warrants.	This sub-section will be relevant for issues of Notes and Warrants, 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.
(2) Risks relating to all Notes and Warrants	7	All Notes and Warrants.	This sub-section will be relevant for issues of Notes and Warrants, as it details the risk factors which HBCE deems to be material in respect its issuance of Notes and Warrants.
(3) Risks relating to taxation of the Notes and Warrants	40	All Notes and Warrants.	This sub-section sets out certain withholding tax risks which may apply to issues of Notes or Warrants.
(4) Risks relating to the Notes	43	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.
(5) Risks relating to the Warrants	48	Warrants only.	
(6) Risks relating to Green Notes and Notes and Warrants linked to ESG Indices	48	Notes only in respect of Green Notes and Notes and Warrants linked to 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 and/or Notes and Warrants linked to ESG Indices.
(7) Additional risks relating to Alternative Conditions Notes	51	Notes only.	This sub-section will be relevant for Notes in respect of which the Alternative 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 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 the 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 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 the Issuer or the Notes and Warrants that are not currently known to the Issuer, or that the 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 the Issuer, the level of the index or indices or the value of the security or securities or the fund or funds 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 the Issuer

A description of the risk factors relating to the Issuer that may affect the ability of the Issuer to fulfil its obligations under the Notes and Warrants are set out in the section entitled "*Risk Factors*" on pages 128 to 138 of the HBCE 2025 Universal Registration Document (as defined in the section headed "*Incorporation by Reference*" below) (as supplemented, replaced or superseded from time to time pursuant to any information incorporated by reference).

(2) 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 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 Underlying(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**.

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 and by Directive 2024/1174 of the European Parliament and of the Council of 11 April 2024 as regards certain aspects of the minimum requirement for own funds and eligible liabilities, 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.

CMDI Directive

On 18 April 2023, the European Commission presented a package of legislative measures aimed at adapting and further strengthening the existing European Union framework for bank crisis management and deposit guarantees, which has been adopted on 26 March 2026 and published in the Official Journal on 20 April 2026. This legislative package (the "**CMDI Package**") consists of: (i) Directive (EU) 2026/806 of the European Parliament and of the Council of 30 March 2026 amending BRRD as regards early intervention measures, conditions for resolution and funding of resolution action and Directive 2014/24/EU as regards valuation services in resolution (the "**CMDI Directive**"); (ii) Regulation (EU) 2026/808 of the European Parliament and of the Council of 30 March 2026 amending Regulation (EU) No 806/2014 as regards early intervention measures, conditions for resolution and

funding of resolution action; and (iii) Directive (EU) 2026/804 of the European Parliament and of the Council of 30 March 2026 amending Directive 2014/49/EU as regards the scope of deposit protection, the use of deposit guarantee schemes funds, cross-border cooperation, and transparency.

Among the changes introduced by the CMDI Package, article 1(62) of the CMDI Directive amends article 108 of BRRD such that senior preferred obligations will then have a lower rank in right of payment than all deposits of credit institutions, including deposits of large corporations and other deposits that are currently excluded from privileged deposits. As a result, there could be an increased risk that an investor in senior preferred obligations loses all or part of its investment. The CMDI Directive must be implemented by member states by 11 May 2028, and the measures therein will apply as from 12 May 2028. More generally, the rest of the CMDI Package will apply as from 11 May 2028 to the exceptions of certain provisions which have a separate date of entry into application.

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**"), notably by Directive (EU) 2019/878 of 20 May 2019 amending CRD 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 by Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending CRD as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks) 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) and by Directive 2024/1174 of the European Parliament and of the Council of 11 April 2024 as regards certain aspects of the minimum requirement for own funds and eligible liabilities.

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 economic 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.

Risks related to linkage to Underlying(s) and potential limitations on return

The Notes (other than Fixed Income Notes) and Warrants are linked to an underlying Index, Security (which may comprise equity securities, debt securities (including Government Bonds), depository receipts or units in an exchange trade fund (ETF)), Fund or a number of underlying Indices, Securities or Funds (as applicable, the "**Underlying(s)**"). Investors should be aware of the following risks related to the linkage to the Underlying(s).

The Notes and Warrants are not ordinary debt securities and investors are exposed to the risks relating to the Underlying(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 Underlying(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 Underlying(s). Investors should therefore be prepared to be exposed to the risks related to the Underlying(s). The value or level of the Underlying(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 Underlying(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 Underlying(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 Underlying(s)

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

No investigation has been made of the financial condition of any issuer of any Underlying(s)

No investigation has been made of the financial condition of any issuer of any Underlying(s) or the component securities of an Underlying(s) (where the Underlying(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 Underlying(s) or the component securities of an Underlying(s) (where the Underlying(s) is an equity index) and each such issuer as they would if they were investing directly in the Underlying(s) or such securities. In addition, investors should understand that the historical performance of the Underlying(s) or such securities should not be viewed as predictive of future results.

Capital risks relating to Notes and Warrants

Except where the terms and conditions of the relevant Series of Notes or Warrants provide for the principal to be fully repaid, 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 or Warrants is not the same as an investment in the Underlying(s)

An investment in Notes or Warrants relating to Underlying(s) is not the same as an investment in the Underlying(s). The Notes or Warrants do not (prior to physical settlement of any Notes by delivery of Underlying(s), where applicable) confer any legal or beneficial interest in any Underlying(s) or the component securities of any Underlying(s) (if the Underlying is an equity index) and do not provide a Noteholder or Warrantholder with any of the rights that a holder of such Underlying(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 an Underlying(s) should recognise that there is a risk that the value of the Notes or Warrants may not correlate with the value of the Underlying(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 Underlying(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 Underlying. 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 Underlying(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 Underlying(s) is calculated, the level or value of such Underlying(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 Underlyings to which any Notes or Warrants relate may be affected by the number of Underlyings included in such basket. Generally, the value of a basket that includes Underlyings from a number of companies or obligors or other components or which gives relatively equal weight to each Underlying will be less affected by changes in the value of any particular Underlying included therein than a basket that includes fewer Underlyings or that gives greater weight to some Underlyings. 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 Underlyings in the basket. If determinations are made with respect to the worst performing Underlying, investors will not benefit from any positive performance of other Underlyings in the basket.

Further, if the Underlyings 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 Underlyings 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 Underlyings which adversely affect the value of the Notes or Warrants will be exacerbated due to the number of and/or type of Underlyings.

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 Underlying(s) in that the exposure of each Note to the Underlying(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 Underlying 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 an Underlying. 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 Underlying, 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 an Underlying. A Disrupted Day may occur if, as determined by the Calculation Agent:

(i) *in relation to a Security or an Index*: 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, Decrement Observation Date or Observation Date (as applicable) for the affected Security or Index to a later date which is not a Disrupted Day, **provided that** such Valuation Date, Decrement Observation Date or Observation Date (as applicable) 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, Decrement Observation Date or Observation Date (as applicable) 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.

in relation to a Fund: the date on which a Fund is scheduled to determine the net asset value of such Fund is postponed; the reporting of such net asset value is postponed; or payment in respect of any redemption is postponed. If the Calculation Agent determines that any such event has occurred, the Calculation Agent may postpone the Valuation Date, Decrement Observation Date or Observation Date (as applicable) for the affected Fund to a later date which is not a Disrupted Day, provided that such Valuation Date, Decrement Observation Date or Observation Date (as applicable) will not be postponed beyond the period specified in the relevant Final Terms as the "Cut-off Valuation Date". Such Cut-off Valuation Date is 180 Fund Valuation Days after the relevant Valuation Date, Decrement Observation Date or Observation Date (as applicable), unless otherwise specified in the Final Terms; therefore, any such postponement may result in a lengthy delay in the due dates for any payments or delivery in respect of the Notes or Warrants (including, without limitation, the maturity date or cash settlement date) and Noteholders or Warrantholders will not be entitled to any interest due to such delay. Consequently, if the Calculation Agent postpones the Valuation Date, Decrement Observation Date or Observation Date (as applicable), 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, then the Issuer will determine whether or not the relevant Notes or Warrants shall continue and, if so, the Calculation Agent shall determine any adjustments to be made (and, in the case of Alternative Conditions Notes, 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, the Notes shall be redeemed). If the Issuer determines that the relevant Notes or Warrants shall be redeemed or terminated (as applicable), then the Issuer will declare a valuation date and designate a 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 a redemption amount or 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 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 of disposal of an Underlying or (in the case of an Index) Components of an Underlying 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 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;

- in the case of Warrants and Notes (other than Alternative Conditions Notes), "**Increased Cost of Stock Borrow**" may occur where the Issuer and/or any of its designated affiliates may incur a rate to borrow any Security that is greater than a pre-specified rate;

- in the case of Warrants and Notes (other than Alternative Conditions Notes), "**Loss of Stock Borrow**" may occur where the Issuer and/or any of its designated affiliates is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Security in an amount equal to Hedging Securities (as defined in the relevant Conditions) at a rate equal to or less than a pre-specified rate;

- "**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 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 Conditions Notes);

- "**Insolvency Filing**" may occur if the issuer of 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 Underlying(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 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 forego any future performance in the Underlying(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 Underlying(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 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 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 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 Underlying(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 delivery or payment of any principal, interest or residual cash amount under the Notes (other than Alternative 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 or delivery (as applicable) 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 or delivery (as applicable) (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 Conditions Notes) or Warrants may not receive any such payments or deliveries 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 of benchmarks may lead to future reforms or discontinuation

The Euro Interbank Offered Rate ("**EURIBOR**") and other indices which are deemed "benchmarks" have been subject to significant regulatory scrutiny and legislative intervention in recent years. This relates not only to creation and administration of benchmarks, but, also to the use of a benchmark rate. In the EU, for example, Regulation (EU) No. 2016/1011, as amended (the "**EU Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of, a benchmark within the EU. Similarly, Regulation (EU) No. 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of, a benchmark within the UK, subject to certain transitional provisions.

Legislation such as the EU Benchmarks Regulation or the UK Benchmarks Regulation, if applicable, could have a material impact on any Notes or Warrants linked to EURIBOR or another benchmark rate or index, for example, if the methodology or other terms of the benchmark are changed in the future in order to comply with the terms of the EU Benchmarks Regulation or UK Benchmarks Regulation or other similar legislation, or if a critical benchmark is discontinued or is determined by a regulator to be "no longer representative". Such factors could (amongst other things) have the effect of reducing or increasing the rate or level or may affect the volatility of the published rate or level of the benchmark. They may also 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 of certain "benchmarks".

Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with the Euro Short Term Rate ("**€STR**") or an alternative benchmark.

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.

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 an Underlying(s).

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 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 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 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 Underlying(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 forgo 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).

The Issuer and any person directly or indirectly connected with the Issuer may, but is not obliged to, at any time purchase Notes or Warrants at any price in the open market or otherwise.

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 Underlying(s) and liquidity of the Underlying(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 Underlying(s)*

Fluctuations in the value or level of the Underlying(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 Underlying 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 Underlying(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 Underlying(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 Underlying(s) or component securities of the Underlying(s) (where such Underlying(s) is an equity index) are traded, and which may adversely affect the value of the Notes and Warrants.

(c) *Volatility of Underlying(s)*

If the size and frequency of market fluctuations in value of the Underlying(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 Underlying(s). Any such difference will reflect a "time premium" resulting from expectations concerning the Underlying(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 Underlying(s) may adversely affect the trading value of the Notes and Warrants. If the dividend or other income rates on the Underlying(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 Underlying(s) or component securities of the Underlying(s) (where such Underlying(s) is an equity index) regarding transactions to be entered into by them; (ii) engage in transactions involving Underlying(s) or component securities of the Underlying(s) (where such Underlying(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 Underlying(s) or component securities of the Underlying(s) (where such Underlying(s) is an equity index) (but will not be obliged to do so); (iv) publish research reports relating to Underlying(s) or component securities of the Underlying(s) (where such Underlying(s) is an equity index); (v) act in a number of different capacities in relation to an Underlying, including in the case of the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index acting as index sponsor, administrator and/or calculation agent; or (vi) have or acquire non-public information about Underlying(s) or component securities of the Underlying(s) (where such Underlying(s) is an equity index). In undertaking any such activities, neither the Issuer nor any affiliate of the Issuer is under any obligation to consider the interests of the Noteholders or Warrantholders and any such activities may have a negative effect on the value or level of such Underlying(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 Underlying(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 Underlying(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 Underlying; (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 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 Underlying(s) or component securities of the Underlying(s) (where such Underlying(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 Underlying(s) or component securities of the Underlying(s) (where such Underlying(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 Underlying(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 component securities of such Index, thus any effect on the value of the component securities of 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. 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 Underlying(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 Underlying may not meet investor expectations

There is a risk that the Underlying(s) or component securities of any Underlying(s) (if the Underlying 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 Underlying(s) or issuers of such Underlying(s) or component securities of such Underlying(s) (if the Underlying 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.

Certain specific information may not be known at the beginning of an offer period

The Final Terms of the Notes or Warrants may provide that certain specific information relating to such Notes or Warrants (such as certain amounts, levels, percentages, prices, rates or values (as applicable) used to determine or calculate amounts payable or assets deliverable thereunder) may not be fixed or determined until the end of the offer period. In such case, the Final Terms will specify in place of the relevant amounts, levels, percentages, prices, rates or values (as applicable), such indicative amounts, levels, percentages, prices, rates or values (as applicable), or an indicative range thereof, which may be subject to a minimum or maximum amount, level, percentage, price, rate or value (as applicable).

The actual amounts, levels, percentages, prices, rates or values (as applicable) will be determined based on market conditions and/or amounts subscribed for by the Issuer on or around the end of the offer period and may be the same as or different from any indicative amount specified in the Final Terms, provided that such actual amounts will not be less than any indicative minimum amount specified therein and will not be more than any indicative maximum amount specified therein.

An investor in the Notes or Warrants will be required to make its investment decision based on the indicative amounts or indicative range rather than the actual amounts, levels, percentages, prices, rates or values (as applicable), which will only be fixed or determined at the end of the offer period after its investment decision is made but will apply to the Notes or Warrants once issued.

If the Final Terms of the Notes or Warrants specifies an indicative range of amounts, levels, percentages, prices, rates or values (as applicable), an investor in the Notes or Warrants should, for the purposes of evaluating the risks and benefits of an investment in the Notes or Warrants, assume that the actual amounts, levels, percentages, prices, rates or values (as applicable) fixed or determined at the end of the offer period may have a negative impact on the amounts payable or assets deliverable in respect of such Notes or Warrants and consequently, may have an adverse impact on the return on such Notes or Warrants (when compared with other amounts, levels, percentages, prices, rates or values (as applicable) within any indicative range, or less than any indicative maximum amount, or greater than any indicative minimum amount). An investor in Notes or Warrants should therefore make its decision to invest in the Notes or Warrants on that basis.

Specific risk factors relating to Notes and Warrants linked to one or more Indices

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 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 (i) HSBC proprietary Indices by a third party index sponsor and (ii) the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index by Hang Seng Indexes Company Limited

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**"). The Third Party Administrator will act as index sponsor of HSBC proprietary Indices. With respect to Notes or Warrants which are linked to the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index, investors should understand that such Indices are calculated by Hang Seng Indexes Company Limited ("**HSIL**"). HSIL is responsible for the calculation, administration and publication of the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index and is a wholly-owned subsidiary of Hang Seng Bank Limited, which is part of the group of companies under HSBC Holdings plc. As such, neither HSBC Bank plc nor HSBC Continental Europe is responsible for the calculation or administration of the HSBC proprietary Indices or the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index and neither is the index sponsor for the purpose of Notes or Warrants which are linked to such Indices.

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. In respect of the Hang Seng Tech Index, the Hang Seng China Enterprises Index and the Hang Seng Index, HSIL will make determinations of the level of the Indices, and of any adjustments that need to be made to the Indices, without considering the interests of investors in the Notes or Warrants.

Neither the Third Party Administrator nor HSIL, acting as index sponsor, will 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 or HSIL, as the case may be, 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 or HSIL, as the case may be, may be required to make pursuant to the terms of the HSBC proprietary Index or the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index, as the case may be, any of which may affect payments in respect of the Warrants or Notes. The Third Party Administrator or HSIL, as the case may be, 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 (i) the HSBC proprietary Indices, which is performed by the Third Party Calculation Agent or (ii) the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index, which is performed by HSIL, and does not guarantee or represent or warrant the accuracy or completeness of the HSBC proprietary Indices, the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index, or the data comprised therein. Furthermore, neither HSBC Bank plc nor HSBC Continental Europe has any responsibility in relation to the administration by (i) the Third Party Administrator of the HSBC proprietary Indices or (ii) HSIL of the Hang Seng Tech Index, the Hang Seng China Enterprises Index and/or the Hang Seng Index.

Details of where further information regarding HSBC proprietary Indices may be found will be specified in the relevant Final Terms(s). Details on the Hang Seng Tech Index, the Hang Seng China Enterprises Index and the Hang Seng Index, are as set out in Sections IV.2 (*Information relating to the Hang Seng Tech Index*), IV.3 (*Information relating to the Hang Seng China Enterprises Index*), and IV.4 (*Information relating to the Hang Seng Index)*, respectively, in Part IV *(Information relating to Indices and ETFs*) of this Base Prospectus.

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 notionally re-invested in the Index, which then makes a fractional deduction to the relevant Index on a daily basis, equivalent to the removal of pre-defined annual dividend (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.

In the case of the Hang Seng Tech Index, the Hang Seng China Enterprises Index and the Hang Seng Index, the administrator of the Index will be an affiliate of the Issuer. In addition to the risks described in this risk factor, investors should also have regard to the risks described in the risk factor entitled "*Potential conflicts of interest*" above. Details on the Hang Seng Tech Index are as set out in Section IV.2 (*Information relating to the Hang Seng Tech Index*), details on the Hang Seng China Enterprises Index are as set out in Section IV.3 (*Information relating to the Hang Seng China Enterprises Index*), and details on the Hang Seng Index are as set out in Section IV.4 (*Information relating to the Hang Seng Index*), in Part IV (*Information relating to Indices and ETFs*) of this Base Prospectus.

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 Notes and Warrants linked to one or more Indices 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 Notes and Warrants linked to one or more Indices where the underlying components include funds

Investment risks in relation to funds that are underlying components of an Index

Investors in Notes and Warrants linked to one or more Indices 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 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 Notes and Warrants linked to one or more Indices 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 Notes and Warrants linked to one or more Indices which are in turn 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 Notes and Warrants linked to one or more Indices where the underlying components include 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 Notes and Warrants linked to one or more Securities

Extraordinary Events

There is a risk in respect of Notes or Warrants linked to one or more Securities that certain Extraordinary Events may occur in respect of Underlying(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 Underlying(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 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 Underlying(s) that may occur following such redemption or termination.

Potential Adjustment Events

Investors in Notes or Warrants linked to one or more Securities are subject to the risk that certain circumstances in respect of Underlying(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 Underlying(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 Underlying(s) to which each Note or Warrant relates and to any other exercise, settlement, payment or other term of the relevant 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 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 Notes or Warrants and/or any amount payable on redemption or termination of the Notes or Warrants and the holders thereof may suffer a loss of some or all of their investment as a result.

Substitution of Securities

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

Events relating to Notes and Warrants linked to one or more Securities which are Depository Receipts

Investors in Notes and Warrants linked to Depository Receipts are subject to the risk that a delisting may occur in relation to the Depository Receipts or that the related Deposit Agreement is or will be terminated. Following such event, the Issuer may determine (a) that the 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 Conditions Notes) the Warrants or Notes shall not continue or that (in the case of Alternative 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 redeemed or terminated (as applicable) and investors will receive the Early Redemption Amount (in the case of Alternative Conditions Notes) or the Fair Market Value (in the case of Warrants and Notes other than Alternative Conditions Notes). Such adjustments or termination may adversely affect the value of the relevant Notes and 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.

Specific risks relating to Notes and Warrants linked to one or more Securities which are Units in an exchange-traded fund

In respect of Notes and Warrants where the Underlying(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 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 (except in the case of Alternative Conditions Notes) 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 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 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 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 redeemed or terminated (as applicable) upon payment to the holders thereof of the Fair Market Value (or, in the case of Alternative 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 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.

Specific risk factors relating to Notes and Warrants linked to one or more Funds

No ownership rights

The Notes or Warrants do not represent any actual holdings in any Fund that the Issuer or any of its affiliates may have. The Noteholders and Warrantholders will have no direct interest or right in the shares or other units comprised in any Fund. The Issuer shall be under no obligation to make or hold, directly or indirectly, investments in any Fund. The Noteholder or Warrantholder will not hold any direct or indirect interest in the Fund(s) and prospective investors should be aware that an investment in Notes or Warrants linked to one or more Funds is not the same as an investment in any such Fund and does not confer any legal or beneficial interest such Funds or any voting rights, rights to receive dividends or other rights that a holder of the shares or other units comprised in any such Fund would have. Therefore, an investment in such Notes and Warrants may result in lower returns than anticipated in comparison to an direct investment in the Fund.

Information

No investigation has been made of the financial condition or creditworthiness of any Fund in connection with the issue of any Notes or Warrants. Investors in the Notes or Warrants should obtain and evaluate the same information concerning each Fund as they would if they were investing directly in such Fund. In addition, investors should understand that the historical performance of the Fund should not be viewed as predictive of future results. As such, negative future performance of a Fund may have an adverse effect on the return on and value of the Notes or Warrants.

Actions or omissions of the Fund or others

No representation or warranty, whether implied or otherwise, is given by the Issuer as to the past, present or future performance of any Fund. HBCE in its capacity as Issuer does not provide any advice, information or credit analysis with respect to a Fund or any underlying assets of a Fund. In particular, this Base Prospectus does not constitute investment advice. The Issuer does not assume any obligation to or relationship of agency or trust with any investor, purchaser or prospective investor or purchaser of the Notes or Warrants. The past performance of assets, investment funds or other investment companies managed by the investment manager or the investment adviser of the Fund(s) is not necessarily a guide to the future performance of the Fund(s).

The fund manager of the Fund is not involved in the issuance or offering of the Notes or Warrants and has no obligation with respect to the Notes or Warrants, including any obligation to consider the interest of any investor in the Notes or Warrants for any reason. The fund manager of the Fund is not involved with the administration, marketing or trading of the Notes or Warrants and has no obligation with respect to any amount to be paid to the investors for or in respect of the Notes or Warrants.

The Issuer may, from time to time, be affiliated with, or act as a service provider to a Fund, or their respective investment managers, investment advisers or trustees. However, the Issuer has no ability to control or predict the

actions of such Fund(s). In certain circumstances, the actions or omissions of the relevant Fund or others outside the control of the Issuer, may adversely affect the rights of the Noteholders and Warrantholders and/or the value of the Notes and Warrants, including actions that may give rise to an adjustment to, or early redemption of, the Notes or Warrants.

Extraordinary Fund Events

In respect of Notes and Warrants linked to one or more Funds, one of the following events may occur in relation to such Funds to which the Note or Warrant is linked:

(i) any breach or violation of the provisions of the Fund prospectus or any other documents in relation to the Fund;

(ii) (i) the non-execution or partial execution by the Fund for any reason of a subscription or redemption order in respect of any units in the Fund given by a Hypothetical Investor (as defined in the terms and conditions of the Notes and Warrants) (whether or not in accordance with the relevant fund prospectus), (ii) the Fund suspends or refuses transfers of any of its units, (iii) the Fund imposes in whole or in part any restriction, charge or fee in respect of a redemption or subscription of its units by the Issuer or exercises its right to claw back the proceeds already paid on redeemed units if in any case it could, in the determination of the Calculation Agent, have an adverse impact on the Issuer's or any of its designated affiliates', as applicable, rights or obligations in relation to its hedging activities in relation to the Notes or Warrants (in respect of Notes and Warrants other than Alternative Conditions Notes), or (iv) a mandatory redemption, in whole or in part, of the units is imposed by the Fund on any one or more holders of units at any time for any reason;

(iii) such Fund or any Fund Service Provider (i) ceases trading and/or, in the case of a Fund Service Provider, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable); (ii) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (A) 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 (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or 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 sub-clause (A) 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 fifteen days of the institution or presentation thereof; (v) 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; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter; or (vii) 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 clauses (i) through (v) above;

(iv) there exists any litigation against the Fund or any service provider in respect thereof which could materially affect the value of the units in the Fund or the rights or remedies of any investor in such units, as determined by the Calculation Agent;

(v) (i) a service provider in respect of the Fund ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the Fund and/or any service provider in respect of the Fund to meet or maintain any obligation or undertaking under the fund prospectus or any other relevant fund document which failure is reasonably likely to have an adverse impact on the value of the units in the Fund or on the rights or remedies of any investor in such units;

(vi) a material modification, or any announcement regarding a potential future material modification, of the investment programme, investment objectives, investment policies, investment strategy, investment process or investment guidelines of the Fund;

(vii) the failure by the Fund to comply with its reporting obligations in accordance with its agreements with the Issuer or any of its designated affiliates (as applicable);

(viii) a material modification (other than any modifications referred to in (v) above) of the Fund or the occurrence of a change or any event materially affecting the Fund;

(ix) in respect of Notes and Warrants other than Alternative Conditions Notes, a material modification of the type of assets in which the Fund invests or the trading practices of the relevant fund which, in the determination of the Calculation Agent, has or is likely to have a material effect on any hedging arrangements entered into by the Issuer or any of its designated affiliates (as applicable) in respect of these Notes or Warrants;

(x) the Fund or service provider in respect thereof has its authorisation or registration cancelled by any applicable regulatory authority;

(xi) (i) an allegation of criminal or fraudulent activity is made in respect of the Fund, or any service provider in respect thereof, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred or (ii) the Fund or a service provider in respect thereof (A) 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 Fund, investment adviser, manager or administration agent; (B) commits an act which constitutes fraud or criminal activity in the performance of its obligations in respect of the Fund; (C) makes any material misrepresentation under any document in respect of the relevant fund or (D) announces its intention to cease the business of investment management;

(xii) any relevant activities of or in relation to the Fund or a service provider in respect thereof are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction, (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the Fund or a service provider in respect thereof or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the Fund is required by a competent authority to redeem any units, (iv) the Issuer or any of its designated affiliates (as applicable) is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any units in the Fund held in connection with any hedging arrangements relating to the Notes and Warrants (in respect of Notes and Warrants other than Alternative Conditions Notes) and/or (v) any change in the legal, tax, accounting or regulatory treatment of the Fund or any service provider in respect thereof that is reasonably likely to have an adverse impact on the value of the units in the Fund or other activities or undertakings of the Fund or on the rights or remedies of any investor in such units, including the Issuer;

(xiii) the creation by the Fund of any illiquid share class or unit howsoever described;

(xiv) the currency denomination of the units in the Fund is amended from that set out in the fund prospectus or any other relevant fund document so that the NAV per unit is no longer calculated in the same currency as it was as at the Trade Date;

(xv) if applicable, the Fund ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction;

(xvi) in respect of Notes and Warrants other than Alternative Conditions Notes, if the Fund comprises multiple classes or series (howsoever described in the fund prospectus or any other relevant fund document) of shares or units, and the Calculation Agent determines (in good faith and a commercially reasonable manner) at any time, taking into consideration the potential cross-liability between classes of shares or units (howsoever described in the fund prospectus or any other relevant fund document), that such other class or series has or may have an adverse effect on the hedging activities of the Issuer or any of its designated affiliates (as applicable) in relation to the Notes and Warrants;

(xvii) (i) the Calculation Agent determines, at any time, that the NAV per unit is inaccurate, or (ii) the reported net asset value of the units in the Fund misrepresents the net asset value of such units;

(xviii) any material modification of the method of calculating the NAV per unit;

(xix) any change in the periodicity of the calculation or the publication of the NAV per unit;

(xx) any change in the length of notice periods for redemptions or transfers in relation to the Fund;

(xxi) a Fund Disruption Event (as defined in the terms and conditions of the Notes and Warrants) has occurred and is continuing for at least three consecutive Fund Valuation Days (as defined in the terms and conditions of the Notes and Warrants);

(xxii) the exposure (expressed as percentage) of the Fund to securities with a credit quality (based upon the lowest credit ratings from S&P, Moody's and Fitch when available) below B, B2 or B for S&P, Moody's and Fitch respectively exceeds 35 per cent.; the aggregated level of leverage (expressed as percentage) of the Fund exceeds 20 per cent.;

(xxiii) the Calculation Agent determines that, over any period not exceeding twelve months, the total net value of the assets of the Fund has decreased by 30 per cent. (either due to redemptions, a decrease in value of such assets or otherwise); or

(xxiv) the Calculation Agent determines that, over any period not exceeding twelve months (ending on the immediately preceding date on which the Fund Adviser published the total value of the assets it managed), the total value of the assets managed by the Fund Adviser (including the Fund) has decreased by 50 per cent. (either due to redemptions, a decrease in value of such assets or otherwise).

Following the occurrence of such event ("**Extraordinary Fund Event**"), the Calculation Agent may make certain adjustments to or substitutions for the affected Fund, Fund unit and/or any other terms and conditions of the Notes and Warrants as the Calculation Agent may determine in good faith and in a commercially reasonable manner, or the Calculation Agent may determine in good faith and in a commercially reasonable manner that the relevant Notes and Warrants shall be redeemed or terminated (as applicable) upon payment to the holders thereof of the Fair Market Value of such Notes and Warrants (taking into account the redemption proceeds (if any) which a Hypothetical Investor would have received in relation to the relevant fund (in accordance with the Conditions)), each of which may result in a loss to such holders or, in respect of Alternative Conditions Notes, of the Early Redemption Amount.

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 and 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 and 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 and Warrants and any amounts payable thereunder. The Fund(s) may make investments which are subject to legal or other restrictions on transfer or for which no liquid market exists, in which case market prices will tend to be more volatile.

Investment Risk and Fund Information

None of the Issuer or any of its affiliates is under any obligation to provide information in respect of any Fund underlying the Notes or Warrants (including any information relating to the creditworthiness of such Funds) or monitor whether or not any event or circumstance in respect of any Funds underlying the Notes and Warrants has

occurred. The Issuer may have acquired, or during the term of the Notes or Warrants may acquire, non-public information with respect to one or more Funds. The Issuer is not under any obligation to make such information available to holders of such Notes and Warrants. Therefore, an investor in the Notes or Warrants should obtain and evaluate information concerning the relevant Funds as it would if it were investing directly in such Funds.

Investors in Notes and Warrants should note that there may be particular investment considerations and risk factors set out in the offering documentation relating to the Funds and are advised to read and consider such offering documentation in making an investment decision to invest in such Notes or Warrants. Such information is not incorporated by reference and does not form part of this Base Prospectus.

Additionally, 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 and Warrants and any amounts payable thereunder.

High yield

Some 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 and Warrants linked to Funds which invest in high yield securities.

Funds with One or More Currency Hedged Share Classes

Certain share classes in a Fund may hedge their currency exposure using forward FX contracts and spot FX contracts. All gains, losses and expenses arising from hedging transactions for a particular share class are attributed only to that share class and should generally be borne only by the investors in that share class. However, in respect of certain Funds there is no legal segregation of share class such that there is a risk that, if the assets notionally allocated to a currency hedged share class are insufficient to meet the losses arising from its hedging transactions (in addition to other fees and expenses attributable to such share class), the losses arising from such the hedging transactions could affect the net asset value per share of one or more other share classes of the same Fund. Consequently, this may have an adverse effect on the return on and value of the Notes and Warrants.

(3) 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 the Issuer's obligation to gross-up in relation to certain French taxes under Condition 6(i) (*Taxation – Gross-up)*. This gross-up obligation is applicable provided Condition 6(ii) (*Taxation – No gross-up*) is not specified as applying to a Series of Notes and is subject to the exception(s) set out in Condition 6(i) (*Taxation – Gross-up*).

If Condition 6(i) (*Taxation – Gross-up*) 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 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 0.4 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 certain 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 Underlying(s) or component securities of the Underlying(s) (where such Underlying(s) is an equity index) to hedge their exposure under the Notes and/or Warrants if such Underlying(s) or component securities of the Underlying(s) (where such Underlying(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 certain 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 Underlyings 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 and by Law No. 199 of 30 December 2025. 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 an Underlying 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(s) or component securities of the Underlying(s) (where such Underlying(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 Underlying 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 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 Underlyings: 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 Instrument is subject to the risk that payments under the Affected Instruments may be adversely affected by this Italian transaction tax as these charges may be deducted from certain amounts payable under the Notes or Warrants.

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 Underlying(s) or component securities of the Underlying(s) (where such Underlying(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:

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

- 0.4 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 may be adversely affected by the Italian FTT as these charges may be deducted from certain amounts payable under the Notes and Warrants.

Spain – Spanish Financial Transactions Tax

The Law 5/2020, of 15 October, on the Tax on Financial Transactions ("**Spanish FTT Law**") 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 Underlying(s) that are securities issued by U.S. issuers

Where Notes or Warrants are linked to Underlying(s) and some or all of the Underlying(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 Underlying(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 Underlying(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.

(4) 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 Underlying(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 an Underlying 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 of 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 or value (as applicable) of an Underlying which is a Security or a Fund (as applicable) will reflect the re-investment of any dividend into such adjusted price or value (as applicable) of such Security or Fund (as applicable) 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, price or value (as applicable) of the Underlying(s) is to be used as the valuation mechanism. The performance of the Underlyings as valued in accordance with the "adjusted" level, price or value (as applicable) methodology may underperform the Underlyings 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 value (as applicable) 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 Underlying level, price or value (as applicable)) 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, price or value (as applicable) of the Underlying(s) than if the Contractual Dividend were a percentage of the level or price of such Underlying. In a steeply falling market, where the level or price of an Underlying is "adjusted", such level, price or value (as applicable) could reach zero more quickly than if the level, price or value (as applicable) 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 Notes linked to one or more Securities 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 Underlying.

There is no guarantee that there will be any market or liquidity in relation to such Underlyings or that the investor will be able to dispose of, or realise, such Underlyings 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 Underlyings 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 Underlyings 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 the Final Terms specify Condition 6(ii) (*Taxation – No gross up*) 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 France. 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 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 Underlying(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.

Methodologies for the calculation of near risk-free rates which may be reference rates for Floating Rate Notes may vary and evolve.

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 EURIBOR and other IBORs as interest reference rates for the Notes. Most of the rates are backwards-looking, but the methodologies to calculate the risk-free rates are not uniform. Such different methodologies may result in slightly different interest amounts being determined in respect of otherwise similar securities. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore may perform differently over time to an unsecured rate.

The Issuer may in the future also issue Notes referencing near risk-free rates such as SONIA, SOFR, €STR, SORA and TONA as reference rates, that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. Such variations could result in reduced liquidity or increased volatility or might otherwise affect the market price of any Notes that reference a near risk-free rate issued under this Programme from time to time.

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 consider how any mismatch between applicable conventions for the use 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 any Interest Rates based on near risk-free rates will only be 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 therefore 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. In particular, an administrator of such rates may make methodological or other changes that could change the value of these rates, including changes related to the method by which such rates are calculated, eligibility criteria applicable to the transactions used to calculate such rates, or timing related to the publication of such rates. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of such rates. An administrator has no obligation to consider the interests of holders of any Notes when calculating, adjusting, converting, revising or discontinuing any such 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 Underlying(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 the same 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.

(5) 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.

(6) Risks relating to Green Notes and Notes and Warrants linked to ESG Indices

The use of proceeds of any Green 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 their judgement and sole discretion in determining the Eligible Assets (as defined in "*Section I.4 – Use of Proceeds– Green Notes*" below) against which an amount equivalent to the net proceeds of the Green Notes issuance is intended to be allocated. If the use of the proceeds of the Green Notes is a factor in an investor's decision to invest in the Green Notes, they should consider the disclosure in " *Section I.4 – Use of Proceeds – Green Notes*" below and in the relevant Final Terms relating to any specific Tranche of Green Notes and consult with their legal or other advisers before making an investment in the Green Notes. Furthermore, there is no contractual obligation to allocate such funding to finance eligible businesses and projects or to provide annual progress reports, as described in " *Section I.4 – Use of Proceeds – Green Notes*" below and/or in the relevant Final Terms. The Issuer's failure to so allocate or report, the failure of any of the Eligible Assets to which an amount equivalent to the net proceeds of the Green Note have been allocated against to meet the requirements of the HSBC Green Financing Framework (as defined in " *Section I.4 – Use of Proceeds – Green Notes*" below), the failure of external assurance providers to opine on the Eligible Assets conformity with the HSBC Green Financing Framework, or the failure of the Green Notes to meet investors' expectations or requirements regarding any "green" or "sustainable" or similar labels (including, but not limited 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, the EU Green Bond ("**EuGB**") label or the optional disclosures for bonds marketed as environmentally sustainable under 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**"), 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 market standards or guidance, including green or sustainable bond principles or other similar principles or guidance published by the International Capital Markets Association ("**ICMA**") (the "**ICMA Principles**")) will not constitute an Event of Default (as defined in the terms and conditions of the Notes) with respect to the Green Notes, and may affect the value of the Green Notes and/or have adverse consequences for certain investors with portfolio mandates to invest in Eligible Assets, which may in turn affect the liquidity of the Green Notes. Furthermore, any such failure will not lead to an obligation of the Issuer to redeem such Green 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 resolution authority, 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 Eligible Assets will meet investor expectations or requirements regarding "green" or "sustainable" or similar labels (including, but not limited to, the EU Taxonomy Regulation and any related technical screening criteria, the EuGB label or the optional disclosures for bonds marketed as environmentally sustainable under the EU Green Bond Regulation, the SFDR, and any implementing legislation and guidelines, or any similar legislation in the United Kingdom or any market standards or guidance, including the ICMA Principles) 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 Financing Framework. It is not clear if the establishment under the EU Green Bond Regulation of the EuGB label and the optional disclosure templates for bonds marketed

as "environmentally sustainable" 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 disclosure templates, 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 the requirements of the EU Green Bond Regulation.

While it is the intention of the Issuer to allocate an amount equivalent to the net proceeds of any Green Notes against Eligible Assets (either in whole or in part) and to report on the use of proceeds or Eligible Assets as further described in " *Section I.4 – Use of Proceeds – Green Notes*" below, there is no contractual obligation to do so. There can be no assurance that any such Eligible 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 allocate an amount equivalent to the net proceeds of the issue of such Green Note against such Eligible Assets (either in whole or in part) as intended. In addition, there can be no assurance that Eligible Assets will achieve the impacts or outcomes (environmental, social or otherwise) originally expected or anticipated, or that any adverse environmental and/or other impacts will not occur in relation to the Eligible Assets (or the implementation of any business or project relating to such Eligible Assets) against which an amount equivalent to the net proceeds of any Green Notes has been allocated, which may in turn affect the value of such Green Notes.

Each prospective investor should have regard to the factors described in the HSBC Green Financing 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 Financing 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 Financing Framework does not form part of, and is not incorporated by reference, in this Base Prospectus.

No assurance of suitability or reliability of any Second Party Opinion or any other opinion, review, certification or post-issuance report of any third party relating to any Green Notes

An independent opinion, dated 4 October 2024, has been issued on the HSBC Green Financing Framework (the "**Second Party Opinion**")**.** The Second Party Opinion provides an opinion on certain environmental and related considerations and the HSBC Green Financing Framework's alignment with the ICMA GBP (as defined in " *Section I.4 – Use of Proceeds – Green Notes*" below) and is a statement of opinion, not a statement of fact. No representation or assurance is given as to the suitability or reliability for any purpose whatsoever of the Second Party Opinion or any other opinion, review or certification of any third party (including any post-issuance reports prepared by an external reviewer) (whether or not solicited by the HSBC Group) made available in connection with an issue of Green Notes, including any opinion, review, certification or post-issuance report relating to whether any of the Eligible Assets funded with an amount equivalent to the net proceeds from the Green Notes fulfil any environmental and/or other criteria. The Second Party Opinion and any other such opinion, review, certification or post-issuance report is not intended to address any credit, market or other aspects of any investment in any Green Note, including without limitation market price, marketability, investor preference or suitability of any security or any other factors that may affect the value of the Green Notes. The Second Party Opinion and any other opinion, review, certification or post-issuance report is not a recommendation to buy, sell or hold any such Green Notes and is current only as of the date it was issued.

The criteria and/or consideration that form the basis of the Second Party Opinion and any other such opinion, review, certification or post-issuance report relating to any Green Notes may change at any time and the Second Party Opinion or any other such opinion, review, certification or post-issuance report may be amended, updated, supplemented, replaced and/or withdrawn at any time. Any withdrawal of the Second Party Opinion or any other opinion, review, certification or post-issuance report may have a material adverse effect on the value of any Green Notes in respect of which such opinion, review, certification or post-issuance report 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.

The providers of such opinions, reviews, certifications and post-issuance reports may not be the subject of any specific regulatory or other regime or oversight. Prospective investors must determine for themselves the relevance of any such opinion, review, certification, post-issuance report and/or the information contained therein and/or the provider of such opinion, review, certification or post-issuance report for the purpose of any investment in the Green Notes. The Second Party Opinion and any other such opinion, review, certification or post-issuance report does not form part of, nor is incorporated by reference, in this Base Prospectus.

Green Notes are not linked to the performance of the Eligible Assets and do not benefit from any arrangements to enhance the performance of the Eligible 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 Eligible 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 Eligible 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 Eligible 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 Eligible 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 Underlying 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 Green 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 any Green Notes are 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 funded with an amount equivalent to the net proceeds from the Green Notes. 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 the Green Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Green Notes, and any failure to obtain or maintain such listing may affect the value of the Green Notes.

(7) Additional risks relating to Alternative 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 English version of the Issuer's *Document d'enregistrement Universel et Rapport Financier Annuel* 2025 filed with the *Autorité des marchés financiers* on 25 February 2026, which includes the Issuer's consolidated annual financial statements for the year ended 31 December 2025 (the "**HBCE 2025 Universal Registration Document**");

(b) the English version of the Issuer's *Document d'enregistrement Universel et Rapport Financier Annuel* 2024 filed with the *Autorité des marchés financiers* on 19 February 2025, which includes the Issuer's consolidated annual financial statements for the year ended 31 December 2024 (the "**HBCE 2024 Universal Registration Document**");

(c) the Terms and Conditions of the French Law Notes (the "**2022 Note Conditions**") as set out on pages 236 to 324 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;

(d) the form of Final Terms for Notes 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;

(e) the Terms and Conditions of the French Law Notes (the "**2023 Note Conditions**") as set out on pages 232 to 319 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;

(f) 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;

(g) the Terms and Conditions of the French Law Notes (the "**2024 Note Conditions**") as set out on pages 272 to 421 of the base prospectus relating to Notes and Warrants issued under the Programme dated 27 June 2024 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation;

(h) the form of Final Terms for Notes (General English Law Conditions and French Law Conditions) and form of Final Terms for Notes (Alternative English Law Conditions and Alternative French Law Conditions) issued pursuant to the 2024 Note Conditions (the "**2024 Final Terms**") as set out on pages 523 to 582 of the base prospectus relating to Notes and Warrants issued under the Programme dated 27 June 2024 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 Warrants (the "**2024 Warrant Conditions**") as set out on pages 608 to 647 of the base prospectus relating to Notes and Warrants issued under the Programme dated 27 June 2024 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 Warrants (Terms and Conditions of the Warrants) issued pursuant to the 2024 Warrant Conditions (the "**2024 Warrant Final Terms**") as set out on pages 648 to 662 of the base prospectus relating to Notes and Warrants issued under the Programme dated 27 June 2024 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 French Law Notes (the "**2025 Note Conditions**") as set out on pages 296 to 458 of the base prospectus relating to Notes and Warrants issued under the Programme dated 26 June 2025 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation;

(l) the form of Final Terms for Notes issued pursuant to the 2025 Note Conditions (the "**2025 Final Terms**") as set out on pages 567 to 599 of the base prospectus relating to Notes and Warrants issued under the Programme dated 26 June 2025 which has been approved by the Central Bank of Ireland as a base prospectus under the Prospectus Regulation;

(m) the Terms and Conditions of the Warrants (the "**2025 Warrant Conditions**") as set out on pages 625 to 671 of the base prospectus relating to Notes and Warrants issued under the Programme dated 26 June 2025 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 Warrants (Terms and Conditions of the Warrants) issued pursuant to the 2024 Warrant Conditions (the "**2025 Warrant Final Terms**") as set out on pages 672 to 687 of the base prospectus relating to Notes and Warrants issued under the Programme dated 26 June 2025 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.

The 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 HBCE 2025 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

2. In relation to the HBCE 2024 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

3. 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

4. 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

5. In relation to the 2024 Note Conditions, the 2024 Final Terms, the 2024 Warrant Conditions and the 2024 Warrant Final Terms:

   www.hsbc.com/investors/fixed-income-investors/issuance-programmes?page=1&take=20

6. In relation to the 2025 Note Conditions, the 2025 Final Terms, the 2025 Warrant Conditions and the 2025 Warrant 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 the Issuer intends to do with the subscription monies it receives for the Notes or Warrants it issues.

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

GREEN NOTES

If the relevant Final Terms specify that a Series of Notes are "Green Notes" then, unless otherwise specified in the relevant Final Terms, the Issuer intends to allocate an amount equivalent to the net proceeds of the issuance of the Green Notes against Eligible Assets (as defined below and as further described within the HSBC Green Financing Framework (as may be amended from time to time) which is available on the following webpage: https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds (the "**HSBC Green Financing Framework**")), either in whole or in part.

The HSBC Green Financing Framework sets out the HSBC Group's approach to allocating amounts equivalent to the net proceeds raised through certain instruments and transactions (including, but not limited to, debt securities (which includes the Green Notes), deposits, and repurchase transactions issued or entered into by HSBC Holdings plc or any of its subsidiaries ("**Green Financing Transactions**")) against financing which has been provided by the HSBC Group towards Eligible Assets.

The HSBC Green Financing Framework has been designed to be aligned with the ICMA Green Bond Principles 2021 (with June 2022 Appendix 1) ("**ICMA GBP**"). The HSBC Group intends to review the HSBC Green Financing Framework periodically, including to consider developments in market practices and standards, which may result in amendments to the HSBC Green Financing Framework and also to the HSBC Group's reporting thereunder over time. An issuance of Green Notes is intended to be aligned to the most recent version of the HSBC Green Financing Framework published at the time of issuance of such Green Notes and shall not be affected by the subsequent publication of any update or amendment to the HSBC Green Financing Framework.

For the avoidance of doubt, the HSBC Green Financing Framework is not incorporated by reference in this Base Prospectus.

A summary of certain sections of the HSBC Green Financing Framework is set out below.

Use of Proceeds

An amount equivalent to the net proceeds of any Green Note issuance is intended to be allocated against Eligible Assets (either in whole or in part).

"**Eligible Assets**" are assets originated by HSBC Holdings plc or any of its subsidiaries (including the Issuer) that support the financing and/or refinancing of a business or project which falls within the eligible categories and meets the eligibility criteria as set out in section 2.1 of the HSBC Green Financing Framework (the "**Eligible Categories**"). The Eligible Categories align with the following ICMA GBP project categories:

(i) renewable energy;

(ii) energy efficiency;

(iii) green buildings; and

(iv) clean transportation.

For an issuance of Green Notes by the Issuer, an amount equivalent to the net proceeds of such issuance is intended to be allocated to Eligible Assets on the Issuer's balance sheet.

Where a business derives 90 per cent. or more of its revenues from activities within the Eligible Categories, any financing and/or refinancing to such a business, including for general corporate purposes, could be considered as an Eligible Asset, so long as the financing does not directly fund expansion into activities falling outside of the Eligible Categories.

Only Eligible Assets originated (including the refinancing of any existing Eligible Assets) within the 24 months preceding the date of issue of the Green Notes will be considered for allocation against such Green Notes.

The initial allocation of an amount equivalent to the net proceeds of a Green Notes issuance to any Eligible Asset(s) will, on a best-efforts basis, be finalised within the 24 months following the date of issuance of the Green Notes (see '*Management of Proceeds'* below).

For Green Notes with a maturity of less than 24 months (but with a minimum tenor of 3 months), allocation against any Eligible Asset will be performed prior to the maturity date of the Green Notes issuance.

Eligible Assets Evaluation and Selection Process

The Eligible Assets evaluation and selection process seeks to ensure that an amount equivalent to the net proceeds of any Green Notes issuance is allocated to assets qualifying as Eligible Assets. The evaluation and selection process is supported by a number of forums, advisory groups, working groups and committees that sit globally and regionally and which comprise sustainability specialists, representatives from the treasury, finance, risk, legal and compliance functions and senior management from across the HSBC Group. As summarised below, within this governance structure, determinations are made as to (i) whether an asset is an Eligible Asset pursuant to the HSBC Green Financing Framework and (ii) the Eligible Assets against which an amount equivalent to the net proceeds of the issuance of the Green Notes is allocated.

As part of the HSBC Group's financing approval process, an initial screening will be conducted by HSBC Group's Sustainable Finance Forum which will assess the asset(s), including any specific risks associated with it, and endorse/approve the categorisation/labelling of the transactions in accordance with HSBC Group's internal framework for classifying financing and investments as sustainable and the relevant principles issued by the Loan Market Associations (LMA, APLMA, LSTA).

An HSBC global working group has responsibility for (i) reviewing the list of potential assets approved by HSBC Group's Sustainable Finance Forum for alignment to the HSBC Green Financing Framework and (ii) recommending a list of assets for approval by the HSBC Group's global committee responsible for Green Financing Transactions to be included in a register of Eligible Assets. That global committee provides final approval for including selected assets into the register of Eligible Assets, and regional committees are then responsible for allocating Eligible Assets against Green Financing Transactions that take place in their respective regions.

Management of Proceeds

Management of proceeds of Green Notes issuances and reporting in relation thereto are governed through HSBC Group's global and regional committees.

Upon issuance of the Green Notes, no specific accounts or segregation will be created and the net proceeds of the Green Notes will be credited to the Issuer's treasury account and incorporated into its general liquidity pool.

If the total equivalent amount of net proceeds of a Green Notes issuance cannot be allocated to Eligible Assets, or if, for any reason, the aggregate amount in the Eligible Assets portfolio (which is the pool of Eligible Assets allocated against outstanding Green Financing Transactions issued under the HSBC Green Financing Framework) is less than the total outstanding amount of Green Financing Transactions entered into by the Issuer, an amount equivalent to the unallocated amount relating to the Green Notes issuance will be integrated into the Issuer's treasury liquidity reserve without segregation and invested (at the Issuer's own discretion) according to normal liquidity practices.

Reporting

On an annual basis, the HSBC Group will publish a consolidated allocation report and impact report, including key performance indicators on Eligible Assets to which an amount equivalent to the net proceeds of Green Financing Transactions (including the Green Notes) is allocated, as detailed below. This reporting will be updated annually whilst the HSBC Group continues to have any Green Financing Transactions outstanding. For short-term Green Financing Transactions (which may include certain Green Notes), allocation to Eligible Assets will be reported on a quarterly basis, whilst impact reporting will be included in the annual consolidated impact report. The reports will be made publicly available on the HSBC Group's website.

The allocation report will provide information on the Eligible Asset portfolio, including:

(i) the aggregate amounts allocated to each of the Eligible Categories, together with, to the extent possible, a description of the types of businesses and/or projects financed through the Eligible Assets and the geographic location of the HSBC entity providing the financing for the Eligible Asset; and

(ii) the balance of unallocated proceeds at the reporting period end.

The impact report intends to include details on expected and/or actual environmental performance of the Eligible Asset portfolio on an aggregated basis. The HSBC Group intends to align, on a best-efforts basis, the impact reporting with the approach described in the ICMA "Handbook - Harmonised Framework for Impact Reporting (June 2023)". Depending on the type of Eligible Asset, the impact reporting will differ and may not be available for all Eligible Assets.

External Review

A second party opinion has been issued to confirm the alignment of the HSBC Green Financing Framework with the ICMA GBP. The second party opinion is available on the HSBC investor relations webpage, found through www.hsbc.com.

HSBC's Eligible Asset register and allocation reporting will also be subject to stand-alone independent limited assurance by an external auditor, covering the following areas:

(i) that each Eligible Asset does support the financing and/or refinancing of a business or project which falls within the Eligible Categories;

(ii) the amount equivalent to the net proceeds of the Green Financing Transactions (including the Green Notes) that has been allocated against Eligible Assets;

(iii) the management of the proceeds from the Green Financing Transactions (including the Green Notes), including any unallocated amount; and

(iv) impact reporting related disclosures.

Such external auditor's limited assurance report will be published on the HSBC investor relations webpage, found through www.hsbc.com.

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, Belgium, France, Italy, Luxembourg and the Netherlands.

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 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 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:

(i) the Issuer is resident in the Republic of Ireland for tax purposes; or

(ii) 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

(iii) 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:

(i) 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

(ii) 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.

FRANCE

French Taxation – Notes

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, and (ii) are not 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 26 April 2026 and currently includes Antigua and Barbuda, Anguilla, 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 to beneficial owners who are legal persons who are not French tax residents, (ii) a rate of 12.8 per cent. for payments to beneficial owners who are 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 10 December 2025, § 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 depositary 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 depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

The Notes issued 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 a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity 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 18.6 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

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 18.6 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 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 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 (*Personenbelasting/Impôt des personnes physiques*) 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 paying agent or other financial intermediary established in Belgium. The Belgian withholding tax constitutes the final income tax for Belgian resident individuals (*Bevrijdende roerende voorheffing*/*Précompte mobilier libératoire*) who hold 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 effectively levied on these interest payments. However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent or other Belgian financial intermediary, 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 return. 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 will be credited, and any excess will normally be reimbursed.

Under current law, capital gains realised on the sale of the Notes and/or Warrants on the secondary market before maturity are generally not taxable for private 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 paying agent or other 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° of the Belgian Income Tax Code 1992 (*Wetboek van de inkomstenbelastingen 1992/Code des impôts sur les revenus 1992*) (the

"**BITC 1992**") is also taxable as interest. Capital losses realised on a sale of the Notes and/or Warrants are not tax deductible. Investors should note that a draft bill has recently been submitted to the Belgian Federal Parliament (n° 56-1244/001) which, if enacted, would introduce a 10 per cent. tax on capital gains on financial assets (including the Notes and the Warrants) realised by Belgian tax resident individuals, even if the capital gains are realised within the framework of the normal management of their private estate. The proposed tax would apply only to value increases accruing after 31 December 2025. Certain exemptions may be available, including an annual exemption up to EUR 5,940, which may be increased by up to EUR 594 for each year in which the exemption is not (fully) utilised, up to a maximum of EUR 8,910 after five years (amounts to be indexed). Capital losses realised on the disposal of the Notes and/or the Warrants held as a non-professional investment would be deductible from capital gains realised in the same taxable year, by the same taxpayer and within the same 'category' of taxable capital gains on financial assets.

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 or are speculative in nature.

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 paying agent or other 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 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 paying agent or other 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.

Under current law, 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 legal 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 paying agent or other 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° of the BITC 1992 are also taxable as interest. Capital losses realised on a sale of the Notes and/or Warrants are not tax deductible. Investors should note that a draft bill has recently been submitted to the Belgian federal Parliament (n° 56-1244/001) which, if enacted, would introduce a 10 per cent. tax on capital gains on financial assets (including the Notes and the Warrants) realised by certain entities subject to the Belgian legal entities tax. The proposed tax would apply only to value increases accruing after 31 December 2025. Certain

exemptions may be available, including an annual exemption up to EUR 5,940, which may be increased by up to EUR 594 for each year in which the exemption is not (fully) utilised, up to a maximum of EUR 8,910 after five years (amounts to be indexed). Capital losses realised on the disposal of Notes and/or the Warrants would be deductible from capital gains realised in the same taxable year, by the same taxpayer and within the same 'category' of taxable capital gains on financial assets.

*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 paying agent or other 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 (permanent) establishment can also obtain an exemption from Belgian withholding tax on interest from the Notes and/or Warrants paid through a Belgian credit institution, a Belgian stock broker company or a licenced Belgian clearing or settlement institution, **provided that** they deliver an affidavit to 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 or used for professional purposes in Belgium.

Non-resident investors using the Notes and/or Warrants to exercise a professional activity in Belgium through a Belgian (permanent) establishment are subject to the same tax rules as the Belgian resident companies (see above).

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 habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium (together, the "**Belgian Investor**").

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 (*borderel/*

bordereau), 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 (*borderel/bordereau*) 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 EUR 1,300 per transaction and per party or, as the case may be, 0.35 per cent. with a maximum amount of EUR 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 duties and taxes (*Wetboek diverse rechten en taksen/Code des droits et taxes divers*) for the tax on stock exchange transactions.

Annual tax on securities accounts

The annual tax on securities accounts (*taxe annuelle sur les comptes-titres / jaarlijkse taks op de effectenrekeningen*) 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 therein 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 applicable tax rate is equal to the lowest amount of either 0.15 per cent. of the average value of the financial instruments and funds held on the account or 10 per cent. of the difference between the average value of the financial instruments and funds held on the account and EUR 1 million. The tax base is the sum of the values of the taxable financial instruments at the different reference points in time (i.e. 31 December, 31 March, 30 June and 30 September) divided by the number of those reference points in time.

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

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 no later than 15 July of the year following the end of the reference period. The tax will have to be paid by the taxpayer on the 31st of August of the year following the end of the reference period at the latest. The law provides for a general anti-abuse provision.

Investors should be aware that, as of 29 July 2025, two rebuttable presumptions of abuse apply to certain transactions involving securities accounts with a value exceeding EUR 1,000,000 prior to the transaction. Both (i) the conversion of dematerialised financial instruments into registered instruments, and (ii) transfer of (part of)

financial instruments to another securities account held (alone or jointly) by the same person, will in principle not be opposable to the Belgian tax administration unless the taxpayer can demonstrate that such conversion or transfer was principally justified by motives other than tax avoidance.

Investors should also note that the Belgian Federal Government has announced an increase of the tax rate for the Annual Tax on Securities Accounts to 0.30 per cent. As at the date of this Base Prospectus, no draft bill has been submitted to the Belgian Federal Parliament with respect to this rate increase.

Prospective holders of the Notes and/or the Warrants are advised to seek their own professional advice in relation to this annual tax on securities accounts.

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 summary does not describe the tax consequences for an investor with respect to products that may be redeemed by physical delivery (including products granting entitlement to receive assets qualifying as shares or other participations in the share capital) nor the tax consequences for an investor with respect to the disposal or holding of the relevant assets that may be received through redemption by physical delivery of the relevant product (including assets qualifying as shares or other participations in the share capital).

*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 9 August 2023 delegated the Italian Government to enact, within the next thirty-six months, one or more legislative decrees to reform the Italian tax system (the "**Tax Reform**"). 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 does not describe the tax consequences for an investor with respect to products that may be redeemed by physical delivery (including products granting entitlement to receive assets qualifying as shares or other participations in the share capital) nor the tax consequences for an investor with respect to the disposal or holding of the relevant assets that may be received through redemption by physical delivery of the relevant product (including assets qualifying as shares or other participations in the share capital).

*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 9 August 2023 delegated the Italian Government to enact, within the next thirty-six months, one or more legislative decrees to reform the Italian tax system (the "**Tax Reform**"). 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 atipi*ci ("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*). 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. 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 is not intended to be legal or tax advice and 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. 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.

The residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. In addition, any reference to a tax, duty, levy or other charge or withholding of a similar nature refers to Luxembourg tax law only.

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 in the form of interest payments (or similar income) made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is resident in Luxembourg. 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, acting in the course of the management of their private wealth, 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. In such case the beneficiary is responsible for the related payment and declaration obligations.

This 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) except if such Luxembourg resident Noteholder or Warrantholder benefits from a special tax regime in Luxembourg, or

(b) such income or gain is attributable to a permanent establishment or a permanent representative 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 (at a rate of 0.5 per cent. on a taxable base up to EUR 500,000,000 and at a rate of 0.05 per cent. on the taxable base exceeding EUR 500,000,000), 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, range from EUR 535 to EUR 4,815.

Luxembourg levies a minimum net wealth tax on companies having their statutory seat or central administration in Luxembourg. Such minimum net wealth tax ranges from EUR 535 to EUR 4,815, depending on the company's total balance sheet.

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.

THE NETHERLANDS

Scope

The following summary does not purport to be a comprehensive description of all Dutch tax considerations that could be relevant for holders of the Notes and Warrants. This summary is intended as general information only. Each prospective holder should consult a professional tax adviser with respect to the tax consequences of the acquisition, ownership and disposal of the Notes or Warrants. This summary is based on Dutch tax legislation and published case law in force at the date of this Base Prospectus. It does not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this summary the terms "the Netherlands" and "Dutch" are used, these refer solely to the European part of the Kingdom of the Netherlands. This summary assumes that the Issuer is organised, and that their business will be conducted, in the manner outlined in this Base Prospectus. A change to such organisational structure or to the manner in which the Issuer conducts its business may invalidate the contents of this summary, which will not be updated to reflect any such change.

This summary assumes that (i) each transaction with respect to the Notes and Warrants is at arm's length; and (ii) the Issuer is not incorporated under the laws of, and not effectively managed, from the Netherlands.

This summary does not address the Dutch individual and corporate tax consequences for such a holder:

(i) which is a corporate entity and an exempt investment institution (*vrijgestelde beleggingsinstelling*) or investment institution (*beleggingsinstelling*) for the purposes of Netherlands corporate income tax, a pension fund, or otherwise not a taxpayer or exempt for corporate income tax purposes;

(ii) which is a corporate entity and a taxpayer for the purposes of Netherlands corporate income tax (*vennootschapsbelasting*), having a participation (*deelneming*) in the Issuer within the meaning of article 13 of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*);

(iii) having a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang)* in the Issuer and holders of Notes or Warrants of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5 per cent. or more of the total issued capital of the Issuer or of 5 per cent. or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit-sharing rights in the Issuer;

(iv) who is a person to whom the Notes or Warrants and the income from the Notes or Warrants are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of (i) the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and (ii) the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);

(v) which is not considered to be the beneficial owner (*uiteindelijk gerechtigde*) of benefits derived from the Notes or Warrants;

(vi) which is a partnership resident of the Netherlands or entered into under Dutch law which is considered a reverse hybrid (*omgekeerd hybride lichaam*) as defined in article 2(11) of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*);

(vii) which is an entity which is a resident of Aruba, Curacao or Sint Maarten having an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Notes or Warrants are attributable to such permanent establishment or permanent representative; and

(viii) to whom the Notes or Warrants, or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

Withholding Tax

All payments under the Notes or Warrants may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority of or in the Netherlands.

Taxes on income and capital gains

Residents of the Netherlands - Netherlands Resident Entities

Generally speaking, if the holder of the Notes or Warrants is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes ("**Netherlands Resident Entity**"), any payment under the Notes or Warrants or any gain or loss realised on the disposal or deemed disposal of the Notes or Warrants is subject to Netherlands corporate income tax at a rate of 19% with respect to taxable profits up to €200,000 and 25.8% with respect to profits in excess of that amount (rates and brackets for 2026).

Residents of the Netherlands - Netherlands Resident Individuals

If a holder of the Notes or Warrants is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes ("**Netherlands Resident Individual**"), any payment under the Notes or Warrants or any gain or loss realised on the disposal or deemed disposal of the Notes or Warrants is taxable at the progressive income tax rates (with a maximum of 49.5% in 2026), if:

(i) the Notes or Warrants are attributable to an enterprise from which the holder of the Notes or Warrants derives a share of the profit, whether as an entrepreneur (*ondernemer*) or as a person who has a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise without being a shareholder (as defined in the Netherlands Income Tax Act 2001); or

(ii) the holder of the Notes or Warrants is considered to perform activities with respect to the Notes or Warrants that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or derives benefits from the Notes or Warrants that are taxable as benefits from other activities (*resultaat uit overige werkzaamheden*).

If the above-mentioned conditions i. and ii. do not apply to the Netherlands Resident Individual, the Notes or Warrants held by such Netherlands Resident Individual will in principle be taxed under the regime for savings and investments (*inkomen uit sparen en beleggen*). The annual taxable benefit of all the assets and liabilities of the Netherlands Resident Individual that are taxed under this regime, including the Notes or Warrants, is set at a deemed return insofar as the yield basis (*rendementsgrondslag*) exceeds a €59,357 threshold (*heffingvrij vermogen*), unless the amount of the actual income and (un)realised capital gains derived from the Notes or Warrants is lower than the deemed return on the yield basis. Such yield basis is determined as the fair market value of certain qualifying assets held by the Netherlands Resident Individual, less the fair market value of certain qualifying liabilities at the beginning of the calendar year. The fair market value of the Notes or Warrants will be included as an asset in the holder's yield basis and will be classified as other investments. The individual's deemed return is calculated by multiplying the Netherlands Resident Individual's yield basis with a 'deemed return percentage' (*effectief rendementspercentage*), which percentage depends on the actual composition of the yield basis, with separate deemed return percentages for savings (*banktegoeden*), other investments (*overige bezittingen*) and debts (*schulden*). As of 1 January 2026, the percentage for other investments (such as the Notes or Warrants) is set at 6%.

However, if the individual demonstrates that the aggregate actual return for savings, debts and investments – calculated in accordance with the Counterevidence Act (*Wet tegenbewijsregeling box 3*) – is lower than the applicable aggregate deemed return, the taxable basis should be that lower amount.

The deemed or actual return on savings and investments is taxed at a rate of 36% (rate for 2026).

Non-residents of the Netherlands

A holder of the Notes or Warrants will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Notes or Warrants or in respect of any gain or loss realised on the disposal or deemed disposal of the Notes or Warrants, provided that:

(i) such holder is neither a Netherlands Resident Entity nor a Netherlands Resident Individual;

(ii) such holder does not have an interest in an enterprise or deemed enterprise (as defined in the Netherlands Income Tax Act 2001 and the Netherlands Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes or Warrants are attributable; and

(iii) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes or Warrants that go beyond ordinary asset management activities and does not derive benefits from the Notes or Warrants that are taxable as benefits from other activities in the Netherlands.

Gift and Inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Notes or Warrants by way of a gift by, or on the death of, a holder of such Notes or Warrants who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

Non-residents of the Netherlands

No Netherlands gift or inheritance taxes will arise on the transfer of Notes or Warrants by way of gift by, or on the death of, a holder of Notes or Warrants who is neither resident nor deemed to be resident in the Netherlands, unless the transfer is construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

Value added tax (VAT)

No Netherlands VAT will be payable by the holders of the Notes or Warrants on (i) any payment in consideration for the issue of the Notes or Warrants, with respect to any cash settlement of Notes or Warrants or with respect to the delivery of Notes or Warrants.

Other taxes

No Netherlands registration tax, capital tax, transfer tax or stamp duty (nor any other similar tax or duty other than court fees) will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of Notes or Warrants.

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 the Issuer have been authorised pursuant to resolutions of the board of directors (*conseil d'administration*) of the Issuer passed on 19 July 2024. The Issuer is authorised to issue Warrants under the Programme in accordance with French law.

2. The English Law Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. 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.

3. 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 depositary), 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.

4. 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.

5. Settlement arrangements will be agreed between the Issuer, the relevant Dealer(s) or Manager(s), the Registrar and the Principal Paying Agent, HBCE Principal Warrant Agent or HBCE Warrant Agent, as applicable.

6. In relation to the 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.

7. Notices to the Noteholders or Warrantholders are made in accordance with the Conditions of the relevant Notes or Warrants, as applicable.

8. In relation to each Tranche of Notes, the indication of yield (if any) referred to in the relevant Final Terms will be calculated at the Issue Date of such Tranche on the basis of the Issue Price of such Tranche. It is not an indication of future yield.

9. Any tranche of Notes or Warrants intended to be admitted to listing on the Official List of Euronext Dublin and admitted to trading on the regulated market of Euronext Dublin will be so admitted to listing and trading upon submission to the Central Bank of Ireland and Euronext Dublin of the relevant Final Terms and any other information required by the Central Bank of Ireland and/or Euronext Dublin, subject in each case to the issue of the relevant Notes or Warrants (as the case may be). Prior to listing and admittance to trading of Notes or Warrants (as the case may be), dealings will be permitted by Euronext Dublin in accordance with its rules. Transactions will normally be effected for delivery on the second working day in Dublin after the date of the transaction.

10. Application may be made for a listing of Notes or Warrants on Borsa Italiana S.p.A. and admission to trading on the Electronic Bond Market, being the regulated market of the Borsa Italiana S.p.A. Application may also be made to Borsa Italiana S.p.A. for Notes or Warrants to be admitted to trading on the Italian multilateral trading facilities SeDeX and/or EuroTLX (on its segment for securitised derivatives Cert-X) managed by Borsa Italiana S.p.A., which are not regulated markets for the purposes of MiFID II.

11. Application may be made by the Issuer for admission of Notes or Warrants to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange.

12. There has been no significant change in the financial position or financial performance of the Issuer and its subsidiary undertakings nor any material adverse change in the prospects of Issuer since 31 December 2025.

13. Save as disclosed in Note 26 "*Provisions*" on page 247 and Note 33 *"Legal proceedings and regulatory matters relating to HSBC group entities generally"* on pages 253 to 254 of the HBCE 2025 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 the Issuer 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 the Issuer or the Issuer and its subsidiary undertakings.

14. The 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.

15. The date of the constitutive documents *(statuts)* of the Issuer is 21 July 2025.

16. This Base Prospectus and all the documents incorporated by reference herein will be available for viewing 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.

17. The Legal Entity Identifier ("**LEI**") code of the Issuer is: F0HUI1NY1AZMJMD8LP67.

18. The 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 Issuer shall have no obligation to supplement this Base Prospectus after the end of its 12-month validity.

19. The business address of the directors of the Issuer is 38 avenue Kléber, 75116 Paris, France.

20. The public offers of the following Tranches of Notes are expected to continue after 2 June 2026 (being the last day of validity of the base prospectus dated 26 June 2025 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**
Up to EUR 25,000,000 Capped Growth Notes due October 2028 linked to the Hang Seng Tech Index The final terms for the Notes are available on the Issuer's website https://www.about.hsbc.fr/investor-relations/debt-issuance	FR0014018M55
EUR 90,000,000 Autocallable Notes due July 2036 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	FR00140176I2

21. 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 the 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 Issuer 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, securities or funds.

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

- Digital with Geared Buffer Redemption;
- Digital Growth with Geared Buffer Redemption;
- Protected Step-Down Growth Redemption;
- Protected Step-Down Bear Redemption;
- Straddle with Barrier Redemption;
- Straddle with Geared Buffer Redemption;
- Protected Knock-Out Straddle Redemption;
- Star Barrier 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 an index (an "**Index**"), a security (a "**Security**"), a fund (a "**Fund**") or a basket comprising one or more indices ("**Indices**") and/or one or more securities ("**Securities**") or one or more funds ("**Funds**") to which the Note is linked and the relevant redemption provision. In this section, an "**Underlying**" shall mean an Index, Security or Fund, as the case may be, and a "**Basket**" shall mean a basket comprising one or more Indices, a basket comprising one or more Securities, a basket comprising one or more Indices together with one or more Securities, or a basket comprising one or more Funds.

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 Amounts linked to Underlying(s)**" provisions are applicable (for the avoidance of doubt, these are alternative/additional provisions to the Fixed Rate Note provisions and the Floating Rate Note provisions detailed above). In this case, a coupon payment may be made by the Issuer to an investor, where (if "**Performance Coupon**" is specified as applicable) the amount or (if the "**Conditional Coupon Event**" provisions apply) occurrence of which depends 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 worked examples illustrating how the calculations are made in practice.

Where the "Conditional Coupon Event" provisions apply, the Notes may further specify in their Final Terms that:

- "**Coupon Recovery Event**" is applicable in relation to the Notes. In this case, if a Conditional Coupon Event occurs in relation to a Coupon Valuation Date, in addition to any amount otherwise determined by reference to the occurrence of such Conditional Coupon Event, investors will receive an additional payment equivalent to the sum of all coupons which did not become payable on their related valuation date due to the performance of the Underlying or Basket (and which have not subsequently been paid or accrued 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(c)(C) below, together with a worked example illustrating how the calculations are made in practice; or

- "**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 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(c)(D) 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 89 to 94**
Closing Value	Pages 89 to 90
Highest Value	Pages 90 to 91
Lowest Value	Pages 91 to 92
Average Value	Pages 92 to 92
Intraday Observation	Pages 93 to 93
Decrement Observation	Pages 93 to 94
Ascertaining the performance of the Underlying (or each Underlying in the Basket)	**Pages 94 to 99**
Determining the Performance of an Underlying	Pages 95 to 95
Determining Reference Performance	Pages 95 to 99
• Reference Performance – single Underlying	Pages 96 to 96
• Reference Performance – Worst of Basket	Pages 96 to 97
• Reference Performance – Best of Basket	Pages 97 to 98
• Reference Performance – Weighted Basket	Pages 98 to 99

Calculation of return using Reference Performance	Pages 99 to 99
Barrier Event and/or Upper Barrier Event	Pages 99 to 101

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:**
Final Redemption Amount provisions	**Pages 101 to 154**
Booster with Barrier Redemption	Pages 101 to 103
Airbag with Barrier Redemption	Pages 104 to 107
Barrier Redemption	Pages 107 to 111
Digital with Barrier Redemption (including Physical Delivery)	Pages 111 to 114
Digital Growth with Barrier Redemption	Pages 114 to 117
Protected Digital Redemption	Pages 117 to 118
Protected Growth Redemption	Pages 118 to 120
Protected Knock-Out Growth Redemption	Pages 120 to 122
Protected Bear Redemption	Pages 123 to 125
Protected Knock-Out Bear Redemption	Pages 125 to 127
Partial Protection Redemption	Pages 127 to 128
Geared Buffer Redemption	Pages 128 to 130
Booster Redemption	Pages 130 to 132
Booster with Geared Buffer Redemption	Pages 132 to 134
Digital with Buffer Redemption	Pages 134 to 136
Digital with Geared Buffer Redemption	Pages 136 to 138
Digital Growth with Geared Buffer Redemption	Pages 138 to 140
Protected Step-Down Growth Redemption	Pages 140 to 142
Protected Step-Down Bear Redemption	Pages 142 to 144
Straddle with Barrier Redemption	Pages 144 to 146
Straddle with Geared Buffer Redemption	Pages 146 to 148
Protected Knock-Out Straddle Redemption	Pages 148 to 150
Star Barrier Redemption	Pages 151 to 153
Fixed Amount Redemption	Page 154 to 154

If the Final Terms specify that the following is applicable	**…an explanation and worked example in this Base Prospectus may be found at:**
Additional Redemption Features	**Pages 154 to 162**
Lock-In Redemption Event	Pages 154 to 155
Autocall Event (and an additional worked example for Digital with Barrier Redemption)	Pages 155 to 161
Redemption at the Option of the Issuer (Call Option)	Pages 161 to 162
Interest/Coupon Provisions	**Pages 162 to 173**
Fixed Rate Notes	Pages 162 to 163
Floating Rate Notes	Pages 163 to 165
Coupon Amounts linked to Underlying(s)	Pages 165 to 173
Additional Interest/Coupon Features	**Pages 170 to 176**
Coupon Recovery Event	Pages 170 to 172
Lock-In Coupon Event	Pages 172 to 173
Interest Step-up	Pages 174 to 175
Interest Step-down	Pages 175 to 176

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

Each Final Redemption Amount (other than Fixed Amount Redemption), Autocall Amount and (where "Coupon Amounts linked to Underlying(s)" is applicable) 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 "**Closing Value**" 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 or a Proprietary Index, the level of the Underlying determined by the calculation agent or (ii) in the case of an Underlying which is a Multiple Exchange Index or a Proprietary Index, the level of the Index as calculated by an index sponsor, in each case as of a particular valuation time on a particular valuation date;

- 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; and

- the Reference Value of an Underlying which is a Fund with respect to the relevant date for determination shall be the net asset value per share in respect of the Fund in the relevant (or related) share classes,

in each case, the "**Closing Value**".

Closing Value worked example:

The hypothetical scenario

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

- An investor purchases a Note linked to the Carmignac Patrimoine Fund (CARMPAT FP).
- "Closing 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 2026.
- The net asset value of the Carmignac Patrimoine Fund (CARMPAT FP) on 30 June 2026 is EUR 180.

What is the Reference Value?

The Reference Value of the Carmignac Patrimoine Fund (CARMPAT FP) will be the net asset value of the Carmignac Patrimoine Fund (CARMPAT FP) *on* the Valuation Date.

The net asset value of the Carmignac Patrimoine Fund (CARMPAT FP) on 30 June 2026 is EUR 180, thus the Reference Value will be EUR 180.

- 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 2026.
- The Observation Dates specified in the Final Terms with respect to the relevant determination are 28 June 2026, 29 June 2026 and 30 June 2026.
- The Valuation Time specified in the Final Terms is 5.00 p.m. (London time).
- The price of Company A shares on:
  - 28 June 2026 at 5.00 p.m. (London time) is GBP 200.

- 29 June 2026 at 5.00 p.m. (London time) is GBP 250.
- 30 June 2026 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 2026, 29 June 2026 and 30 June 2026, 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 2026, 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 2026.
- 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 2026 to and including the Valuation Date (being 30 June 2026).
- 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 2026 – is a bank holiday and thus no price is ascertained with respect to such date.
  - 27 June 2026 at 5.00 p.m. (London time) is EUR 450.
  - 28 June 2026 at 5.00 p.m. (London time) is EUR 435.
  - 29 June 2026 at 5.00 p.m. (London time) is EUR 475.
  - 30 June 2026 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 2026 to and including the Valuation Date (being 30 June 2026), 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 2026, 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 2026, 29 June 2026 and 30 June 2026.
- 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 2026 at 5.00 p.m. (London time) is 5,800.
  - 29 June 2026 at 5.00 p.m. (London time) is 6,200.
  - 30 June 2026 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 or a Proprietary Index, the level of the Underlying determined by the calculation agent or (ii) in the case of an Underlying which is a Multiple Exchange Index or a Proprietary 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 105 to 107.

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 with respect to the FTSE®100 Index from and including the Strike Date (being 24 June 2026) 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 2026. 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 2026 at 5.00 p.m. (London time) is 5,600 (being Closing $Value_{t-1}$).
  - 27 June 2026 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 2026) (the "**Adjusted Valuet-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:

$$AV_{t-1} \times \frac{Closing\ Value_t}{Closing\ Value_{t-1}} - CD \times \frac{Actual\ Days}{Day\ Count\ Divisor}$$

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) or (where "Coupon Amounts linked to Underlying(s)" is applicable) any Coupon Amounts 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 Conditional Coupon 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 value 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.

Where Star Barrier Redemption applies, the Calculation Agent will additionally need to determine the relevant "Star Performance" in order to determine the Final Redemption Amount. For a detailed example of how the Star Performance is calculated and used to determine a Final Redemption Amount, please see the worked example entitled "Star Barrier Redemption" on pages 152 to 153.

(a) *Determining the Performance of an Underlying*

In order to ascertain the relevant Reference Performance (or Star Performance), the Calculation Agent must first determine the "**Performance**" of the Underlying or, in respect of each Underlying in a Basket. (Save in respect of each Coupon Valuation Date where "Coupon Restrike Value" is specified to apply) the Performance is a percentage representing any appreciation or depreciation (if any) in the Reference Value of an Underlying, in comparison to the initial level or initial price (as applicable) of such 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 Performance of the Underlying (EURO STOXX 50® Index)?

In order to determine the 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 Performance of the Underlying (EURO STOXX 50® Index) shall be 102.17%.

Alternatively, if "Coupon Restrike Value" is specified to apply in respect of each Coupon Valuation Date, then the Performance in respect of each such Coupon Valuation Dates will be a percentage representing any appreciation or depreciation (if any) in the Reference Value of an Underlying, in comparison to the Reference Value of such Underlying in respect of the immediately preceding Coupon Valuation Date (or, in the case of the first Coupon Valuation Date, the Initial Value). For a detailed example of how the Performance is determined in respect of a Coupon Valuation Date where Coupon Restrike Value is specified to apply, please see the worked example entitled "Coupon Amount: Performance Coupon" on pages 167 to 170.

(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 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 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 Performance of that Underlying;

- where the Notes relate to a Basket in respect of which "Worst of Basket" is specified to apply in respect of the Reference Performance, the 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 in respect of the Reference Performance, the 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 in respect of the Reference Performance, the weighted average of the 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 Star Barrier Redemption applies, the "Best of Basket" and "Weighted Basket" valuation methods may also be used for determination of the "Star Performance". For a detailed example of how the Star Performance is calculated and used to determine a Final Redemption Amount, please see the worked example entitled "Star Barrier Redemption" on pages 152 to 153.

- 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 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.

- "Closing Value" 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 "Closing Value" valuation method.

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

In order to determine the 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 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 Performance and thus, the Reference Performance is 96%.

- Where "**Worst of Basket**" is specified as applicable with respect to a Basket and the 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 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.
- "Closing Value" 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 "Closing Value" valuation method.
    - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Closing Value" valuation method.

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

In order to determine which is the worst performing Underlying, the 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 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 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 (and, if applicable, Star Performance) is ascertained by determining the highest 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 Performance of each Underlying (Security) in the Basket?

In order to determine which is the best performing Underlying, the 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 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 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 (and, if applicable, Star Performance) is ascertained by determining the weighted average of the 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 2026.
- "Closing Value" 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 "Closing Value" valuation method.
  - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Closing Value" 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 Performance of each Underlying (Index) in the Basket?

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

The Performance of the S&P 500® Index is determined by dividing the Underlying 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 Performances of each Underlying: [(50% × 102%) = 51%] + [(50% × 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 applicable and the Barrier Observation Method specified in the relevant Final Terms is either Daily, Bermudan or American) 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 the Conditional Coupon Event provisions apply or Performance Coupon is specified to apply in the relevant Final Terms) in order to determine the value of a Coupon Amount or whether a Conditional Coupon Event (and, where Coupon Recovery Event applies, the value (if any) of any Previously Missed Coupon Amounts) 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 Conditional Coupon Event has occurred, in sub-section (9(c)(A));
- in relation to determination of any Previously Missed Coupon Amounts (if any) where Coupon Recovery Event applies, in sub-section (9(c)(C));
- in relation to determination of whether a Lock-In Coupon Event has occurred, in sub-section (9(d)(D)).

(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);
- the Reference Performance on any "**Barrier Valuation Date**" during a specified valuation period (where "**Daily**" is specified as the relevant Barrier Observation Method); or
- 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 2027.
- "Closing Value" 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 "Closing Value" valuation method.
- The Barrier Level is 100%.

What is the Reference Performance?

The Reference Performance is the 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 either to a single Security or Basket of Securities 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:

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

- 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 Notes linked either to a single Security or Basket of Securities in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where the 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.
- "Closing Value" 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 "Closing Value" 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".
- "Closing Value" 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 with respect to FTSE®100 Index from and including the Strike Date (being 24 June 2026) 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) ***What is the Reference Performance with respect to each Barrier Valuation Date?***

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

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.

(5) ***Multiplying the result of the formula by the Final Performance***

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 Notes linked either to a single Security or Basket of Securities in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where the 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.
- "Closing Value" 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 "Closing Value" 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 with respect to the EURO STOXX 50® Index from and including the Strike Date (being 24 June 2026) to and including the Final Valuation Date (being 30 June 2028) (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) ***What is the Final Performance?***

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

The Final Performance is 108%, which is greater than the Return Threshold set at 100%.

(3) ***What is the Reference Performance of the Underlying with respect to the Barrier Valuation Dates?***

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

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:

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

(5) ***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 (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)	***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)
		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 Notes linked either to a single Security or Basket of Securities in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where the 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.
- "Closing Value" 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 "Closing Value" 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 "Closing Value" 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 2026 (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) ***What are the Performances of each Underlying (Security) in the Basket with respect to the Final Valuation Date?***

In order to determine the worst performing Underlying, the 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: USD 5,500 / USD 5,400 = 1.0185 (expressed as a percentage is 101.85%)

Company B shares: GBP 2,300 / 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 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 Performance of the Worst Performing Underlying (i.e. Company A shares). Therefore, the Final Performance is 101.85%

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

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 Notes linked either to a single Security or Basket of Securities 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.

- "Closing Value" 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 "Closing Value" 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 "Closing Value" 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 Performances of each Underlying (Security) in the Basket with respect to the Final Valuation Date?*** In order to determine the worst performing Underlying, the 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: USD 5,500 / USD 5,400 = 1.0185 (expressed as a percentage is 101.85%) Company B shares: GBP 2,300 / 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 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 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**"). Where the barrier level in respect of the Barrier Event is equal to the specified return threshold, this limb may not be relevant.

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. Where the Barrier Level in respect of the Barrier Event is equal to the Return Threshold, this limb may not be relevant.

- With respect to Notes linked either to a single Security or Basket of Securities 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.

- "Closing 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 52, as determined by the Calculation Agent using the "Closing Value" 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:

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

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) is equal to GBP 54, therefore GBP 54 is used for the denominator in the first part of the formula.
- The Calculation Amount (GBP 1,000) divided by GBP 54 (being the amount determined with respect to the denominator in the first part of the formula) is equal to 18.51.
- 18.51 (being the amounted determined with respect to the first part of the formula) multiplied by the Currency Pair Exchange Rate (1) 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:

$$Residual\ Amount \times \frac{Final\ Performance}{Strike\ Level}$$

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:

$$Calculation\ Amount - \frac{Securities\ Transfer\ Amount \times Strike\ Level \times Relevant\ Initial\ Value}{Currency\ Pair\ Exchange\ Rate}$$

  - Relevant Initial Value (GBP 54) multiplied by the Strike Level (100%) and further multiplied by the Securities Transfer Amount (18) is equal to GBP 972, therefore GBP 972 is used for the numerator for the second part of the formula.
  - GBP 972 (being the amount determined by reference to numerator of the second part of the formula) is divided by the Currency Pair Exchange Rate (1), therefore GBP 972 is used for the second part of the formula.
  - GBP 1,000 minus GBP 972 (being the amount determined by reference to the first and second 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.

A further worked example with respect to Digital with Barrier Redemption (where the "Return Threshold" is specified to be the Autocall Level determined in respect of the last Autocall Valuation Date) can be found in section (7) (*Autocall Event*) below.

(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 Notes linked either to a single Security or Basket of Securities 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.
- "Closing 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 EUR 205, as determined by the Calculation Agent using the "Closing Value" 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) ***What is the Final Performance?***

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

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:

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

(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 (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%.

(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% + Digital Rate)
GBP	**1,050**		**The Final Redemption Amount per calculation amount of a Note**

(f) *Protected Digital Redemption*

Overview of Protected Digital Redemption

Protected Digital Redemption provides the investor with protection on its investment 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 100% plus a fixed return percentage (the "**Digital Rate**").

If the Final Performance is below the specified return threshold, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by a minimum fixed return percentage (the "**Protection Level**").

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

- the Final Performance;
- the Return Threshold;
- the Digital Rate; and
- the Protection Level specified;

Calculation of the Final Redemption Amount

If "Protected Digital 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 to an amount on redemption equal to the specified calculation amount of the Note *multiplied by* 100% plus the Digital Rate.
- If the Final Performance is less than the Return Threshold, the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note *multiplied by* the Protection Level.

Protected Digital 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 Digital 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 Return Threshold is 100%.
- The Digital Rate is 5%.
- 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 Return Threshold?***

The Final Performance is 87.5%, which is lower than the Return Threshold set at 100%.

Therefore, an investor will be entitled to an amount equal to the specified calculation amount of the Note multiplied by the Protection Level (80%).

(3) ***Multiplying the specified calculation amount of the Note by the Protection Level***

The Final Redemption Amount per calculation amount of a Note will be:

GBP	100	×	(the specified calculation amount of the Note)
	80%		(the Protection Level)
GBP	80		**The Final Redemption Amount per calculation amount of a Note**

(g) *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:

GBP	100	×	(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**

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

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) ***Has an Upper Barrier Event occurred?***

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) ***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)
	105%		(the Protection Level + the Digital Rate)
GBP	**105**		**The Final Redemption Amount per calculation amount of a Note**

(i) *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:

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

- 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) ***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 less than or equal to the Put Strike?***

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:

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

(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 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) ***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)

	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**

(j) *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:

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

- 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:			
GBP	100	×	(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**

(k) *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:

Max[Protection Level; 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.
- "Closing Value" 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 "Closing Value" valuation method.
- The Put Strike is 100%.
- The Protection Level is equal to 60%

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

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) ***Is the Final Performance greater than or equal to the Put Strike?***

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.

(l) *Geared Buffer Redemption*

Overview of Geared Buffer Redemption

Geared 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 "Geared 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:

  Final Performance / Strike Level

- With respect to Notes linked either to a single Security or Basket of Securities 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*)).

Geared 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 Geared 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.
- "Closing Value" 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 "Closing Value" 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:

Final Performance / Strike Level

(3)	***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%.			
(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:			
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**

(m) *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:

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

- 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:

Final Performance / Strike Level

- With respect to Notes linked either to a single Security or Basket of Securities 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

- "Closing Value" 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 "Closing Value" valuation method.
  - The Reference Value of the S&P 500® Index is 2,150, as determined by the Calculation Agent using the "Closing Value" valuation method.
- The Strike Level is 95%.
- The Call Strike is 95%.
- The Participation is 100%.
- The Cap is 60%.

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

The 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 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 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:

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

(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	**102.26**		**The Final Redemption Amount per calculation amount of a Note**

(n) *Booster with Geared Buffer Redemption*

Overview of Booster with Geared Buffer Redemption

Booster with Geared 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 Geared 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:

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

- 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 Notes linked either to a single Security or Basket of Securities 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 Geared 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 Geared 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

- "Closing Value" 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 "Closing Value" valuation method.
  - The Reference Value of the S&P 500® Index is 2,150 as determined by the Calculation Agent using the "Closing Value" valuation method.
- The Call Strike is 100%.
- The Strike Level is 95%.
- The Cap is 20%.
- The Participation is 100%.

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

The 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 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 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 Call Strike?***

The Final Performance is 97.26% which is less than the Call Strike set at 100%.

(4) ***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.

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

(o) *Digital with Buffer Redemption*

Overview of Digital with Buffer Redemption

Digital with Buffer 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:

- but is greater than or equal to a specified percentage (the "**Strike Level**"), the investor will be entitled to an amount on redemption equal to the specified calculation amount of the Note multiplied by 100%; or
- and below the Strike Level, the investor will be entitled to an amount equal to the specified calculation amount of the Note multiplied by a percentage reflecting (i) the depreciation of the relevant Underlying or Basket (as applicable) plus (ii) a 'buffer' equal to the difference between 100% and the Strike Level.

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 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:
    - 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 multiplied by 100%; or
    - and less than the Strike Level, 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% – Strike Level + Final Performance

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 GBP linked to the ordinary shares of Company A and which specifies Digital with Buffer Redemption and has a term of 6 years.
- The initial security price of Company A set out in the relevant Final Terms is GBP 54.
- The calculation amount of the Note is GBP 1,000.
- "Closing 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 45, as determined by the Calculation Agent using the "Closing Value" valuation method.
- The Return Threshold is 100%.
- The Digital Rate is equal to 5%.
- The Strike Level is 90%.

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

The Reference Value of the Security (GBP 45) determined with respect to the Final Valuation Date is divided by the initial price (GBP 54), which is equal to 0.8333 and, when expressed as a percentage, is 83.33%. Therefore, the Final Performance is 83.33%.

(2) ***Is the Final Performance less than the Return Threshold and the Strike Level?***

The Final Performance is 83.33%, which is less than (i) the Return Threshold set at 100% and (ii) the Strike Level set at 90%.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by the percentage equal to 100% – Strike Level + Final Performance. This is equal to 100% - 90% + 83.33% = 93.33%.

(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)
	93.33%		(100% – Strike Level + Final Performance)
GBP	**933.33**		**The Final Redemption Amount per calculation amount of a Note**

(p) *Digital with Geared Buffer Redemption*

Overview of Digital with Geared Buffer Redemption

Digital with Geared 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 Geared 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:

  Final Performance / Strike Level

- With respect to Notes linked either to a single Security or Basket of Securities 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 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 Geared 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 Geared 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.

- "Closing Value" 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 "Closing Value" 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:			
USD	100	×	(the specified calculation amount of the Note)
	107.5%		(100% + Digital Rate)
USD	**107.50**		**The Final Redemption Amount per calculation amount of a Note**

(q) *Digital Growth with Geared Buffer Redemption*

Overview of Digital Growth with Geared Buffer Redemption

Digital Growth with Geared 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 Geared 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:

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

- 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 Notes linked either to a single Security or Basket of Securities 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 Geared 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 Geared 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.
- "Closing Value" 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 "Closing Value" 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:

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

(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**

(r) *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:

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

- 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.
- "Closing Value" 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 "Closing Value" 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**

(s) *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:

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

- 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.
- "Closing Value" 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 "Closing Value" valuation method.
- The Put 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 less than or equal to the Put Strike?***

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:

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

(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 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)	***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)
	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**

(t) *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:

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

- 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:

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

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.
- "Closing Value" 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 "Closing Value" 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% + Downside Participation × Max[0; 100% - Final Performance] + Min[Cap; Upside Participation × Max[0; 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%

(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:

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

(u) *Straddle with Geared Buffer Redemption*

Overview of Straddle with Geared Buffer Redemption

Straddle with Geared 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 Geared 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:

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

- 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 Notes linked either to a single Security or Basket of Securities 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 Geared 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.
- "Closing Value" 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 "Closing Value" valuation method.
- The Strike Level is 80%.
- The Upside Participation is 200%.
- The Downside Participation is 100%.
- The Cap is 30%.

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

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) ***Calculating the formula***

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%

(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:

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**

(v) *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

  (b) 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:

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

- 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.
- "Closing Value" 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 "Closing Value" 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	**1,070**		**The Final Redemption Amount per calculation amount of a Note**

(w) *Star Barrier Redemption*

Overview of Star Barrier Redemption

Where Star Barrier Redemption is specified as applicable in respect of Notes linked to a Basket of Underlyings, such Notes will be linked to both:

(1) in respect of each valuation date (including the final valuation date), the performance of (a) the worst performing Underlying, (b) the best performing Underlying or (c) a weighted basket, as specified in the relevant final terms, in respect of such valuation date (the "**Reference Performance**"); and

(2) the performance of (a) the best performing Underlying or (b) a weighted basket, as specified in the relevant final terms, in respect of the final valuation date (the "**Star Performance**").

Star Barrier Redemption provides the investor with a fixed rate of return (the "**Specified Redemption Rate**", which may be specified in the relevant final terms as equal to, greater than or less than 100%) on the principal amount of the Notes subject to the Star Performance in respect of the final valuation date being greater than or equal to a specified threshold known as the "**Star Barrier Level**".

If the Star Performance is below the Star Barrier Level:

- if a Barrier Event has occurred, the investor will be entitled on redemption to an amount equal to the specified calculation amount of the Note multiplied by the Reference Performance determined in respect of the final valuation date, 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); 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 Specified Redemption Rate;

- the Star Performance;

- the Star Barrier Level;

- the Strike Level;

- the Barrier Level; and

- whether a Barrier Event has occurred.

Calculation of the Final Redemption Amount

If "Star Barrier Redemption" is stated to be applicable, then the Final Redemption Amount will be calculated as follows:

- If the Star Performance is greater than or equal to the percentage specified in the relevant Final Terms as the "**Star Barrier Level**", then an investor will be entitled to an amount on redemption equal to the specified calculation amount of each Note *multiplied by* a percentage specified as the "Specified Redemption Rate".

- If the Star Performance is less than the Star Barrier Level:

    - if the Reference Performance determined with respect to any relevant barrier valuation date (or, where "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) 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* a percentage equal to the Final Performance *divided by* the Strike Level; 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 Notes linked to a Basket of Securities in respect of which Physical Delivery is specified to be applicable in the relevant Final Terms, where the Star Performance is less than the Star Barrier 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*)).

Star Barrier Redemption worked example:

The hypothetical scenario

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

- An investor purchases a Note denominated in EUR linked to the ordinary shares of Company A and the ordinary shares of Company B and which specifies Star Barrier Redemption and has a term of 6 years.
- The initial price of the Company A shares set out in the relevant Final Terms is EUR 3,500 and the initial price of the Company B shares set out in the relevant Final Terms is EUR 2,200.
- The calculation amount of the Note is EUR 1,000.
- "Worst of Basket" is specified in respect of the Reference Performance in the Final Terms.
- "Best of Basket" is specified in respect of the Star Performance in the Final Terms.
- "Closing Value" is specified to apply with respect to the Final Valuation Date:
  - The Reference Value of the Company A shares is EUR 2,100, as determined by the Calculation Agent using the "Closing Value" valuation method.
  - The Reference Value of the Company B Shares is EUR 2,150, as determined by the Calculation Agent using the "Closing Value" valuation method.
- The Barrier Event occurrence is specified as "less than".
- The Barrier Observation Method is specified to be "European".
- The Barrier Level is 65%.
- The Star Barrier Level is 95%.
- The Specified Redemption Rate is 100%.
- Physical Delivery is not applicable.

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

In order to determine the worst performing Underlying and the best performing Underlying, the 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 price:

Company A shares: EUR 2,100 / EUR 3,500 = 0.6 (expressed as a percentage is 60%)

Company B shares: EUR 2,150 / EUR 2,200 = 0.9772 (expressed as a percentage is 97.72%)

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

"Worst of Basket" is specified to apply in respect of the Reference Performance. This means that the Final Performance of the Basket with respect to the Final Valuation Date will be the 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 declined in percentage terms to a lesser extent than the price of the Company A shares, thus the Company A shares are the "Worst Performing Underlying".

The Final Performance is the Performance of the Worst Performing Underlying (i.e. Company A shares). Therefore, the Final Performance is 60%.

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

The Final Performance is 60%, which is less than the Barrier Level set at 65%.

Therefore, a Barrier Event has occurred.

(4) ***What is the Star Performance?***

"Best of Basket" is specified to apply in respect of the Star Performance. This means that the Performance of the best performing Underlying determined in respect of the Final Valuation Date will be measured against the Star Barrier Level.

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

The Performance of the Best Performing Underlying (i.e. Company B shares) determined in respect of the Final Valuation Date is 97.72%. Therefore, the Star Performance is 97.72%.

(5) ***Is the Star Performance greater than or equal to the Star Barrier Level?***

The Star Performance is 97.72%, which is greater than the Star Barrier Level set at 95%.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note (EUR 1,000) multiplied by the Specified Redemption Rate (100%).

(6) ***Multiplying the specified calculation amount of the Note by the Specified Redemption Rate***

The Final Redemption Amount per calculation amount of a Note will be:

EUR	1,000	×	(the specified calculation amount of the Note)
	100%		(the Specified Redemption Rate)
EUR	**1,000**		**The Final Redemption Amount per calculation amount of a Note**

(x) *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 "**Specified Redemption Rate**").

Accordingly, the Final Redemption Amount payable to the investor will depend only on the Specified 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.

- Unless "Memory Knock-Out" is stated to be applicable in the relevant Final Terms, if, on an Autocall Valuation Date, the Reference Performance determined with respect to such Autocall Valuation Date is (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms) a percentage level as described below (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 "Memory Knock-Out" is stated to be applicable in the relevant Final Terms, if, on an Autocall Valuation Date, the Performance of each Underlying has been, or is, (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms) a percentage level as described below (the "**Autocall Level**") in respect of any prior, or such, Autocall Valuation Date (in respect of an Underlying, a "**KO**"), and irrespective of whether the KO relating to each Underlying occurred on the same Autocall Valuation Date, an "**Autocall Event**" will occur on such Autocall Valuation Date 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, in either case above, an Autocall Event does not occur in respect of such Autocall Valuation Date, 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.

  In respect of an Autocall Valuation Date, the "Autocall Rate" may be specified in the relevant Final Terms as either:

  (a) unless "Daily Autocall Observation" is specified to apply, a fixed percentage specified in respect of such Autocall Valuation Date; or

  (b) if "Daily Autocall Observation" is specified to apply, a percentage equal to the sum of (x) 100% and (y) a specified percentage representing an annualised rate of return (the "**Autocall Annual Rate**") accrued (and subject to a specified day count fraction) from a specified "**Autocall Rate Accrual Start Date**" to the relevant Autocall Valuation Date on which an Autocall Event occurs (if any).

  In respect of an Autocall Valuation Date, the "Autocall Level" may be specified in the relevant Final Terms as either:

  (a) a fixed percentage specified in respect of such (or each such) Autocall Valuation Date; or

  (b) and unless "Daily Autocall Observation" applies, where (other than in respect of the first Autocall Valuation Date) "Floored Restrike Level" is specified for such Autocall Valuation Date, the greater of (x) a specified minimum percentage (the "**Autocall Floor**") and (y) the

Reference Performance determined by the Calculation Agent in respect of the immediately preceding Autocall Valuation Date.

Worked example 1 - Autocall Event ("Memory Knock-Out" is not applicable):

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.
- An Autocall Event is specified in the relevant Final Terms to occur if the Reference Performance is **greater than or equal to** the relevant Autocall Level.
- "Worst Of Basket" is specified in the Final Terms.
- "Memory Knock-Out" is not specified to be applicable.
- 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.
- "Closing Value" 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 "Closing Value" valuation method.

The Reference Value of the Company B shares with respect to first Autocall Valuation Date is GBP 4,326.50, as determined by the Calculation Agent using the "Closing Value" 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 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: GBP 3,604 / GBP 3,404 = 1.0588 (expressed as a percentage is 105.88%)

Company B shares: GPB 4,326.50 / 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 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 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.

Worked example 2 - Autocall Event ("Memory Knock-Out" is applicable):

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.
- An Autocall Event is specified in the relevant Final Terms to occur if the Performance of each Underlying has been **greater than** the Autocall Level.
- "Memory Knock-Out" is specified to be applicable in the relevant 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.
- "Closing Value" is specified to apply with respect to each Autocall Valuation Date:
- The Reference Value of the Company A shares with respect to (i) the first Autocall Valuation Date is GBP 3,778.44, (ii) the second Autocall Valuation Date is GBP 3,574.20 and (iii) the third Autocall Valuation Date is GBP 3,472.08, in each case as determined by the Calculation Agent using the "Closing Value" valuation method.
- The Reference Value of the Company B shares with respect to (i) the first Autocall Valuation Date is GBP 4,326.50, (ii) the second Autocall Valuation Date is GBP 4,564.62 and (iii) the third Autocall Valuation Date is GBP 4,860.48, in each case as determined by the Calculation Agent using the "Closing Value" valuation method.
- The Autocall Level set out in the relevant Final Terms in respect of each Autocall Valuation Date is 110%.

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

To determine the Performance of each Underlying in the Basket with respect to the first three Autocall Valuation Dates, the Reference Value of each Underlying with respect to each Autocall Valuation Date is divided by the initial security price of such Underlying:

Underlying	**Performance as of the first Autocall Valuation Date**	**Performance as of the second Autocall Valuation Date**	**Performance as of the third Autocall Valuation Date**

Company A's ordinary shares	GBP 3,778.44 / GBP 3,404 = 1.1100 = 111.00%	GBP 3,574.20 / GBP 3,404 = 1.0500 = 105.00%	GBP 3,472.08 / GBP 3,404 = 1.0200 = 102.00%
Company B's ordinary shares	GBP 4,326.50 / GBP 4,226.50 = 1.0237 = 102.37%	GBP 4,564.62 / GBP 4,226.50 = 1.08 = 108.00%	GBP 4,860.48 / GBP 4,226.50 = 1.1500 = 115.00%

(2) ***Has the Performance of each Underlying breached/touched the Autocall Level in respect of one or more Autocall Valuation Dates?***

In order to determine the occurrence of an Autocall Event in respect of the Note, the Calculation Agent will first need to determine whether the Performance of each Underlying has, at least once, been (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms) the Autocall Level in respect of any of the Autocall Valuation Dates (such occurrence in respect of an Underlying, a "**KO**"), irrespective of whether the KO relating to each Underlying occurred on the same Autocall Valuation Date.

As of the first Autocall Valuation Date (i) the Performance of Company A's ordinary shares (111%) is greater than the Autocall Level (110%), and (ii) the Performance of Company B's ordinary shares (102.37%) is less than the Autocall Level (110%).

Therefore, as of the first Autocall Valuation Date, a KO has occurred in respect of Company A's ordinary shares, but has not occurred in respect of Company B's ordinary shares.

As of the second Autocall Valuation Date (i) the Performance of Company A's ordinary shares is not required to be determined as a KO has already occurred in respect of Company A's ordinary shares as of the first Autocall Valuation Date, and (ii) the Performance of Company B's ordinary shares (108%) is less than the Autocall Level (110%).

Therefore, as of the second Autocall Valuation Date, a KO (i) has occurred in respect of Company A's ordinary shares because such KO has already occurred on or prior to the second Autocall Valuation Date (that is, it has already occurred on the first Autocall Valuation Date, as described above), and (ii) has not occurred in respect of Company B's ordinary shares.

As of the third Autocall Valuation Date (i) the Performance of Company A's ordinary shares (102%) is less than the Autocall Level (110%), and (ii) the Performance of Company B's ordinary shares (115%) is greater than the Autocall Level (110%).

Therefore, as of the third Autocall Valuation Date, (i) the Performance of Company A's ordinary shares is not required to be determined as a KO has already occurred in respect of Company A's ordinary shares as of the first Autocall Valuation Date, and (ii) a KO has now also occurred in respect of Company B's ordinary shares.

(3) ***When does an Autocall Event occur in respect of the Note?***

An Autocall Event shall occur on the first such Autocall Valuation Date as of which a KO will have occurred in respect of each Underlying on at least one Autocall Valuation Date on or prior to such Autocall Valuation Date in respect of which the occurrence of an Autocall Event is to be determined. As of the first two Autocall Valuation Dates, a KO has occurred only in relation to Company A's ordinary shares, and not in respect of Company B's ordinary shares, and therefore an Autocall Event has not occurred in respect of the Note as of such Autocall Valuation Dates.

The third Autocall Valuation Date is the first such date as of which a KO has occurred in respect of both the Underlyings (that is, on the first Autocall Valuation Date in respect of Company A's ordinary shares and third Autocall Valuation Date in respect of the Company B's ordinary shares).

Therefore, an Autocall Event in respect of the Note has occurred on the third Autocall Valuation Date, and the Note will be redeemed in whole as a result of the occurrence of an Autocall Event.

Worked example 3 – Autocall Event and Autocall Amount with Digital with Barrier Redemption:

The hypothetical scenario

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

- An investor purchases an autocallable Note denominated in EUR linked to the EURO STOXX 50® Index and which specifies each of Autocall Event and Digital with Barrier Redemption as being applicable in the relevant Final Terms and has a term of 4 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 6,000.
- An Autocall Event is specified in the relevant Final Terms to occur if the Reference Performance is **greater than or equal to** the relevant Autocall Level.
- "Daily Autocall Observation" is not specified to apply.
- "Memory Knock-Out" is not specified to apply.
- "Closing Value" is specified to apply with respect to each Autocall Valuation Date and the Reference Value of the EURO STOXX 50® Index is determined by the Calculation Agent in respect of each such date using the "Closing Value" method and is as set out below.
- In respect of each Autocall Valuation Date, Autocall Level and Autocall Rate are specified in the relevant Final Terms as set out below.
- The Autocall Floor is specified to be 75%.

Autocall Valuation Date	Autocall Level	Autocall Rate	Reference Value
1 October 2028	95%	114%	5,640
1 October 2029	Floored Restrike Level	121%	4,800

- "Closing Value" is specified to apply with respect to the Final Valuation Date and the Reference Value of the EURO STOXX 50® Index with respect to the Final Valuation Date is 5,400, as determined by the Calculation Agent using the "Closing Value".
- The Return Threshold is specified to be the Autocall Level determined by the Calculation Agent in respect of the last Autocall Valuation Date.
- The Conditional Protection is 100%.
- The Digital Rate is 28%.
- The Strike Level is 100%.
- The Barrier Level is 50%.
- The Barrier Event occurrence is specified as "less than".
- The Barrier Observation Method is specified to be "European".
- Physical Delivery is specified to be not applicable.

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

To determine the Reference Performance with respect to the first Autocall Valuation Date, (x) the Reference Value of the Underlying determined with respect to the first Autocall Valuation Date (5,640) is divided by (y) the initial index level (6,000), which is equal to 0.94 and, when expressed as a percentage, is 94%. Therefore, the Reference Performance with respect to the first Autocall Valuation Date is 94%.

(2) ***Is the Reference Performance with respect to the first Autocall Valuation Date greater than or equal to the Autocall Level specified in respect of the first Autocall Valuation Date?***

The Autocall Level specified in respect of the first Autocall Valuation Date is a fixed percentage, 95%.

The Reference Performance is 94%, which is less than the Autocall Level specified in respect of the first Autocall Valuation Date (95%).

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

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

To determine the Reference Performance with respect to the second Autocall Valuation Date, (x) the Reference Value of the Underlying determined with respect to the second Autocall Valuation Date (4,800) is divided by (y) the initial index level (6,000), which is equal to 0.80 and, when expressed as a percentage, is 80%. Therefore, the Reference Performance with respect to the second Autocall Valuation Date is 80%.

(4) ***Is the Reference Performance with respect to the second Autocall Valuation Date greater than or equal to the Autocall Level specified in respect of the second Autocall Valuation Date?***

The Autocall Level specified in respect of the second Autocall Valuation Date is "Floored Restrike Level". Therefore, the Autocall Level in respect of the second Autocall Valuation Date will be a percentage equal to the greater of (x) the specified Autocall Floor (75%) and (y) the Reference Performance determined in respect of the first Autocall Valuation Date (94%). The Reference Performance determined in respect of the first Autocall Valuation Date (94%) is greater than the Autocall Floor. Therefore, the Autocall Level in respect of the second Autocall Valuation Date is 94%.

The Reference Performance determined in respect of the second Autocall Valuation Date is 80%, which is less than the Autocall Level determined in respect of the second Autocall Valuation Date (94%).

Therefore, the Note will not be redeemed and will continue until the Maturity Date.

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

The Reference Value of the Underlying (5,400) determined with respect to the Final Valuation Date is divided by the initial index level (6,000), which is equal to 0.90 and, when expressed as a percentage, is 90%. Therefore, the Final Performance is 90%.

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

As the Return Threshold is specified to be the Autocall Level determined by the Calculation Agent in respect of the last Autocall Valuation Date, the Return Threshold will be the Autocall Level determined in respect of the second Autocall Valuation Date, 80%.

The Final Performance is 90%, which is greater than the Return Threshold determined to be 80%.

Therefore, the redemption amount will be an amount equal to the specified calculation amount of the Note multiplied by the sum of 100% + the Digital Rate (28%).

(7) ***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)

	128%	(the percentage ascertained from the formula)
EUR	1,280	**The Final Redemption Amount per calculation amount of a Note**

(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	**1,005**		**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 Amounts linked to Underlying(s), 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 2026.
- 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 2031).

(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 be the Fixed Coupon Amount, as follows:

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

then:

(ii) $5 \times$ 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 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 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.

$$\frac{\text{365 (Number of days in the Interest Period)}}{\text{365 (Day Count Fraction)}} = 1$$

(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 Amounts linked to Underlying(s)*

The calculation of a Coupon Amount in respect of a Note is only required if Coupon Amounts linked to Underlying(s) is specified as being applicable in the relevant Final Terms.

If "Coupon Amounts linked to Underlying(s)" is stated to be applicable in the relevant Final Terms, then, in respect of a Coupon Valuation Date, an investor will (if applicable) be entitled to a "**Coupon Amount**", the amount and/or occurrence of which is calculated by reference to the Reference Performance determined in respect of such Coupon Valuation Date.

In respect of each Coupon Valuation Date the Coupon Amount shall be determined as specified in the relevant Final Terms.

Such Coupon Amounts are either:

(i) (unless "*in fine*" is specified to apply) payable on the relevant Coupon Payment Date corresponding to the relevant Coupon Valuation Date in respect of such the Coupon Amount was determined; or

(ii) (if "*in fine*" is specified to apply) aggregated (and subject to a further overall cap and a floor) and paid on a single Coupon Payment Date, as specified in the relevant Final Terms. Such aggregate amounts are calculated by multiplying the specified calculation amount of the Note by the result of the following formula:

$$Max(Global\ Coupon\ Floor\ Amount; Sum\ of\ Coupon\ Amounts)$$

For a detailed example of how of this aggregate amount is calculated, please see the worked example entitled "Coupon Amount: Performance Coupon" on pages 167 to 170.

(A) *Coupon Amount: Conditional Digital Coupon, Conditional Fixed Rate Coupon and Conditional Floating Rate Coupon*

An investor will only be entitled to certain types of Coupon Amount if an event known as a "**Conditional Coupon Event**" has occurred in respect of the relevant Coupon Valuation Date. A Conditional Coupon Event is an event which occurs 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 a percentage specified in the relevant Final Terms as the "**Coupon Level**". If, however, the Reference Performance determined with respect to such Coupon Valuation Date is less than the Coupon Level specified in the relevant Final Terms, then a Conditional Coupon Event will not have occurred and therefore no Coupon Amount will become payable or accrue in respect of such Coupon Valuation Date.

If "Conditional Digital Coupon" is specified as applicable in the Final Terms and (1) provided a Conditional Coupon Event has occurred, the Coupon Amount in respect of a Coupon Valuation Date shall be equal to the specified calculation amount of the Note *multiplied by* a fixed percentage specified in the relevant Final Terms as the "**Coupon Rate**" (2) otherwise, a Coupon Amount will not be payable or accrue in relation to such Coupon Valuation Date.

Coupon Amount: Conditional Digital Coupon 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 and which specifies "Coupon Amounts linked to Underlying(s)" as applicable.
- The calculation amount of the Note is GBP 100.
- The initial security price set out in the relevant Final Terms is GBP 306.15.
- Coupon Amount is specified to be "Conditional Digital Coupon".
- *in fine* is not applicable
- Coupon Recovery Event is not applicable.
- Lock-In Coupon Event is not applicable.
- "Closing Value " 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 "Closing Value " valuation method.
- The Coupon Level set out in the relevant Final Terms is 103%.
- The Coupon Rate specified in the relevant Final Terms 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 Conditional Coupon Event occurred?***

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

Therefore, the investor will be entitled to payment on the corresponding Coupon Payment Date of 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**

If "Conditional Fixed Rate Coupon" is specified as applicable in the Final Terms and (1) provided a Conditional Coupon Event has occurred, the Coupon Amount in respect of a Coupon Valuation Date shall be an amount calculated in accordance with the Fixed Rate Note provisions (2) otherwise, a Coupon Amount will not be payable in relation to such Coupon Valuation Date.

If "Conditional Floating Rate Coupon" is specified as applicable in the Final Terms and (1) provided a Conditional Coupon Event has occurred, the Coupon Amount in respect of a Coupon Valuation Date shall be an amount calculated in accordance with the Floating Rate Note provisions (2) otherwise, a Coupon Amount will not be payable in relation to such Coupon Valuation Date.

(B) *Coupon Amount: Performance Coupon*

If "**Performance Coupon**" is specified as applicable in the Final Terms, the Coupon Amount in respect of a Coupon Valuation Date shall be equal to the specified calculation amount of the Note *multiplied by* a percentage which reflects:

(x) the appreciation (if any) of the relevant Underlying or Basket (as applicable) from either (i) the Initial Value(s) or (ii) (if "Coupon Restrike Value" is specified in the relevant Final Terms) the Reference Value determined in respect of the preceding Coupon Valuation Date; as against

(y) a specified "**Coupon Strike Level**",

multiplied by a specified participation factor (in respect of each Coupon Valuation Date, the "**Coupon Participation**"), which may be subject to a maximum specified "**Coupon Cap**" and/or a minimum specified "Coupon Floor".

This amount is calculated by multiplying the specified calculation amount of the Note by the result of the following formula determined in respect of each Coupon Valuation Date:

$$Min[Coupon\ Cap; Max(Coupon\ Floor; Coupon\ Participation\ x\ \{Reference\ Performance - Coupon\ Strike\ Level\})]$$

Coupon Amount: Performance Coupon 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 "Coupon Amounts linked to Underlying(s)" as applicable.
- The calculation amount of the Note is EUR 1,000
- The initial level of the EURO STOXX 50® Index set out in the relevant Final Terms is 5,000.
- Coupon Amount is specified to be "Performance Coupon"
- The Coupon Cap is 5%.
- The Coupon Floor is 0%.
- The Coupon Participation in respect of each Coupon Valuation Date is 100%.

- The Coupon Strike Level is specified as 100%
- *in fine* is applicable.
- The Coupon Payment Date is the Maturity Date, 30 June 2028.
- The Global Coupon Floor is 10%.
- "Closing Value" is specified to apply with respect to each Coupon Valuation Date and the Reference Value of the index has been determined by the Calculation Agent using the "Closing Value" valuation method with respect to each Coupon Valuation Date as follows:

Coupon Valuation Date	Reference Value
20 June 2026	4,800
20 June 2027	5,100
20 June 2028	5,300

- "Coupon Restrike Value" is specified to apply and therefore the Performance in respect of each Coupon Valuation Date will be determined by *dividing* (x) the Reference Value in respect of such Coupon Valuation Date by (y) the Reference Value determined in respect of the immediately preceding Coupon Valuation Date (or, in respect of the first Coupon Valuation Date, the initial level of the index).

(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, (x) the Reference Value of the Underlying (Index) determined with respect to the first Coupon Valuation Date (4,800) is *divided by* (y) the initial index level (5,000), which is equal to 0.96 and, when expressed as a percentage, is 96%. Therefore, the Reference Performance with respect to the first Coupon Valuation Date is 96%.

(2) ***Calculating the formula with respect to the first Coupon Valuation Date***

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 formula can be determined in respect of the first Coupon Valuation Date as follows:

- The Reference Performance (96%) minus the Coupon Strike Level (100%) is -4%, and so -4% is used in the fourth part of the formula.
- The Coupon Participation (100%) multiplied by -4% is equal to -4%, which is less than the Coupon Floor (0%), so, once the variables are inserted into the second and third parts of the formula, 0 is used in the second part of the formula.
- The percentage produced by the second part of the formula (0%) is less than the Coupon Cap (5%), so 0% is used rather than the Coupon Cap. Therefore, the overall percentage produced by the formula in respect of the first Coupon Valuation Date is 0%.

(3) ***Multiplying the result of the formula by the specified calculation amount of the Note***

The Coupon Amount (in respect of the first Coupon Valuation Date) per calculation amount of a Note will be:

EUR	1,000	×	(the specified calculation amount of the Note)
	0%		(the percentage ascertained from the formula)
EUR	**0**		**The Coupon Amount per calculation amount of a Note determined in respect of the first Coupon Valuation Date**

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

As "Coupon Restrike Value" is specified to apply, to determine the Reference Performance with respect to the second Coupon Valuation Date, (x) the Reference Value of the Underlying determined with respect to the second Coupon Valuation Date (5,100) is *divided by* (y) the Reference Value determined with respect to the first Coupon Valuation Date (4,800), which is equal to 1.0625 and, when expressed as a percentage, is 106.25%. Therefore, the Reference Performance with respect to the second Coupon Valuation Date is 106.25%.

(5) ***Calculating the formula with respect to the second Coupon Valuation Date***

On the basis of the assumptions provided above, the formula can be determined in respect of the second Coupon Valuation Date as follows:

- The Reference Performance (106.25%) minus the Coupon Strike Level (100%) is 6.25%, and so 6.25% is used in the fourth part of the formula.
- The Coupon Participation (100%) multiplied by 6.25% is equal to 6.25%, which is greater than the Coupon Floor (0%), so, once the variables are inserted into the second and third parts of the formula, 6.25% is used in the second part of the formula.
- The percentage produced by the second part of the formula (6.25%) is greater than the Coupon Cap (5%), so 5% is used rather than the percentage produced by the second part of the formula. Therefore, the overall percentage produced by the formula in respect of the second Coupon Valuation Date is 5%.

(6) ***Multiplying the result of the formula by the specified calculation amount of the Note***

The Coupon Amount (in respect of the second Coupon Valuation Date) per calculation amount of a Note will be:

EUR	1,000	×	(the specified calculation amount of the Note)
	5%		(the percentage ascertained from the formula)
EUR	**50**		**The Coupon Amount per calculation amount of a Note determined in respect of the second Coupon Valuation Date**

(7) ***What is the Reference Performance with respect to the third Coupon Valuation Date?***

As "Coupon Restrike Value" is specified to apply, to determine the Reference Performance with respect to the third Coupon Valuation Date, (x) the Reference Value of the Underlying determined with respect to the third Coupon Valuation Date (5,300) is *divided by* (y) the Reference Value determined with respect to the second Coupon Valuation Date (5,100), which is equal to 1.0392 and, when expressed as a percentage, is 103.92%. Therefore, the Reference Performance with respect to the second Coupon Valuation Date is 103.92%.

(8) ***Calculating the formula with respect to the third Coupon Valuation Date***

On the basis of the assumptions provided above, the formula can be determined in respect of the third Coupon Valuation Date as follows:

- The Reference Performance (103.92%) minus the Coupon Strike Level (100%) is 3.92%, and so 3.92% is used in the fourth part of the formula.
- The Coupon Participation (100%) multiplied by 3.92% is equal to 3.92%, which is greater than the Coupon Floor (0%), so, once the variables are inserted into the second and third parts of the formula, 3.92% is used in the second part of the formula.
- The percentage produced by the second part of the formula (3.92%) is less than the Coupon Cap (5%), so 3.92% is used rather than the percentage produced by the second part of the formula. Therefore, the overall percentage produced by the formula in respect of the third Coupon Valuation Date is 3.92%.

(9) ***Multiplying the result of the formula by the specified calculation amount of the Note***

The Coupon Amount (in respect of the third Coupon Valuation Date) per calculation amount of a Note will be:

EUR	1,000	×	(the specified calculation amount of the Note)
	3.92%		(the percentage ascertained from the formula)
EUR	**39.20**		**The Coupon Amount per calculation amount of a Note determined in respect of the third Coupon Valuation Date**

(10) ***Payment of each Coupon Amount on the Coupon Payment Date***

As "*in fine*" is specified as applicable, the following formula will apply for the purposes of determining the amount payable on the Coupon Payment Date:

Max(Global Coupon Floor Amount; Sum of Coupon Amounts)

When working out the above formula, the first step is to determine the variable in the formula described using "Max", which means the greater of.

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

- The "Sum of Coupon Amounts" is calculated by adding the Coupons Amounts determined in respect of each of the Coupon Valuation Dates (EUR 0 + EUR 50 + EUR 39.20), being EUR 89.20.
- The "Global Coupon Floor Amount" is equal to the calculation amount of the Notes (EUR 1,000) multiplied by the Global Coupon Floor (10%), being EUR 100.
- The Global Coupon Floor Amount (EUR 100) is greater than the Sum of Coupon Amounts (EUR 89.20). Therefore, the amount produced by the formula is EUR 100.

In addition to any Final Redemption Amount otherwise payable, investors will receive on the Coupon Payment Date an amount equal to EUR 100.

(C) *Coupon Recovery Event*

Where Conditional Digital Coupon, Conditional Fixed Rate Coupon or Conditional Floating Rate Coupon 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 Conditional Coupon Event occurs with respect to the relevant Coupon Valuation Date, in addition to any amount otherwise determined by reference to the occurrence of such Conditional Coupon Event, the relevant Coupon Amount shall additionally comprise the sum of each Coupon Amount (the "**Previously Missed Coupon Amounts**"), if any, in respect of the preceding Coupon Valuation Dates which did not become payable because a Conditional Coupon Event did not occur in respect of any such Coupon Valuation Date falling after either (i) the most recently occurring Conditional Coupon Event, or (ii) the Issue Date if no Conditional Coupon Event has occurred on any preceding Coupon Valuation Date.

Conditional Digital Coupon – 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)(A) (*Coupon Amount: Conditional Digital Coupon, Conditional Fixed Rate Coupon and Conditional Floating Rate Coupon*) above but Coupon Recovery Event is specified as applicable.
- The Coupon Valuation Dates are specified as being 23 June 2026, 21 June 2027 and 20 June 2028.
- The Coupon Level set out in the relevant Final Terms is 103%.

- "Closing Value" 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 "Closing Value" valuation method with respect to each Coupon Valuation Date as follows:

Coupon Valuation Date	Reference Value
23 June 2026	GBP 325
21 June 2027	GBP 312
20 June 2028	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) ***Has a Conditional Coupon Event occurred with respect to the first Coupon Valuation Date?***

In this case, the Reference Performance (106.15%) is greater than the Coupon Level (103%), so a Conditional 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:

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

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

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%.

(5) ***Has a Conditional Coupon Event occurred with respect to the second Coupon Valuation Date?***

In this case, the Reference Performance (101.91%) is less than the Coupon Level (103.00%), so a Conditional 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.

(6) ***What is the Reference Performance with respect to the third Coupon Valuation Date?***

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%.

(7) ***Has a Conditional Coupon Event occurred with respect to the third Coupon Valuation Date?***

In this case, the Reference Performance (107.79%) is greater than the Coupon Level (103%), so a Conditional Coupon Event has occurred.

Therefore, the investor will be entitled to a Coupon Amount equal to (1) the specified calculation amount of the Note multiplied by the Coupon Rate with respect to the third Coupon Valuation Date plus (2) the Coupon Amount that would have been payable in respect of the second Coupon Valuation Date had a Conditional Coupon Event had occurred with respect to such second Coupon Valuation Date (the "**Previously Missed Coupon Amount**").

(8) ***Calculating the Coupon Amount in respect of the third Coupon Valuation Date***

The Coupon Amount per Note will be:

GBP	100	×	(the specified calculation amount of the Note)
	5%		(the relevant Coupon Rate in respect of the third Coupon Valuation Date)
GBP	**5**		
	+		
GBP	100	×	(the specified calculation amount of the Note)
	5%		(the relevant Coupon Rate in respect of the second Coupon Valuation Date)
GBP	**5**		**(the Previously Missed Coupon Amount)**

(9) ***Coupon Amount Payable with Respect to the third Coupon Valuation Date?***

The total Coupon Amount payable to the investor will be the sum of (i) GBP 5, determined by reference to the occurrence of a Conditional Coupon Event in respect of the third Coupon Valuation Date and (ii) GBP 5, representing the Previously Missed Coupon Amount, which is equal to **GBP 10**.

(D) *Lock-In Coupon Event*

Where "Conditional Digital Coupon", "Conditional Fixed Rate Coupon" or "Conditional Floating Rate Coupon" 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, for the purposes of determining any Coupon Amounts in relation to subsequently occurring Coupon Valuation Dates, a Conditional Coupon Event shall be deemed to have occurred in respect of such subsequent Coupon Valuation Dates falling on or after the relevant Lock-In Coupon Valuation Date on which a Lock-In Coupon Event occurred (if any).

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)(A) (*Coupon Amount: Conditional Digital Coupon, Conditional Fixed Rate Coupon and Conditional Floating Rate Coupon*) above, but Lock-In Coupon Event is specified as applicable.
- The Coupon Valuation Dates are specified as being 23 June 2026, 21 June 2027 and 20 June 2028.
- Each Coupon Valuation Date is also specified to be a Lock-In Coupon Valuation Date.
- "Closing Value " 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 "Closing Value " valuation method with respect to each Coupon Valuation Date and Lock-In Coupon Valuation Date as follows:

Date	Reference Value

23 June 2026	GBP 325
21 June 2027	GBP 350
20 June 2028	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 Conditional 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 Conditional 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:

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

(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 Conditional 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 Conditional 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 Conditional Coupon Event occurs with respect to each such Coupon Valuation Dates).

(d) *Interest Step-up*

If "Interest Step-up" is specified as applicable in the relevant Final Terms in respect of any Notes to which Fixed Rate Note provisions apply, then Notes will bear interest at a fixed rate of interest which may increase (or "step-up") periodically during the life of the Notes. The Rate of Interest in respect of such Notes for each Calculation Period shall be the rate specified to be applicable in respect of the Interest Payment Date on which such Calculation Period ends, as set forth in the relevant Final Terms. Each successive rate specified to be applicable in respect of an Interest Payment Date to which Fixed Rate Note provisions apply shall be equal to or greater than the rate specified to be applicable in respect of the immediately preceding Interest Payment Date to which Fixed Rate Note provisions apply.

Interest Step-up worked example:

The hypothetical scenario

For the purposes of this example, it is assumed that the Final Terms specify the following in relation to Fixed Rate Notes:

- The Settlement Currency is EUR.
- The Calculation Amount is EUR 1,000.
- The Interest Payment Dates are specified as being 2 April, 2 July, 2 October and 2 January in each year.
- The Fixed Coupon Amount is specified as Not Applicable.
- The Day Count Fraction is Actual/360.
- The Rate of Interest is specified in the Final Terms as follows:

Interest Payment Date	Rate of Interest
2 April 2027	5%
2 July 2027	6%
2 October 2027	7%
2 January 2028	8%

What is the interest amount payable on each Note on each Interest Payment Date?

The interest amount ("**Interest Amount**") payable in respect of each Calculation Amount of the Notes on each Interest Payment Date as follows:

(A) *Interest Payment Date falling on 2 April 2027*

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

$$= EUR\ 12.50$$

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

$$\text{Rate of Interest (6\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (91/360) (91 being the number of days in the Calculation Period)}$$

= EUR 15.17 (rounded to two decimal places, with 0.005 rounded upwards)

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

$$\text{Rate of Interest (7\%)} \times \text{Calculation Amount (EUR 1,000)} \times \text{Day Count Fraction (92/360) (92 being the number of days in the Calculation Period)}$$

= EUR 17.89 (rounded to two decimal places, with 0.005 rounded upwards)

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

Rate of Interest (8%) × Calculation Amount (EUR 1,000) × Day Count Fraction (92 /360) (92 being the number of days in the Calculation Period)

= EUR 20.44 (rounded to two decimal places, with 0.005 rounded upwards)

For a worked example of how a Rate of Interest is determined in respect of a Fixed Rate Note, please see sub-section 9(a) (*Interest Payments on Fixed Rate Notes)* above.

(e) *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 or 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

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 Accountholders' 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 depositary) 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 depositary) 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 France, is or will be required to make any deduction or withholding from any payment under the Notes which would not be required if the Notes were in definitive form.

Where a Permanent Global Note is exchangeable for Definitive Notes, then such Notes shall be tradeable only in principal amounts of at least the denomination of the Notes (or if there is more than one denomination, the lowest denomination).

The Issuer may, at any time in writing, waive or limit its right to exchange a Permanent Global Note for Definitive Notes in the circumstances described above, where the Issuer at its sole discretion considers such limitation or waiver to be desirable in respect of a particular Series of Notes.

Definitive Bearer Notes will, if interest-bearing and if so specified in the relevant Final Terms, have Coupons and, if applicable, a talon for further Coupons attached. All Definitive Bearer Notes will, if the principal thereof is repayable by instalments, have endorsed thereon a grid for recording the payment of principal.

Following redenomination of the Notes pursuant to Condition 8 (*Redenomination*):

(i) if Notes are required to be issued in definitive form, they shall be issued at the expense of the Issuer in the denominations of euro 0.01, euro 1,000, euro 10,000, euro 100,000 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders; and

(ii) the amount of interest due in respect of Notes represented by the Temporary Global Note and the Permanent Global Note will be calculated by reference to the aggregate principal amount of such Notes and the amount of such payment shall be rounded down to the nearest euro 0.01.

All notices to the Holders of Notes or the Coupons appertaining thereto will be valid, in the case of Notes in global form, if delivered to Euroclear and/or Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein; **provided that**, in each case, in the case of Notes that have been admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, the rules of such listing authority, stock exchange and/or quotation system have been complied with. Any such notice shall be deemed to have been given on the date of such delivery or, if the Notes are admitted to listing, trading and/or quotation and publication is required under the applicable rules of the relevant listing authority, stock exchange and/or quotation system, on the date of publication or, if published more than once, on the date of the first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

Holders of any Coupons appertaining to Bearer Notes will be deemed for all purposes to have notice of the contents of any notice given to the Holders of such Bearer Notes in accordance herewith.

Registered Notes

Registered Notes will be issued under the classic safekeeping structure.

In the case of Registered Notes, the relevant Final Terms may specify that the Notes will be issued in global form ("**Global Registered Notes**") held in specified clearing systems, as described below, or in definitive form ("**Definitive Registered Notes**").

Regulation S Global Registered Notes

In the case of a Series or Tranche of Registered Notes offered and sold solely outside the United States (as defined in Regulation S) in reliance on Regulation S to non-U.S. persons, such Series or Tranche of Registered Notes may be represented by a Global Registered Note without interest coupons (a "**Regulation S Global Registered Note**"), which will be deposited on or about the issue date for the relevant Tranche with, and registered in the name of the Common Depositary (or its nominee). Interests in any Regulation S Global Registered Note will be exchangeable (in circumstances described below under "*Exchange and Transfer of Global Registered Notes for Definitive Registered Notes*") for Definitive Registered Notes ("**Regulation S Definitive Registered Notes**").

Each Regulation S Global Registered Note will have an ISIN code.

Owner of Global Registered Notes and Payments

Subject to certain provisions of the Issuing and Paying Agency Agreement relating to directions, sanctions and consents of Holders of Registered Notes and to meetings of Holders of Notes, so long as Euroclear, Clearstream, Luxembourg, or the nominee of their Common Depositary is the registered owner or holder of a Global Registered Note, Euroclear, Clearstream, Luxembourg or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Registered Note for all purposes under the Issuing and Paying Agency Agreement and the Notes. Payments of principal, interest and additional amounts, if any, pursuant to Condition 7 (*Payments*), on Global Registered Notes will be made to Euroclear, Clearstream, Luxembourg or such nominee thereof, or common service provider acting as agent for Euroclear and Clearstream, Luxembourg, as the case may be, or the registered holder thereof. None of the Issuer, the Registrar, or any Paying Agent or any affiliate of any of the above or any person by whom any of the above is controlled for the purposes of the Securities Act will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Global Registered Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Each such payment in respect of a Global Registered Note will be made to the person shown as the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the Register at the close of business (in the relevant clearing system) on the business day on which each clearing system for which the Global Registered Note is being held is open for business which is the business day of each such clearing system before the due date for such payment.

Exchange and Transfer of Global Registered Notes for Definitive Registered Notes

Beneficial interests in a Regulation S Global Registered Note will be exchangeable, in whole but not in part, for Regulation S Definitive Registered Notes: (i) if Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention permanently to cease business or in fact does so; (ii) the Issuer, at its option, elects to terminate the book-entry system through Euroclear and Clearstream, Luxembourg; (iii) the Notes become immediately repayable in accordance with 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 Notes.

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 the 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 Market Rulebook of the Financial Services Regulatory Authority (the "**FSRA**");

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Rulebook of the FSRA; and

(c) made only in circumstances in which the "Financial Promotion Restriction" set out in section 18(1) of the Financial Services and Markets Regulations 2015 does not apply.

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 specify "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", such Notes which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms in relation thereto, may not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"); and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Public Offer Selling Restriction Under the EU Prospectus Regulation

If the Final Terms in respect of any Notes specify "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", then in relation to such Notes which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms in relation thereto, an offer of Notes to the public may not be made in a member state of the European Economic Area (an "**EEA Member State**") except that an offer of such Notes may be made 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 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 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 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 Dutch Securities Laws

Compliance with Dutch Savings Certificates Act: Zero Coupon Notes (as defined below) in definitive form of the Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member firm of Euronext Amsterdam in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter. As used herein, "**Zero Coupon Notes**" are notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

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 in accordance with Article 3.1 of Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") will only be made in the period beginning on the date of notification of this Base Prospectus which has been approved by the competent authority of a Member State of the EEA 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.

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 (i) the carrying on of a regulated activity; (ii) a restricted activity; or (iii) exercising any rights conferred by a controlled investment to acquire, dispose of, underwrite or convert a controlled investment (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), (1A) or (1B) of the FSA19 does not apply to the Issuer.

All applicable provisions of the FSA19 and the Financial Services (Restricted Promotions) Regulations 2025 (as amended or re-enacted) (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 or from 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 or (vi) to persons licensed under the Lending, Credit and Finance (Bailiwick of Guernsey) Law, 2022.

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 ("**COBO**") has been obtained in relation to the circulation in Jersey of any offer of Notes. Accordingly, Notes may not be offered to any person in Jersey who is a "retail investor", as defined in COBO.

Kingdom of Bahrain

The Notes have not been and may not be offered or sold except 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 (Legislative Decree 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 73,529 (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.

Portugal

An offer of Notes to the public in Portugal can only be made in compliance with the Portuguese Securities Code (*Código dos Valores Mobiliários*, approved by *Decreto-Lei n.º n.º 486/99, de 13 de novembro*, as amended – "**Portuguese Securities Code**") and the applicable laws, regulations and procedures in Portugal and formalities required by Portuguese laws and regulations to permit the offering and sale of Notes in Portugal, including any related documents or marketing materials. For the purposes of this provision, the expression "the public in Portugal" does not include professional investors as defined in Article 30(1) of the Portuguese Securities Code.

The Notes are not intended to be offered, sold or otherwise made available to any retail investor in Portugal where the issuance or marketing of such Notes are subject to the supervision of the Portuguese Securities Market Commission (the "**CMVM**") and to CMVM Regulation 8/2018. Consequently, the requirements of the CMVM Regulation 8/2018 in respect of Packaged Retail Investment Products have not been met and therefore offering or selling the Notes in or into Portugal may not be permitted without complying with the requirements set out in the CMVM Regulation 8/2018 and other applicable laws and regulations in Portugal.

For these purposes, a retail investor means a person who is a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**").

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),

Directive 2014/65/EU (as amended, including by Directive (EU) 2024/790) and Regulation (EU) No 600/2014 (as amended, including by Regulation (EU) 2024/791), 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 (as amended, including by Regulation (EU) 2024/2809) or any delegated or implementing acts adopted thereunder, the European Union (Prospectus) Regulations 2019 of Ireland (as amended), the Companies Act 2014 (as amended), the Central Bank (Investment Market Conduct) Rules 2019 (as amended) and any rules issued under Section 1363 of the Companies Act 2014 (as amended) by the Central Bank of Ireland; and

(d) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the European Union (Market Abuse) Regulations 2016 (as amended), Regulation (EU) No 596/2014 of the European Parliament (as amended, including by Regulation (EU) 2024/2809) 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.

Switzerland

The Notes are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority FINMA ("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 of 15 June 2018 (as amended, "**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance of 6 November 2019 (as amended, "**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 or into 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 or into 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 (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 Notes specify "Prohibition of Sales to UK Retail Investors" as "Not Applicable", such Notes which are the subject of this Base Prospectus, as completed by the Final Terms in relation thereto, may not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is either one (or both) of the following:

  (i) not 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

  (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; 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 buy or subscribe for the Notes.

Public Offer Selling Restriction Under the POATRs: If the Final Terms in respect of any Notes specify "Prohibition of Sales to UK Retail Investors" as "Not Applicable", then in relation to such Notes which are the subject of this Base Prospectus, as completed by the Final Terms in relation thereto, an offer of Notes to the public may not be made in the United Kingdom except:

(a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(b) *Fewer than 150 offerees*: at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) 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 Part 1 of Schedule 1 to the POATRs.

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 buy or subscribe for the Notes and the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Notes issued by the Issuer 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 the Issuer.

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 Issuer.

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 NOTES

The following are the terms and conditions of the Notes (the "**Conditions**") *which apply to all Notes and which are completed by the relevant Final Terms for each issue of Notes.*

In the case of English Law Notes (as defined below), the Conditions will be endorsed on each English Law 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 Continental Europe ("**HBCE**" or the "**Issuer**") pursuant to a programme for the issuance of notes and warrants (the "**Programme**"). The relevant Final Terms (as defined below) will specify whether the governing law of the Notes is English law (the "**English Law Notes**") or French law (the "**French Law Notes**" and, together with the English Law Notes, the "**Notes**").

The English Law Notes are constituted by, and have the benefit of, a deed of covenant dated on or about 22 May 2026 (as amended, supplemented or replaced from time to time, the "**Deed of Covenant**"). The Notes have the benefit of (i) a master note issuance agreement dated 24 February 1999 as most recently amended and restated on or about 22 May 2026 (as further amended, supplemented and/or restated 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 (ii) (in the case of French Law Notes, only for the purposes of calculations in relation to the French Law Notes) an issuing and paying agency agreement dated 24 February 1999 as most recently amended and restated on or about 22 May 2026 (as further amended, supplemented and/or restated 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**" 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 (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 (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, as specified in the relevant Final Terms, the "**Paying Agents**"), HSBC Bank plc as issue agent (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 (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.

The French Law Notes will also have the benefit of a French law agency agreement dated on or about 22 May 2026 (as further amended, supplemented and/or restated from time to time, the "**French Note Agency Agreement**") and made between the Issuer and BNP Paribas as principal paying agent and paying agent (the "**Principal Paying Agent**" and the "**Paying Agent**").

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**"). In the case of English Law Notes, a copy of the relevant Final Terms will be attached to or endorsed on or incorporated by reference in each English Law Note of the relevant Tranche. In the case of French Law Notes, the relevant Final Terms will form part of the Conditions of the French Law 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, the Deed of Covenant and the French Note 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 Principal Paying Agent. The Holders (as defined in Condition 2 (*Form, Denomination and Title*)) for the time being of

Notes (in the case of English Law Notes, the "**Noteholders**", which expression shall, in the case of Bearer Notes, include reference to the Holders of Coupons appertaining thereto) and (in the case of English Law Notes) 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 Deed of Covenant or the French Note Agency Agreement (as applicable), 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 Agreement (as applicable) 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 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 Conditions" apply to the Notes. "**Alternative Conditions Notes**" means the Notes in respect of which Alternative Conditions are specified to apply in the relevant Final Terms. Certain alternative terms and conditions specified below will apply to such Alternative Conditions Notes in place of the corresponding terms and conditions which apply to Notes which are not Alternative Conditions Notes. Such alternative terms and condition are indicated below with headings in italicised text specifying that the relevant provisions apply to Alternative Conditions Notes, English Law Notes to which Alternative Conditions apply or French Law Notes to which Alternative Conditions apply (as applicable).

1. **Definitions**

The following provisions of this Condition 1 apply to all Notes other than Alternative 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 Rate Accrual Start Date to (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, Increased Cost of Stock Borrow, Loss of Stock Borrow, Insolvency Filing and/or Failure to Deliver as are specified as such in the relevant Final Terms, provided that Insolvency Filing and/or Failure to Deliver may not apply in respect of Notes linked to one or more Fund(s) and Increased Cost of Stock Borrow or Loss of Stock Borrow may only apply in respect of Notes linked to Securities;

"**Adjusted Value**" or "**AV**" means, in respect of an Underlying and each Decrement Observation Date, the price, level or value (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:

$$AV_{t-1} \times \frac{Closing\ Value_t}{Closing\ Value_{t-1}} - CD \times \frac{Actual\ Days}{Day\ Count\ Divisor}$$

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

$$AV_{t-1} \times \left[\frac{Closing\ Value_t}{Closing\ Value_{t-1}} - CD \times \frac{Actual\ Days}{Day\ Count\ Divisor}\right]$$

(ii) in relation to an Underlying which is a Security or a Fund (as applicable):

(a) if "Denominator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

$$AV_{t-1} \times \left[\frac{Closing\ Value_t}{Closing\ Value_{t-1} - AD_t}\right] - CD \times \frac{Actual\ Days}{Day\ Count\ Divisor}$$

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

$$AV_{t-1} \times \left[\frac{Closing\ Value_t}{Closing\ Value_{t-1} - AD_t} - CD \times \frac{Actual\ Days}{Day\ Count\ Divisor}\right]$$

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

$$AV_{t-1} \times \left[\frac{Closing\ Value_t + AD_t}{Closing\ Value_{t-1}} - CD \times \frac{Actual\ Days}{Day\ Count\ Divisor}\right]$$

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

$$AV_{t-1} \times \left[\frac{Closing\ Value_t + AD_t}{Closing\ Value_{t-1}}\right] - CD \times \frac{Actual\ Days}{Day\ Count\ Divisor}$$

Where:

"**Actual Dividend$_t$**" or "**AD$_t$**" means, in respect of an Underlying which is a Security or a Fund (as applicable) 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 Value$_0$.

"**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 Value$_0$**" 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 or a Fund (as applicable) and a Gross Cash Dividend or Gross Cash Equivalent Dividend, the date on which such Security or Fund (as applicable) 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 an Underlying which is a Security or a Fund (as applicable), a sum equal to the gross cash dividend per one Security or Fund Unit in respect of such Fund (as applicable) 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 an Underlying which is a Security or a Fund (as applicable), an amount per Security or Fund Unit in respect of such Fund (as applicable) 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 a Fund (as applicable) or (ii) where the Underlying Company or the relevant Fund (as applicable) 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 or a Fund (as applicable), 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;

"**Agents**" means each of the Paying Agents, the Transfer Agent, the Issue Agent and the Registrar.

"**Aggregate Outstanding Nominal Amount**" means the aggregate outstanding nominal amount of the Notes and, in the case of English Law Notes which are represented by a global Note or global Notes, the aggregate outstanding nominal amount of the Notes represented by such global Note(s);

"**Alternative Exchange**" means, in relation to any Underlyings which are Securities, an exchange or quotation system on which the Underlyings 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(v) (*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:

(i) a Relevant Benchmark;

(ii) a Reference Rate;

(iii) any index, benchmark or other price source that is referred to in a Relevant Benchmark;

(iv) any rate that applies as a fallback pursuant to Conditions 4B(v)(E), 4B(v)(F) or 4B(v)(G);

(v) an Alternative Pre-nominated Index used pursuant to Condition 13A (*Consequences of a Benchmark Trigger Event*); and

(vi) 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(xi) (*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;

"**Autocall Event**" means an event which will be deemed to have occurred in relation to an Autocall Valuation Date if, in the determination of the Calculation Agent:

(i) unless "Memory Knock-Out" is specified as applicable in the relevant Final Terms, the Reference Performance determined in respect of such Autocall Valuation Date is (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms) the relevant Autocall Level specified or determined in respect of such Autocall Valuation Date; or

(ii) if "Memory Knock-Out" is specified as applicable in the relevant Final Terms, the Performance of each Underlying has been, or is, (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms) the relevant Autocall Level specified or determined in respect of any prior, or such, Autocall Valuation Date (in respect of an Underlying, a "**KO**"), irrespective of whether the KO relating to each Underlying occurred on the same Autocall Valuation Date;

"**Autocall Floor**" means the percentage specified as such in the relevant Final Terms;

"**Autocall Level**" means, in respect of an Autocall Valuation Date ("**Autocall Valuation Date$_t$**"):

(i) the percentage specified as such for such Autocall Valuation Date in the relevant Final Terms; or

(ii) (other than in respect of the first Autocall Valuation Date) if "Floored Restrike Level" is specified in respect of such Autocall Valuation Date in the relevant Final Terms, the greater of (x) the Autocall Floor and (y) the Reference Performance determined in respect of the immediately preceding Autocall Valuation Date ("**Autocall Valuation Date$_{t-1}$**"), as determined by the Calculation Agent;

"**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 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 (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:

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

"**Autocall Rate Accrual Start Date**" means the date specified as such in the relevant Final Terms;

"**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 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 is a Scheduled Trading Day in respect of all Underlyings in the Basket,

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

"**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:

(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); or

(ii) if Averaging Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, (x) in respect of a Note which relates to a single Underling, each

Scheduled Trading Day in the Averaging Period or (y) in respect of a Note which relates to a Basket, each day during the Averaging Period which is a Scheduled Trading Day in respect of all Underlyings in the Basket,

in each case, subject to the provisions of Condition 16 (*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;

(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;

"**Barrier Event**" means an event which will be deemed to have occurred with respect to the Notes if, in the determination of the Calculation Agent:

(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 in the Barrier Valuation Period; or

(b) in respect of a Note which relates to a Basket, each day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Underlyings in the Basket,

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

"**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, (i) the basket of Indices; (ii) the basket of Securities; or (iii) the basket comprising one or more Indices and one or more Securities; or (iv) the basket of Funds, in each case to which such Notes relate and as specified in the relevant Final Terms, subject (as applicable) to adjustment pursuant to Condition 17 (*Adjustment to Indices*), Condition 18 (*Adjustments and Events affecting Securities*), Condition 19 (*Additional Disruption Events*), Condition 20 (*Adjustments and Events affecting Funds*), Condition 21 (*Adjustments where the Securities are Units in an ETF*) and 22 (*Events relating to Notes linked to one or more Depository Receipts*);

"**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 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 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, Components or Fund Units (as applicable) 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, Clearstream, Luxembourg and/or any other clearing system specified in the relevant Final Terms 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;

"**Clearing System Business Day**" means, in relation to an Underlying which is a Security, 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, in respect of a Valuation Date, Averaging Date, Observation Date or Decrement Observation Date (as applicable) and an Underlying which is:

(i) 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 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 such date (in each case, the "**Closing Level**");

(ii) a Security, the price of such Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such date (the "**Closing Price**"); and

(iii) a Fund, the Fund Unit Value determined by the Calculation Agent in respect of such date;

"**Component**" means, with respect to an Underlying which is an Index, each component comprised in that Index;

"**Conditional Coupon Event**" means, in respect of a Coupon Valuation Date, an event which will be deemed to have occurred if, in the determination of the Calculation Agent, the relevant Reference Performance determined in respect thereof is greater than or equal to the relevant Coupon Level specified in respect of such Coupon Valuation Date;

"**Conditional Protection**" means the percentage specified as such in the relevant Final Terms;

"**Conversion**" means, in respect of any Underlyings which are Securities, any irreversible conversion by the Underlying Company of such Securities into other securities;

"**Coupon Amount**", in respect of a Coupon Valuation Date, has the meaning ascribed thereto in Condition 4C(iii) (*Coupon Amounts linked to Underlying(s) – Determination of Coupons*);

"**Coupon Cap**" means, in respect of each Coupon Valuation Date, the percentage specified as such in the relevant Final Terms, **provided that**, if no such percentage is specified, the Coupon Cap shall be unlimited;

"**Coupon Floor**" means, in respect of a Coupon Valuation Date, the percentage specified as such in the relevant Final Terms, **provided that**, if no such percentage is specified, the Coupon Floor shall be zero;

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

"**Coupon Payment Date**" means:

(i) unless "*in fine*" is specified as applicable in the relevant Final Terms, 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; or

(ii) if "*in fine*" is specified as applicable in the relevant Final Terms, the date specified as such 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;

"**Coupon Restrike Value**" means, in respect of an Underlying and a Coupon Valuation Date, the Reference Value of such Underlying determined in respect of the immediately preceding Coupon Valuation Date **provided that** the Coupon Restrike Value in respect of the first Coupon Valuation Date shall be the Initial Value of such Underlying;

"**Coupon Strike Level**" means, in respect of each Coupon Valuation Date, the percentage specified as such in the relevant Final Terms, **provided that**, if no such percentage is specified, the Coupon Strike Level shall be 100 per cent.;

"**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*);

"**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(v) *(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;

"**Cut-off Valuation Date**" means, in respect of:

(i) a Valuation Date, Decrement Observation Date, Observation Date or Valid Date (as applicable), 180 Fund Valuation Days following such Valuation Date, Decrement Observation Date, Observation Date or Valid Date (as applicable), or such other number of Fund Valuation Days specified in the relevant Final Terms; or

(i) an Original Early Redemption Date or such other date designated for early redemption, 180 calendar days following such date or such other number of calendar days specified in the relevant Final Terms;

"**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:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(vii) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30; and

(viii) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

"**Deferral Period**" has the meaning ascribed thereto in Condition 7(v) (*Payments – Price Source Disruption and FX Disruption*);

"**Delisting**" means, in respect of an Underlying which is a Security, (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 22 (*Events relating to Notes linked to one or more Depository Receipts*);

"**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) other than a Multiple Exchange Index or a Proprietary Index, 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) which is 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) which is 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;

(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; and

(iii) in respect of an Underlying which is a Fund, any Scheduled Trading Day in respect of which a Fund Disruption Event has occurred or is continuing;

"**Disrupted Day Related Payment Date**" means any payment date on the Notes on which the amount payable is calculated by reference to the price(s) and/or level(s) (as applicable) of an Underlying (which is a Security or an Index) or a Basket (of Securities and/or Indices) determined in respect of 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.;

"**Early Closure**" means:

(i) in respect of an Underlying which is a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index), the closure on any Exchange Business Day of the relevant Exchange (in the case of an Underlying which is a Security) or any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index) 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

(ii) in respect of an Underlying which is a Multiple Exchange Index, 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(xi) (*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 Underlying; or

(v) any change in the currency in which some or all of the securities or other property comprising any Index is denominated;

"**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 the Euro wholesale funding rate known as the Euro Interbank Offered Rate administered by the European Money Market Institute (or any successor administrator);

"**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.;

"**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, with respect to an Underlying which is:

(i) 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

(i) a Multiple Exchange Index, the principal exchange on which each relevant Component of such Multiple Exchange Index 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 with respect to an Underlying which is a Security, 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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index), 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

(i) 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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary 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 (i) to effect transactions in, or obtain market values for the Underlyings on the Exchange (in the case of an Underlying which is a Security) or on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index), or (ii) to effect transactions in, or obtain market values for, future or options contracts relating to the relevant Underlying on any relevant Related Exchange; or

(i) 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 such Index on the relevant Related Exchange;

"**Extraordinary Dividend**" means, with respect to an Underlying which is a Security, 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, with respect to an Underlying which is a Security, (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;

"**Extraordinary Fund Event**" means, in respect of a Fund, the occurrence or existence of any of the following on or prior to the Final Valuation Date, as determined by the Calculation Agent:

(i) any breach or violation of the provisions of the Fund Prospectus or any other relevant fund document including, but not limited to: the constitutive and governing documents of the relevant Fund, the subscription agreements and other agreements of the relevant Fund, any (verbal or written) agreement with respect to the Fund entered into by the Issuer with the Fund and/or any of its service providers, any strategy or investment guidelines, and any agreement entered into by the relevant Fund and/or its service providers that is reasonably likely to affect the relevant Fund;

(ii) (i) the non-execution or partial execution by such Fund for any reason of a subscription or redemption order in respect of any units in that Fund given by a Hypothetical Investor (whether or not in accordance with the relevant Fund Prospectus), (ii) the Fund suspends or refuses transfers of any of its units (including, without limitation, if the Fund applies any gating, deferral, suspension or other similar provisions permitting the Fund to delay or refuse redemption or transfer of units), (iii) the Fund imposes in whole or in part any restriction (including, without limitation, any redemption in specie), charge or fee in respect of a redemption or subscription of its units by the Issuer or exercises its right to claw back the proceeds already paid on redeemed units if in any case it could, in the determination of the Calculation Agent, have an adverse impact on the Issuer's or any of its designated affiliates', as applicable, rights or obligations in relation to its hedging activities in relation to the Notes, or (iv) a mandatory redemption, in whole or in part, of the units is imposed by the Fund on any one or more holders of units at any time for any reason;

(iii) such Fund or any Fund Service Provider (i) ceases trading and/or, in the case of a Fund Service Provider, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable); (ii) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (A) 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 (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or 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 sub-clause (A) 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 fifteen days of the institution or presentation thereof; (v) 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; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter; or (vii) 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 clauses (i) through (v) above;

(iv) there exists any litigation against the Fund or a Fund Service Provider which in the determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;

(v) (i) a Fund Service Provider ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the Fund and/or any Fund Service Provider to meet or maintain any obligation or undertaking under the Fund Prospectus or any other relevant fund document which failure is reasonably likely to have an adverse impact on the value of the Fund Units or on the rights or remedies of any investor in such Fund Units;

(vi) a material modification, or any announcement regarding a potential future material modification, of the investment programme, investment objectives, investment policies, investment strategy, investment process or investment guidelines of such Fund;

(vii) the failure by such Fund to comply with its reporting obligations (including but not limited to, without limitation, any periodic reporting of the Net Asset Value of such Fund, periodic statements thereof, return numbers and composition of such Fund and the allocation of capital for such Fund (where applicable)) in accordance with its agreements with the Issuer or any of its designated affiliates (as applicable);

(viii) a material modification (other than any modifications referred to in (v) above) of such Fund (including but not limited to a modification of the Fund Prospectus or the articles of association or other constitutional documents of such Fund) or the occurrence of a change or any event materially affecting such Fund (including, but not limited to, the interruption, breakdown or suspension of the calculation of the Net Asset Value of such Fund unless such interruption, breakdown or suspension is cured within two Fund Valuation Days);

(ix) a material modification of the type of assets in which such Fund invests or the trading practices of the relevant Fund (including but not limited to a material deviation from the investment policy and investment objectives set out in the Fund Prospectus) which, in the determination of the Calculation Agent, has or is likely to have a material effect on any hedging arrangements entered into by the Issuer or any of its designated affiliates (as applicable) in respect of these Notes;

(x) such Fund or any Fund Service Provider has its authorisation or registration cancelled by any applicable regulatory authority;

(xi) (i) an allegation of criminal or fraudulent activity is made in respect of the Fund, or any Fund Service Provider, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred or (ii) such Fund or a Fund

Service Provider (A) 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 such Fund, investment adviser, manager or administration agent; (B) commits an act which constitutes fraud or criminal activity in the performance of its obligations in respect of such Fund; (C) makes any material misrepresentation under any document in respect of the relevant Fund or (D) announces its intention to cease the business of investment management;

(xii) any relevant activities of or in relation to the Fund or a Fund Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the Fund by any governmental, legal or regulatory entity with authority over the Fund), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the Fund or a Fund Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the Fund is required by a competent authority to redeem any Fund Units, (iv) the Issuer or any of its designated affiliates (as applicable) is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any Fund Units held in connection with any hedging arrangements relating to the Notes and/or (v) any change in the legal, tax, accounting or regulatory treatment of the Fund or any Fund Service Provider that is reasonably likely to have an adverse impact on the value of the Fund Units or other activities or undertakings of the Fund or on the rights or remedies of any investor in such Fund Units, including the Issuer;

(xiii) the creation by the Fund of any illiquid share class or unit howsoever described;

(xiv) the currency denomination of Fund Units is amended from that set out in the Fund Prospectus or any other relevant fund document so that the NAV per unit is no longer calculated in the same currency as it was as at the Trade Date;

(xv) if applicable, the Fund ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction;

(xvi) if the Fund comprises multiple classes or series (howsoever described in the Fund Prospectus or any other relevant fund document) of shares or units, and the Calculation Agent determines (in good faith and a commercially reasonable manner) at any time, taking into consideration the potential cross-liability between classes of shares or units (howsoever described in the Fund Prospectus or any other relevant fund document), that such other class or series has or may have an adverse effect on the hedging activities of the Issuer or any of its designated affiliates (as applicable) in relation to the Notes;

(xvii) (i) the Calculation Agent determines, at any time, that the NAV per unit is inaccurate, or (ii) the reported net asset value of the Fund Units misrepresents the net asset value of the Fund Units;

(xviii) any material modification of the method of calculating the NAV per unit;

(xix) any change in the periodicity of the calculation or the publication of the NAV per unit;

(xx) any change in the length of notice periods for redemptions or transfers in relation to the Fund;

(xxi) a Fund Disruption Event has occurred and is continuing for at least three consecutive Fund Valuation Days;

(xxii) the exposure (expressed as percentage) of the Fund to securities with a credit quality (based upon the lowest credit ratings from S&P, Moody's and Fitch when available) below B, B2 or B for S&P, Moody's and Fitch respectively exceeds 35 per cent.; the aggregated level of leverage (expressed as percentage) of the Fund exceeds 20 per cent.;

(xxiii) the Calculation Agent determines that, over any period not exceeding twelve months, the total net value of the assets of the Fund has decreased by 30 per cent. (either due to redemptions, a decrease in value of such assets or otherwise); or

(xxiv) the Calculation Agent determines that, over any period not exceeding twelve months (ending on the immediately preceding date on which the Fund Adviser published the total value of the assets it managed), the total value of the assets managed by the Fund Adviser (including the Fund) has decreased by 50 per cent. (either due to redemptions, a decrease in value of such assets or otherwise);

"**Failure to Deliver**" means, in relation to Notes linked to one or more Securities and in respect of which Physical Delivery is specified as applicable in the relevant Final Terms, 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 (other than Italian MTF 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 Performance**" means the Reference Performance determined by the Calculation Agent in respect of the Final Valuation Date;

"**Final Redemption Amount**" has the meaning given to it in Condition 5(i) (*Redemption and Purchase – At Maturity*);

"**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 Coupon Amount**" has the meaning given to it in the relevant Final Terms;

"**Fixed/Floating Rate Notes**" means a Note for which Fixed Rate Note provisions (for an initial period from the initial Interest Commencement Date) and Floating Rate Note provisions (for a subsequent period) are specified in the relevant Final Terms as applicable;

"**Fixed Rate Note**" means a Note which bears interest at a fixed rate and in respect of which Condition 4A (*Interest – Fixed Rate Note Provisions*) is applicable;

"**Floating Rate Note**" means a Note which bears interest at a floating rate and in respect of which Condition 4B (*Interest – Floating Rate Note Provisions*) is applicable;

"**Floating Rate Option**" means, in relation to a Note to which ISDA Determination applies, a rate or price source specified as such in the relevant Final Terms;

"**Fund**" means in relation to a Series of Notes, each fund to which such Series of Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 19 (*Additional Disruption Events*) and Condition 20 (*Adjustments and Events affecting Funds*) and "**Funds**" shall be

construed accordingly. For the avoidance of doubt, "Fund" shall not include exchange-traded funds (see the definition of "Securities" below);

"**Fund Adviser**" means, with respect to a Fund, 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 Fund Documents;

"**Fund Disrupted Day Related Payment Date**" means any payment date on the Notes on which the amount payable is calculated by reference to the Fund Unit Value of a Fund determined in respect of the related Valuation Date, Observation Date, Decrement Observation Date or Cut-off Valuation Date (as applicable);

"**Fund Disruption Event**" means, in respect of a Fund, the occurrence or existence on any day of, as determined by the Calculation Agent:

(i) a postponement of the date as of which the relevant Fund is scheduled, according to the documentation governing such Fund, to determine the Net Asset Value of such Fund for the purposes of calculating the redemption proceeds to be paid to or number of units to be subscribed by a Hypothetical Investor assuming it had submitted a timely and valid notice for redemption or subscription; and/or

(ii) the occurrence or continuation of a postponement of the reporting by the relevant Fund to its investors or, if applicable, the publishing by the relevant Fund or the relevant publishing service, in each case of the Net Asset Value of the relevant Fund; and/or

(iii) the occurrence or continuation of a postponement in the payment of any or all of the redemption proceeds relating to such Fund Units (whether or not in accordance with the Fund Prospectus);

"**Fund Documents**" means, in relation to any Fund, the constitutive and governing documents, subscription agreements and other agreements of such Fund specifying the terms and conditions relating to such Fund, in each case as amended and supplemented from time to time;

"**Fund Event**" means each of a Potential Adjustment Event, an Extraordinary Fund Event, an Additional Disruption Event, a Merger Event or a Technical Constraints Event;

"**Fund Prospectus**" means, in respect of a Fund, the most recently published offering document relating to that Fund, as amended, restated or supplemented from time to time;

"**Fund Service Provider**" means any person who is appointed to provide services, directly or indirectly, in respect of a Fund, whether or not specified in the Fund Prospectus or any other relevant fund document, including any adviser, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner;

"**Fund Unit**" means, in respect of a Fund, a share or a notional unit of ownership in respect of that Fund in the relevant (or related) share classes, as designated by the Calculation Agent;

"**Fund Unit Value**" means, as determined by the Calculation Agent, in respect of a Fund and a Fund Valuation Day, the Net Asset Value per share for the relevant Fund Unit as published in accordance with the Fund Prospectus for such Fund Valuation Day;

"**Fund Valuation Day**" means, in respect of a Fund, any day in respect of which such Fund is scheduled to publish its Net Asset Value;

"**FX Cut-off Date**" has the meaning ascribed thereto in Condition 7(v) (*Payments – 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;

"**Global Coupon Floor**" means, in respect of a Note and the Coupon Payment Date, the percentage specified as such in the relevant Final Terms, **provided that**, if no such percentage is specified, the Global Coupon Floor shall be equal to zero;

"**Global Coupon Floor Amount**" means, in respect of a Note and the Coupon Payment Date, an amount in the Settlement Currency (per Calculation Amount) determined by the Calculation Agent as equal to the product of (a) the Calculation Amount and (b) the Global Coupon Floor;

"**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;

"**Hypothetical Investor**" means a hypothetical investor in the Fund Units of a Fund;

"**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;

"**Increased Cost of Stock Borrow**" means that the Issuer or any of its designated affiliates would incur a rate to borrow any Security that is greater than the Initial Stock Loan Rate in respect of such Security; where "**Initial Stock Loan Rate**", in respect of a Security, is specified in the relevant Final Terms;

"**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 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; or

(iii) 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 the first date on which the Applicable Benchmark would ordinarily have been published or provided and is no longer published or provided;

"**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 Underlying which is 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, level or value (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, in respect of an Underlying which is a Security, 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, in respect of an Underlying which is a Security, 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 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 and to trading on (i) the regulated market MOT or (ii) on the multilateral trading facilities Securities Derivative Exchange ("**SeDeX**") or EuroTLX (on its segment for securitised derivatives Cert-X) (the Italian Notes referred to in limb (ii) being the "**Italian MTF Notes**");

"**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 (i) in the case of French Law Notes, the Principal Paying Agent is located and (ii) in the case of English Law Notes, 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*);

"**Loss of Stock Borrow**" means that the Issuer or any of its designated affiliates is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Security in an amount equal to the Hedging Securities at a rate equal to or less than the Maximum Stock Loan Rate;

where:

"**Hedging Securities**" means the number of Securities that the Issuer or any of its designated affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Notes; and

"**Maximum Stock Loan Rate**", in respect of a Security is specified in the relevant Final Terms.

"**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:

(i) in respect of an Underlying which is (a) an Index (other than a Multiple Exchange Index or a Proprietary Index), 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) a Multiple Exchange Index, either:

(A) (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

(B) 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

(ii) 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(i) (*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:

(i) Underlyings which are 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 linked to Depository Receipts, "**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; or

(ii) the Fund Units of a Fund and as determined by the Calculation Agent, the occurrence on or prior to the Final Valuation Date of any (i) reclassification or change of such Fund Units that results in a transfer of or an irrevocable commitment to transfer all of such units outstanding, (ii) consolidation, amalgamation or merger of the Fund with or into another entity (other than consolidation, amalgamation or merger in which the Fund is the continuing entity and which does not result in any such reclassification or change of all of such units outstanding), or (iii) other takeover offer for such Fund Units that results in a transfer of or an irrevocable commitment to transfer all such Fund Units (other than such units owned or controlled by the offeror);

"**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;

"**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, in respect of an Underlying which is a Security, that all the Securities (or, if the Securities are Depository Receipts, 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;

"**Net Asset Value**" or "**NAV**" means, in respect of each Fund Unit of a Fund and a Fund Valuation Day, the official net asset value, expressed in the relevant currency, for such Fund Valuation Day, as published in accordance with the relevant Fund Prospectus and as determined by the Calculation Agent;

"**New Issuer**" has the meaning given to it in Condition 14(iii) (*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);

"**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); or

(ii) if Performance Observation Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, (x) in respect of a Note which relates to a single Underlying, each Scheduled Trading Day in the Performance Observation Period or (y) in respect of a Note which relates to a Basket, each day during the Performance Observation Period which is a Scheduled Trading Day in respect of all Underlyings in the Basket,

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

"**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(vi) (*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;

"**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**" means, with respect to an Underlying and:

(i) a Coupon Valuation Date (unless "Coupon Restrike Value" is specified as applicable in the relevant Final Terms), an Autocall Valuation Date, a Lock-In Coupon Valuation Date, a Lock-In Redemption Valuation Date, a 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:

$$\frac{Reference\ Value}{Initial\ Value}$$

(ii) a Coupon Valuation Date (if "Coupon Restrike Value" is specified as applicable in the relevant Final Terms), 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:

$$\frac{Reference\ Value}{Coupon\ Restrike\ Value}$$

"**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, in respect of an Underlying which is:

(i) a Security, (i) a subdivision, consolidation or reclassification of the relevant Security (unless resulting in a Merger Event), or a free distribution or dividend of any such Security 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 Security of (A) such Security 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 Security 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 the relevant Security that is not fully paid; or (v) a repurchase by the Underlying Company or any of its subsidiaries of the relevant Security 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 Security. 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; or

(ii) a Fund, the occurrence, as determined by the Calculation Agent, at any time on or prior to the Final Valuation Date of any of the following events:

(A) a subdivision, reclassification, reorganisation or consolidation of the Fund Units in the Fund (other than that constituting a Merger Event), or a free distribution or dividend of any such Fund Units to existing holders by way of bonus, capitalisation or similar issue;

(B) a distribution, issue or dividend to existing holders of the relevant Fund Units of (A) an additional amount of such Fund Units, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Units, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction or (D) 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;

(C) an extraordinary dividend;

(D) a repurchase by the Fund of such Fund Units whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Units initiated by an investor in such Fund Units that is consistent with the Fund Prospectus; or

(E) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Units.

"**Previously Missed Coupon Amounts**" means, in relation to a Coupon Valuation Date, an amount determined by the Calculation Agent as equal to the sum of the Coupon Amounts for the previous Coupon Valuation Dates (if any) for which a Conditional Coupon Event has not occurred falling after either (i) the last Coupon Valuation Date on which a Conditional Coupon Event occurred, or (ii) the Issue Date, if no Conditional Coupon Event has occurred in respect of any Coupon Valuation Date prior to such Coupon Valuation Date on which a Conditional Coupon Event has occurred;

"**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;

"**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(v) (*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(vi) (*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(iii) (*Interest – Floating Rate Note Provisions – Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*), 4B(iv) (*Interest – Floating Rate Note Provisions – ISDA Determination*) or 4B(v) (*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(xi) (*Redemption and Purchase – Calculation and Rounding*);

"**Redemption Amount**" has the meaning given to it in Condition 5(xi) (*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(i) (*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 any 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, an Autocall Valuation Date, a Lock-In Coupon Valuation Date, a Lock-In Redemption Valuation Date, a 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 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 as such in the relevant Final Terms, the 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 as such in the relevant Final Terms, the 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 as such in the relevant Final Terms, the weighted average (in line with the Weighting applicable to such Basket) of the 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 the Strike Date, each Coupon Valuation Date, each Autocall Valuation Date, each Lock-In Coupon Valuation

Date, each Lock-In Redemption Valuation Date, each Barrier Valuation Date or the Final Valuation Date (as applicable) is specified in the relevant Final Terms to be:

(i) "**Closing Value**", 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 of such Underlying determined by the Calculation Agent in respect of the Final Decrement Observation Date 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:

(i) 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);

(ii) 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);

(iii) 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);

(iv) 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:

(i) 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

(ii) 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:

(i) in relation to a Series of Notes where the Affected Relevant Benchmark is an Index, Condition 17(iii) (*Adjustments to Indices – Index Cancellation*), as if the relevant Benchmark Trigger Event were an Index Cancellation;

(ii) 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(v) (*Payments – Price Source Disruption and FX Disruption*), as if the relevant Benchmark Trigger Event were a Price Source Disruption; and

(iii) 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(iii) (*Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*) and/or 4B(v) (*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 Notes which relate to a single Underlying which is a Security, such Security;

(ii) in relation to a Series of 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 as the applicable Reference Performance, 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 Notes which relate to a Basket of Securities and in respect of which "Best of Basket" is specified in the relevant Final Terms as the applicable Reference Performance, 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 22 (*Events relating to Notes linked to one or more Depository Receipts*) are to replace the Depository Receipts constituted by such terminated Deposit Agreement;

"**Replacement Index**" has the meaning given to it in Condition 13A(i)(B)(1) (*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:

$$Calculation\ Amount\ -\ \frac{Securities\ Transfer\ Amount\ \times\ Strike\ Level\ \times\ Relevant\ Initial\ Value}{Currency\ Pair\ Exchange\ Rate}$$

"**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:

$$Residual\ Amount \times \frac{Final\ Performance}{Strike\ Level}$$

"**Return Threshold**" means:

(i) the percentage specified as such in the relevant Final Terms; or

(ii) if specified in the relevant Final Terms, the Autocall Level determined by the Calculation Agent in respect of the last Autocall Valuation Date;

"**Scheduled Averaging Date**" means any original date specified in these Conditions or the relevant Final Terms as an Averaging Date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date;

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

"**Scheduled Final Averaging Date**" means 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(v) (*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 that, but for the occurrence of an event causing a Disrupted Day, would have been such Decrement Observation Date or Observation Date;

"**Scheduled Trading Day**" means, in respect of:

(i) an Underlying which is (a) a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index), 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) 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) a Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of such Proprietary Index; or

(ii) an Underlying which is a Fund, any Fund Valuation Day;

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"**Securities**" means, in relation to a Series of Notes, the equity securities, debt securities (including without limitation Government Bonds), depository receipts or other securities or property, as adjusted pursuant to Condition 18 (*Adjustments and Events affecting Securities*) and Condition 19 (*Additional Disruption Events*), to which such Notes relate, as specified in the relevant Final Terms and subject, in the case of a Series of Notes linked to Depository Receipts, to the provisions of Condition 22 (*Events relating to Notes linked to one or more Depository Receipts*), or in the case of a Series of Notes linked to Units in an ETF, to the provisions of Condition 21 (*Adjustments where the Securities are Units in an ETF*) and Condition 23 (*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:

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

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 Underlying which is a Security, the period of Clearing System Business Days following a trade in the relevant Security on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

"**Settlement Date**" means, in relation to Securities to be delivered in respect of a Note (a) in the case of Notes which relate to Underlyings which are 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(vi) (*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(v) (*Payments – 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(vi)(B) (*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;

"**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 an English Law 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;

"**Specified Redemption Rate**" means the percentage specified as such in the relevant Final Terms, **provided that**, if no such percentage is specified, the Specified Redemption Rate shall be 100 per cent.;

"**Star Barrier Level**" means the percentage specified as such in the Final Terms **provided that** if no such percentage is specified, Star Barrier Level shall mean 100 per cent.;

"**Star Performance**" means with respect to the Final Valuation Date and a Series of Notes:

(i) if "Best of Basket" is specified as such in the relevant Final Terms, the Performance of the Best Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;

(ii) if "Weighted Basket" is specified as such in the relevant Final Terms, the weighted average (in line with the Weighting applicable to such Basket) of the Performances of each Underlying comprising the Basket in respect of the Final Valuation Date as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"**Strike Date**" means:

(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 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, Strike Level shall mean 100 per cent.;

"**Substitute Index**" means, in respect of an Underlying which is 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;

"**Sum of Coupon Amounts**" means, in respect of a Note and the Coupon Payment Date, an amount in the Settlement Currency (per Calculation Amount) determined by the Calculation Agent as equal to the sum of each of the Coupons Amounts determined in respect of each of the Coupon Valuation Dates;

"**T2**" means the real time gross settlement system operated by the Eurosystem, or any successor system;

"**Technical Constraints Event**" means the occurrence or existence of a constraint in respect of the Issuer in performing adequately the hedging of its exposure to the Fund(s) and/or relevant currency exchange rates (if applicable) due to any of the following reasons, as determined by the Calculation Agent:

(i) any internal risk limits existing as of the Trade Date or at any time thereafter;

(ii) internal approvals, whether required as of the Trade Date or at any time thereafter;

(iii) reputational risks; or

(iv) compliance with laws in relevant jurisdictions, including local regulations, whether required as of the Trade Date or at any time thereafter;

"**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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary 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 an Underlying on the Exchange (in the case of an Underlying which is a Security) or on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index); or (ii) in futures or options contracts relating to the relevant Underlying on any relevant Related Exchange; or

(i) 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 Underlying on any relevant Related Exchange;

"**transfer date**" shall be the Relevant Banking Day following the day on which the relevant Registered Note shall have been surrendered for transfer;

"**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, in relation to Notes linked to one or more Securities, 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 and/or Security, or each Fund (each as defined in this Condition 1) to which such Series of Notes relates;

"**Underlying Company**" means, with respect to an Underlying which is a Security, the issuer of the Security as specified in the relevant Final Terms and, if the Notes are Notes linked to one or more Depository Receipts, 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 23 (*Notes linked to Units in an ETF – General*);

"**Underlying Index**", in relation to an ETF, means each index to which such ETF relates;

"**Underlying Security**" means, with respect to 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 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 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 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 Rate Accrual Start Date to (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, provided that Insolvency Filing and/or Failure to Deliver may not apply in respect of Notes linked to one or more Fund(s);

"**Adjusted Value**" or "**AV**" means, in respect of an Underlying and each Decrement Observation Date, the price, level or value (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:

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

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

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

(ii) in relation to an Underlying which is a Security or a Fund (as applicable):

(a) if "Denominator in Points" is specified as the applicable Adjustment Method in the relevant Final Terms:

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

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

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

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

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

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

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

Where:

"**Actual Dividend$_t$**" or "**AD$_t$**" means, in respect of an Underlying which is a Security or a Fund (as applicable) 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 Value$_0$.

"**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 Value$_0$**" 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 or a Fund (as applicable) and a Gross Cash Dividend or Gross Cash Equivalent Dividend, the date on which such Security or Fund (as applicable) 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 an Underlying which is a Security or a Fund (as applicable), a sum equal to the gross cash dividend per one Security or Fund Unit in respect of such Fund (as applicable) 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 an Underlying which is a Security or a Fund (as applicable), an amount per Security or Fund Unit in respect of such Fund (as applicable) 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 Fund (as applicable) or (ii) where the Underlying Company or the relevant Fund (as applicable) 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 or a Fund (as applicable), 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;

"**Agents**" means each of the Paying Agents, the Transfer Agent, the Issue Agent and the Registrar.

"**Aggregate Outstanding Nominal Amount**" means the aggregate outstanding nominal amount of the Notes and, in the case of English Law Notes which are represented by a global Note or global Notes, the aggregate outstanding nominal amount of the Notes represented by such global Note(s);

"**Alternative Exchange**" means, in relation to any Underlyings which are Securities, an exchange or quotation system on which the Underlyings 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(v) (*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:

(i) a Relevant Benchmark;

(ii) a Reference Rate;

(iii) any index, benchmark or other price source that is referred to in a Relevant Benchmark;

(iv) any rate that applies as a fallback pursuant to Conditions 4B(v)(E), 4B(v)(F) or 4B(v)(G);

(v) an Alternative Pre-nominated Index used pursuant to Condition 13A (*Consequences of a Benchmark Trigger Event*); and

(vi) 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(xi) (*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;

"**Autocall Event**" means an event which will be deemed to have occurred in relation to an Autocall Valuation Date if, in the determination of the Calculation Agent:

(i) unless "Memory Knock-Out" is specified as applicable in the relevant Final Terms, the Reference Performance determined in respect of such Autocall Valuation Date is (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms) the relevant Autocall Level specified or determined in respect of such Autocall Valuation Date; or

(ii) if "Memory Knock-Out" is specified as applicable in the relevant Final Terms, the Performance of each Underlying has been, or is, (a) greater than or equal to or (b) greater than (as specified in the relevant Final Terms) the relevant Autocall Level specified or determined in respect of any prior, or such, Autocall Valuation Date (in respect of an Underlying, a "**KO**"), irrespective of whether the KO relating to each Underlying occurred on the same Autocall Valuation Date;

"**Autocall Floor**" means the percentage specified as such in the relevant Final Terms;

"**Autocall Level**" means, in respect of an Autocall Valuation Date ("**Autocall Valuation Date$_t$**"):

(i) the percentage specified as such for such Autocall Valuation Date in the relevant Final Terms; or

(ii) (other than in respect of the first Autocall Valuation Date) if "Floored Restrike Level" is specified in respect of such Autocall Valuation Date in the relevant Final Terms, the greater of (x) the Autocall Floor and (y) the Reference Performance determined in respect of the immediately preceding Autocall Valuation Date ("**Autocall Valuation Date$_{t-1}$**"), as determined by the Calculation Agent;

"**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 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 (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:

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

"**Autocall Rate Accrual Start Date**" means the date specified as such in the relevant Final Terms;

"**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 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 is a Scheduled Trading Day in respect of all Underlyings in the Basket,

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

"**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:

(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); or

(ii) if Averaging Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, (x) in respect of a Note which relates to a single Underlying, each Scheduled Trading Day in the Averaging Period or (y) in respect of a Note which relates to a Basket, each day during the Averaging Period which is a Scheduled Trading Day in respect of all Underlyings in the Basket,

in each case, subject to the provisions of Condition 16 (*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;

(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;

"**Barrier Event**" means an event which will be deemed to have occurred with respect to the Notes if, in the determination of the Calculation Agent:

(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 in the Barrier Valuation Period; or

(b) in respect of a Note which relates to a Basket, each day in the Barrier Valuation Period which is a Scheduled Trading Day in respect of all Underlyings in the Basket,

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

"**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, (i) the basket of Indices; (ii) the basket of Securities; (iii) the basket comprising one or more Indices and one or more Securities; or (iv) the basket of Funds, in each case to which such Notes relate and as specified in the relevant Final Terms, subject (as applicable) to adjustment pursuant to Condition 17 (*Adjustment to Indices*), Condition 18 (*Adjustments and Events affecting Securities*), Condition 19 (*Additional Disruption Events*), Condition 20 (*Adjustments and Events affecting Funds*), Condition 21 (*Adjustments where the Securities are Units in an ETF*) and 22 (*Events relating to Notes linked to one or more Depository Receipts*);

"**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 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 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 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, Clearstream, Luxembourg and/or any other clearing system specified in the relevant Final Terms 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;

"**Clearing System Business Day**" means, in relation to an Underlying which is a Security, 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, in respect of a Valuation Date, Averaging Date, Observation Date or Decrement Observation Date (as applicable) and an Underlying which is:

(i) 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 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 such date (in each case, the "**Closing Level**");

(ii) a Security, the price of such Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such date (the "**Closing Price**"); and

(iii) a Fund, the Fund Unit Value determined by the Calculation Agent in respect of such date;

"**Component**" means, with respect to an Underlying which is an Index, each component comprised in that Index;

"**Conditional Coupon Event**" means, in respect of a Coupon Valuation Date, an event which will be deemed to have occurred if, in the determination of the Calculation Agent, the relevant Reference Performance determined in respect thereof is greater than or equal to the relevant Coupon Level specified in respect of such Coupon Valuation Date;

"**Conditional Protection**" means the percentage specified as such in the relevant Final Terms;

"**Conversion**" means, in respect of any Underlyings which are Securities, any irreversible conversion by the Underlying Company of such Securities into other securities;

"**Coupon Amount**", in respect of a Coupon Valuation Date, has the meaning ascribed thereto in Condition 4C(iii) (*Determination of Coupons*);

"**Coupon Cap**" means, in respect of each Coupon Valuation Date, the percentage specified as such in the relevant Final Terms, provided that, if no such percentage is specified, the Coupon Cap shall be unlimited;

"**Coupon Floor**" means, in respect of a Coupon Valuation Date, the percentage specified as such in the relevant Final Terms, provided that, if no such percentage is specified, the Coupon Floor shall be zero;

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

"**Coupon Payment Date**" means:

(i) unless "*in fine*" is specified as applicable in the relevant Final Terms, 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; or

(ii) if "*in fine*" is specified as applicable in the relevant Final Terms, the date specified as such 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;

"**Coupon Restrike Value**" means, in respect of an Underlying and a Coupon Valuation Date, the Reference Value of such Underlying determined in respect of the immediately preceding Coupon Valuation Date **provided that** the Coupon Restrike Value in respect of the first Coupon Valuation Date shall be the Initial Value of such Underlying;

"**Coupon Strike Level**" means, in respect of each Coupon Valuation Date, the percentage specified as such in the relevant Final Terms, **provided that**, if no such percentage is specified, the Coupon Strike Level shall be 100 per cent.;

"**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*);

"**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(v) (*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;

"**Cut-off Valuation Date**" means, in respect of:

(i) a Valuation Date, Decrement Observation Date, Observation Date or Valid Date (as applicable), 180 Fund Valuation Days following such Valuation Date, Decrement Observation Date, Observation Date or Valid Date (as applicable), or such other number of Fund Valuation Days specified in the relevant Final Terms; or

(ii) an Original Early Redemption Date or such other date designated for early redemption, 180 calendar days following such date or such other number of calendar days specified in the relevant Final Terms;

"**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:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(vii) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30; and

(viii) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" 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

"**D_2**" 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(v) (*Payments – Price Source Disruption and FX Disruption*);

"**Delisting**" means, in respect of an Underlying which is a Security, (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 22 (*Events relating to Notes linked to one or more Depository Receipts*);

"**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) other than a Multiple Exchange Index or a Proprietary Index, 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) which is 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) which is 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;

(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; and

(iii) in respect of an Underlying which is a Fund, any Scheduled Trading Day in respect of which a Fund Disruption Event has occurred or is continuing;

"**Disrupted Day Related Payment Date**" means any payment date on the Notes on which the amount payable is calculated by reference to the price(s) and/or level(s) (as applicable) of an Underlying (which is a Security or an Index) or a Basket (of Securities and/or Indices) determined in respect of 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.;

"**Early Closure**" means:

(a) in respect of an Underlying which is a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index), the closure on any Exchange Business Day of the relevant Exchange (in the case of an Underlying which is a Security) or any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index) 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) in respect of an Underlying which is a Multiple Exchange Index, 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(xi) (*Redemption and Purchase – Calculation and Rounding*), and (ii) without prejudice to Condition 5(xiii) (*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 Underlying; or

(v) any change in the currency in which some or all of the securities or other property comprising any Index is denominated;

"**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 the Euro wholesale funding rate known as the Euro Interbank Offered Rate administered by the European Money Market Institute (or any successor administrator);

"**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.;

"**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, with respect to an Underlying which is:

(i) 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

(ii) a Multiple Exchange Index, the principal exchange on which each relevant Component of such Multiple Exchange Index 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 with respect to an Underlying which is a Security, 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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index), 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

(ii) 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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary 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 (i) to effect transactions in, or obtain market values for the Underlyings on the Exchange (in the case of an Underlying which is a Security) or on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index), or (ii) to effect transactions in, or obtain market values for, future or options contracts relating to the relevant Underlying on any relevant Related Exchange; or

(ii) 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 such Index on the relevant Related Exchange;

"**Extraordinary Dividend**" means, with respect to an Underlying which is a Security, 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 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 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; 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, with respect to an Underlying which is a Security, (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;

"**Extraordinary Fund Event**" means, in respect of a Fund, the occurrence or existence of any of the following on or prior to the Final Valuation Date, as determined by the Calculation Agent:

(i) any breach or violation of the provisions of the Fund Prospectus or any other relevant fund document including, but not limited to: the constitutive and governing documents of the relevant Fund, the subscription agreements and other agreements of the relevant Fund, any (verbal or written) agreement with respect to the Fund entered into by the Issuer with the Fund and/or any of its service providers, any strategy or investment guidelines, and any agreement entered into by the relevant Fund and/or its service providers that is reasonably likely to affect the relevant Fund;

(ii) (i) the non-execution or partial execution by such Fund for any reason of a subscription or redemption order in respect of any units in that Fund given by a Hypothetical Investor (whether or not in accordance with the relevant Fund Prospectus), (ii) the Fund suspends or refuses transfers of any of its units (including, without limitation, if the Fund applies any gating, deferral, suspension or other similar provisions permitting the Fund to delay or refuse redemption or transfer of units), or (iii) a mandatory redemption, in whole or in part, of the units is imposed by the Fund on any one or more holders of units at any time for any reason;

(iii) such Fund or any Fund Service Provider (i) ceases trading and/or, in the case of a Fund Service Provider, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable); (ii) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (A) 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 (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or 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 sub-clause (A) 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 fifteen days of the institution or presentation thereof; (v) 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; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter; or (vii) 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 clauses (i) through (v) above;

(iv) there exists any litigation against the Fund or a Fund Service Provider which in the determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;

(v) (i) a Fund Service Provider ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the Fund and/or any Fund Service Provider to meet or maintain any obligation or undertaking under the Fund Prospectus or any other relevant fund document which failure is reasonably likely to have an adverse impact on the value of the Fund Units or on the rights or remedies of any investor in such Fund Units;

(vi) a material modification, or any announcement regarding a potential future material modification, of the investment programme, investment objectives, investment policies, investment strategy, investment process or investment guidelines of such Fund;

(vii) the failure by such Fund to comply with its reporting obligations (including but not limited to, without limitation, any periodic reporting of the Net Asset Value of such Fund, periodic statements thereof, return numbers and composition of such Fund and the allocation of capital for such Fund (where applicable)) in accordance with its agreements with the Issuer or any of its designated affiliates (as applicable);

(viii) a material modification (other than any modifications referred to in (v) above) of such Fund (including but not limited to a modification of the Fund Prospectus or the articles of association or other constitutional documents of such Fund) or the occurrence of a change or any event materially affecting such Fund (including, but not limited to, the interruption, breakdown or suspension of the calculation of the Net Asset Value of such Fund unless such interruption, breakdown or suspension is cured within two Fund Valuation Days;

(ix) such Fund or any Fund Service Provider has its authorisation or registration cancelled by any applicable regulatory authority;

(x) (i) an allegation of criminal or fraudulent activity is made in respect of the Fund, or any Fund Service Provider, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred or (ii) such Fund or a Fund Service Provider (A) 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 such Fund, investment adviser, manager or administration agent; (B) commits an act which constitutes fraud or criminal activity in the performance of its obligations in respect of such Fund; (C) makes any material

misrepresentation under any document in respect of the relevant Fund or (D) announces its intention to cease the business of investment management;

(xi) any relevant activities of or in relation to the Fund or a Fund Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the Fund by any governmental, legal or regulatory entity with authority over the Fund), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the Fund or a Fund Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the Fund is required by a competent authority to redeem any Fund Units and/or (iv) any change in the legal, tax, accounting or regulatory treatment of the Fund or any Fund Service Provider that is reasonably likely to have an adverse impact on the value of the Fund Units or other activities or undertakings of the Fund or on the rights or remedies of any investor in such Fund Units, including the Issuer;

(xii) the creation by the Fund of any illiquid share class or unit howsoever described;

(xiii) the currency denomination of Fund Units is amended from that set out in the Fund Prospectus or any other relevant fund document so that the NAV per unit is no longer calculated in the same currency as it was as at the Trade Date;

(xiv) if applicable, the Fund ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction;

(xv) (i) the Calculation Agent determines, at any time, that the NAV per unit is inaccurate, or (ii) the reported net asset value of the Fund Units misrepresents the net asset value of the Fund Units;

(xvi) any material modification of the method of calculating the NAV per unit;

(xvii) any change in the periodicity of the calculation or the publication of the NAV per unit;

(xviii) any change in the length of notice periods for redemptions or transfers in relation to the Fund;

(xix) a Fund Disruption Event has occurred and is continuing for at least three consecutive Fund Valuation Days;

(xx) the exposure (expressed as percentage) of the Fund to securities with a credit quality (based upon the lowest credit ratings from S&P, Moody's and Fitch when available) below B, B2 or B for S&P, Moody's and Fitch respectively exceeds 35 per cent.; the aggregated level of leverage (expressed as percentage) of the Fund exceeds 20 per cent.;

(xxi) the Calculation Agent determines that, over any period not exceeding twelve months, the total net value of the assets of the Fund has decreased by 30 per cent. (either due to redemptions, a decrease in value of such assets or otherwise); or

(xxii) the Calculation Agent determines that, over any period not exceeding twelve months (ending on the immediately preceding date on which the Fund Adviser published the total value of the assets it managed), the total value of the assets managed by the Fund Adviser (including the Fund) has decreased by 50 per cent. (either due to redemptions, a decrease in value of such assets or otherwise);

"**Failure to Deliver**" means, in relation to Notes linked to one or more Securities and in respect of which Physical Delivery is specified as applicable in the relevant Final Terms, 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 (other than Italian MTF 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 Performance**" means the Reference Performance determined by the Calculation Agent in respect of the Final Valuation Date;

"**Final Redemption Amount**" has the meaning given to it in Condition 5(i) (*Redemption and Purchase – At Maturity*);

"**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 Coupon Amount**" has the meaning given to it in the relevant Final Terms;

"**Fixed/Floating Rate Notes**" means a Note for which Fixed Rate Note provisions (for an initial period from the initial Interest Commencement Date) and Floating Rate Note provisions (for a subsequent period) are specified in the relevant Final Terms as applicable;

"**Fixed Rate Note**" means a Note which bears interest at a fixed rate and in respect of which Condition 4A (*Interest – Fixed Rate Note Provisions*) is applicable;

"**Floating Rate Note**" means a Note which bears interest at a floating rate and in respect of which Condition 4B (*Interest – Floating Rate Note Provisions*) is applicable;

"**Floating Rate Option**" means, in relation to a Note to which ISDA Determination applies, a rate or price source specified as such in the relevant Final Terms;

"**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;

"**Fund**" means in relation to a Series of Notes, each fund to which such Series of Notes relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 20 (*Adjustments and Events affecting Funds*) and Condition 19 (*Additional Disruption Events*) and "**Funds**" shall be construed accordingly. For the avoidance of doubt, "Fund" shall not include exchange-traded funds (see the definition of "*Securities*" below);

"**Fund Adviser**" means, with respect to a Fund, 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 Fund Documents;

"**Fund Disrupted Day Related Payment Date**" means any payment date on the Notes on which the amount payable is calculated by reference to the Fund Unit Value of a Fund determined in respect of the related Valuation Date, Observation Date, Decrement Observation Date or Cut-off Valuation Date (as applicable);

"**Fund Disruption Event**" means, in respect of a Fund, the occurrence or existence on any day of, as determined by the Calculation Agent:

(i) a postponement of the date as of which the relevant Fund is scheduled, according to the documentation governing such Fund, to determine the Net Asset Value of such Fund for the purposes of calculating the redemption proceeds to be paid to or number of units to be subscribed by a Hypothetical Investor assuming it had submitted a timely and valid notice for redemption or subscription; and/or

(ii) the occurrence or continuation of a postponement of the reporting by the relevant Fund to its investors or, if applicable, the publishing by the relevant Fund or the relevant publishing service, in each case of the Net Asset Value of the relevant Fund; and/or

(iii) the occurrence or continuation of a postponement in the payment of any or all of the redemption proceeds relating to such Fund Units (whether or not in accordance with the Fund Prospectus);

"**Fund Documents**" means, in relation to any Fund, the constitutive and governing documents, subscription agreements and other agreements of such Fund specifying the terms and conditions relating to such Fund, in each case as amended and supplemented from time to time;

"**Fund Event**" means each of a Potential Adjustment Event, an Extraordinary Fund Event, an Additional Disruption Event or a Merger Event;

"**Fund Prospectus**" means, in respect of a Fund, the most recently published offering document relating to that Fund, as amended, restated or supplemented from time to time;

"**Fund Service Provider**" means any person who is appointed to provide services, directly or indirectly, in respect of a Fund, whether or not specified in the Fund Prospectus or any other relevant fund document, including any adviser, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner;

"**Fund Unit**" means, in respect of a Fund, a share or a notional unit of ownership in respect of that Fund in the relevant (or related) share classes, as designated by the Calculation Agent;

"**Fund Unit Value**" means, as determined by the Calculation Agent, in respect of a Fund and a Fund Valuation Day, the Net Asset Value per share for the relevant Fund Unit as published in accordance with the Fund Prospectus for such Fund Valuation Day;

"**Fund Valuation Day**" means, in respect of a Fund, any day in respect of which such Fund is scheduled to publish its Net Asset Value;

"**FX Cut-off Date**" has the meaning ascribed thereto in Condition 7(v) (*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;

"**Global Coupon Floor**" means, in respect of a Note and the Coupon Payment Date, the percentage specified as such in the relevant Final Terms, provided that, if no such percentage is specified, the Global Coupon Floor shall be equal to zero;

"**Global Coupon Floor Amount**" means, in respect of a Note and the Coupon Payment Date, an amount in the Settlement Currency (per Calculation Amount) determined by the Calculation Agent as equal to the product of (a) the Calculation Amount and (b) the Global Coupon Floor;

"**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);

"**Hypothetical Investor**" means a hypothetical investor in the Fund Units of a Fund;

"**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 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 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:

(a) 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;

(b) 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; or

(c) 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 the first date on which the Applicable Benchmark would ordinarily have been published or provided and is no longer published or provided

"**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 Underlying which is 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, level or value (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, in respect of an Underlying which is a Security, 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, in respect of an Underlying which is a Security, 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 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 and to trading

on (i) the regulated market MOT or (ii) on the multilateral trading facilities Securities Derivative Exchange ("**SeDeX**") or EuroTLX (on its segment for securitised derivatives Cert-X) (the Italian Notes referred to in limb (ii) being the "**Italian MTF Notes**");

"**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 (i) in the case of French Law Notes, the Principal Paying Agent is located and (ii) in the case of English Law Notes, 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:

(i) in respect of an Underlying which is (a) an Index (other than a Multiple Exchange Index or a Proprietary Index), 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) a Multiple Exchange Index, either:

(A) (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

(B) 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

(ii) 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:

(i) 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;

(ii) 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**,

(i) 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;

(ii) 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

(iii) 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(i) (*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:

(a) Underlyings which are 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 linked to Depository Receipts, "**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; or

(b) the Fund Units of a Fund and as determined by the Calculation Agent, the occurrence on or prior to the Final Valuation Date of any (i) reclassification or change of such Fund Units that results in a transfer of or an irrevocable commitment to transfer all of such units outstanding, (ii) consolidation, amalgamation or merger of the Fund with or into another entity (other than consolidation, amalgamation or merger in which the Fund is the continuing entity and which does not result in any such reclassification or change of all of such units outstanding), or (iii) other takeover offer for such Fund Units that results in a transfer of or an irrevocable commitment to transfer all such Fund Units (other than such units owned or controlled by the offeror);

"**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;

"**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, in respect of an Underlying which is a Security, that all the Securities (or, if the Securities are Depository Receipts, 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;

"**Net Asset Value**" or "**NAV**" means, in respect of each Fund Unit of a Fund and a Fund Valuation Day, the official net asset value, expressed in the relevant currency, for such Fund Valuation Day, as published in accordance with the relevant Fund Prospectus and as determined by the Calculation Agent;

"**New Issuer**" has the meaning given to it in Condition 14(iii) (*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);

"**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); or

(ii) if Performance Observation Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, (x) in respect of a Note which relates to a single Underlying, each Scheduled Trading Day in the Performance Observation Period or (y) in respect of a Note which relates to a Basket, each day which is a Scheduled Trading Day in respect of all Underlyings in the Basket,

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

"**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(vi) (*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;

"**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**" means, with respect to an Underlying and:

(i) a Coupon Valuation Date (unless "Coupon Restrike Value" is specified as applicable in the relevant Final Terms), an Autocall Valuation Date, a Lock-In Coupon Valuation Date, a Lock-In Redemption Valuation Date, a 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:

$$\frac{\text{Reference Value}}{\text{Initial Value}}$$

(ii) a Coupon Valuation Date (if "Coupon Restrike Value" is specified as applicable in the relevant Final Terms), 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:

$$\frac{\text{Reference Value}}{\text{Coupon Restrike Value}}$$

"**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, in respect of an Underlying which is:

(a) a Security, (i) a subdivision, consolidation or reclassification of the relevant Security (unless resulting in a Merger Event), or a free distribution or dividend of any such Security 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 Security of (A) such Security 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 Security 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 the relevant Security that is not fully paid; or (v) a repurchase by the Underlying Company or any of its subsidiaries of the relevant Security 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 Security. 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; or

(b) a Fund the occurrence, as determined by the Calculation Agent, at any time on or prior to the Final Valuation Date of any of the following events:

(i) a subdivision, reclassification, reorganisation or consolidation of the Fund Units in the Fund (other than that constituting a Merger Event), or a free distribution or dividend of any such Fund Units to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Fund Units of (A) an additional amount of such Fund Units, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Units, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction or (D) 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;

(iii) an extraordinary dividend;

(iv) a repurchase by the Fund of such Fund Units whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Units initiated by an investor in such Fund Units that is consistent with the Fund Prospectus; or

(v) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Units;

"**Previously Missed Coupon Amounts**" means, in relation to a Coupon Valuation Date, an amount determined by the Calculation Agent as equal to the sum of the Coupon Amounts for the previous Coupon Valuation Dates (if any) for which a Conditional Coupon Event has not occurred falling after either (i) the last Coupon Valuation Date on which a Conditional Coupon Event occurred, or (ii) the Issue Date, if no Conditional Coupon Event has occurred in respect of any Coupon Valuation Date prior to such Coupon Valuation Date on which a Conditional Coupon Event has occurred;

"**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;

"**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;

"**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(v) (*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(vi) (*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(iii) (*Interest – Floating Rate Note Provisions – Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*), 4B(iv) (*Interest – Floating Rate Note Provisions – ISDA Determination*) or 4B(v) (*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(xi) (*Redemption and Purchase – Calculation and Rounding*);

"**Redemption Amount**" has the meaning given to it in Condition 5(xi) (*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(i) (*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, an Autocall Valuation Date, a Lock-In Coupon Valuation Date, a Lock-In Redemption Valuation Date, a 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 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 as such in the relevant Final Terms, the 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 as such in the relevant Final Terms, the Performance of the Best Performing Underlying in respect of such Valuation Date, as determined by the Calculation Agent; or

(iv) in relation to a Series of Notes in respect of which "Weighted Basket" is specified as such in the relevant Final Terms, the weighted average (in line with the Weighting applicable to such Basket) of the 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 the Strike Date, each Coupon Valuation Date, each Autocall Valuation Date, each Lock-In Coupon Valuation Date, each Lock-In Redemption Valuation Date, each Barrier Valuation Date or the Final Valuation Date (as applicable) is specified in the relevant Final Terms to be:

(i) "**Closing Value**", 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; or

(vi) "**Decrement Observation**", the Adjusted Value of such Underlying determined by the Calculation Agent in respect of the Final Decrement Observation Date 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:

(i) 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);

(ii) 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);

(iii) 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);

(iv) 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:

(i) 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

(ii) 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:

(i) in relation to a Series of Notes where the Affected Relevant Benchmark is an Index, Condition 17(iii) (*Adjustments to Indices – Index Cancellation*), as if the relevant Benchmark Trigger Event were an Index Cancellation;

(ii) 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(v) (*Payments – Price Source Disruption and FX Disruption*), as if the relevant Benchmark Trigger Event were a Price Source Disruption; and

(iii) 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(iii) (*Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR, €STR, SORA or TONA*) and/or 4B(v) (*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 Notes which relate to a single Underlying which is a Security, such Security;

(ii) in relation to a Series of 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 as the applicable Reference Performance, 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 Notes which relate to a Basket of Securities and in respect of which "Best of Basket" is specified in the relevant Final Terms as the applicable Reference Performance, 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 22 (*Events relating to Notes linked to one or more Depository Receipts*) are to replace the Depository Receipts constituted by such terminated Deposit Agreement;

"**Replacement Index**" has the meaning given to it in Condition 13A(i)(B)(1) (*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:

$$Calculation\ Amount\ -\ \frac{Securities\ Transfer\ Amount \times Strike\ Level \times Relevant\ Initial\ Value}{Currency\ Pair\ Exchange\ Rate}$$

"**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:

$$Residual\ Amount \times \frac{Final\ Performance}{Strike\ Level}$$

"**Return Threshold**" means:

(i) the percentage specified as such in the relevant Final Terms; or

(ii) if specified in the relevant Final Terms, the Autocall Level determined by the Calculation Agent in respect of the last Autocall Valuation Date;

"**Scheduled Averaging Date**" means any original date specified in these Conditions or the relevant Final Terms as an Averaging Date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date;

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

"**Scheduled Final Averaging Date**" means 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(v) (*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 that, but for the occurrence of an event causing a Disrupted Day, would have been such Decrement Observation Date or Observation Date;

"**Scheduled Trading Day**" means, in respect of:

(i) an Underlying which is (a) a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index), 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) 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) a Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of such Proprietary Index;

(ii) an Underlying which is a Fund, any Fund Valuation Day;

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"**Securities**" means, in relation to a Series of Notes, the equity securities, debt securities (including without limitation Government Bonds), depository receipts or other securities or property, as adjusted pursuant to Condition 18 (*Adjustments and Events affecting Securities*) and Condition 19 (*Additional Disruption Events*), to which such Notes relate, as specified in the relevant Final Terms and subject, in the case of a Series of Notes linked to Depository Receipts to the provisions of Condition 22 (*Events relating to Notes linked to one or more Depository Receipts*), or in the case of a Series of Notes linked

to Units in an ETF, to the provisions of Condition 21 (*Adjustments where the Securities are Units in an ETF*) and Condition 23 (*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:

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

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 Underlying which is a Security, the period of Clearing System Business Days following a trade in the relevant Security on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

"**Settlement Date**" means, in relation to Securities to be delivered in respect of a Note (a) in the case of Notes which relate to Underlyings which are 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(vi) (*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(v) (*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(vi)(B) (*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;

"**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 an English Law 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;

"**Specified Redemption Rate**" means the percentage specified as such in the relevant Final Terms, **provided that**, if no such percentage is specified, the Specified Redemption Rate shall be 100 per cent.;

"**Star Barrier Level**" means the percentage specified as such in the Final Terms **provided that** if no such percentage is specified, Star Barrier Level shall mean 100 per cent.;

"**Star Performance**" means with respect to the Final Valuation Date and a Series of Notes:

(i) if "Best of Basket" is specified as such in the relevant Final Terms, the Performance of the Best Performing Underlying in respect of the Final Valuation Date, as determined by the Calculation Agent;

(ii) if "Weighted Basket" is specified as such in the relevant Final Terms, the weighted average (in line with the Weighting applicable to such Basket) of the Performances of each Underlying comprising the Basket in respect of the Final Valuation Date as determined by the Calculation Agent and rounded to the nearest four decimal places (with 0.00005 being rounded up);

"**Strike Date**" means:

(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 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, Strike Level shall mean 100 per cent.;

"**Substitute Index**" means, in respect of an Underlying which is 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;

"**Sum of Coupon Amounts**" means, in respect of a Note and the Coupon Payment Date, an amount in the Settlement Currency (per Calculation Amount) determined by the Calculation Agent as equal to the sum of each of the Coupons Amounts determined in respect of each of the Coupon Valuation Dates;

"**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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary 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 an Underlying on the Exchange (in the case of an Underlying which is a Security) or on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index); or (ii) in futures or options contracts relating to the relevant Underlying on any relevant Related Exchange; or

(ii) 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 Underlying on any relevant Related Exchange;

"**transfer date**" shall be the Relevant Banking Day following the day on which the relevant Registered Note shall have been surrendered for transfer;

"**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, in relation to Notes linked to one or more Securities, 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 and/or Security, or each Fund (each as defined in this Condition 1) to which such Series of Notes relates;

"**Underlying Company**" means, with respect to an Underlying which is a Security, the issuer of the Security as specified in the relevant Final Terms and, if the Notes are Notes linked to one or more Depository Receipts, 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 23 (*Notes linked to Units in an ETF – General*);

"**Underlying Index**", in relation to an ETF, means each index to which such ETF relates;

"**Underlying Security**" means, with respect to 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 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 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 following provisions of this Condition 2 apply to English Law Notes only

(i) ***Form***

Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**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.

(ii) ***Bearer Notes***

(A) *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.

(B) *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.

(iii) ***Registered Notes***

(A) *Denomination*

Registered Notes will be in the denomination(s) and multiples specified in the relevant Final Terms.

(B) *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.

(C) *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.

The following provisions of this Condition 2 apply to French Law Notes only

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 depositary) which shall credit the accounts of the Account Holders. For the purpose of these Conditions, "**Account Holders**" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV ("**Euroclear**") and the depositary bank for Clearstream Banking S.A. ("**Clearstream**"), and "**holder of Notes**" or "**holder of any Note**", "**Holder**" or "**Noteholder**" means the individual or entity whose name appears in the account of the relevant Account Holder.

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of the Notes may only be effected through, registration of the transfer in such books.

Unless this option (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 depositary the following identification information of the holders of Notes: the name or the company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, e-mail address as well as the quantity of Notes held by each of them.

3. **Status**

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.

The provisions of this Condition 3 will be governed by, and construed in accordance with, French law, whether the Notes are French Law Notes or English Law Notes.

4. **Interest**

4A. ***Fixed Rate Note Provisions***

(i) ***Application***

Subject to Condition 4C(iii)(C) (*Conditional Fixed Rate Coupon*), 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.

(ii) ***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 (in the case of English Law Notes, 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).

(iii) ***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.

(iv) ***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:

(A) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable (and, in the case of English Law Notes, in respect of Notes represented by a global Note or global Notes only), the Aggregate Outstanding Nominal Amount of the Notes notwithstanding that the formula specified in the relevant Final Terms or Conditions may provide for calculation in relation to the Calculation Amount; or

(B) if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable or in the case of English Law Notes in definitive form, 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 or where the Specified Denomination of an English Law Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount or, as the case may be, such Note, 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 or, as the case may be, the Specified Denomination of such Note.

(v) ***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.

(vi) ***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***

(i) ***Application***

Subject to Condition 4C(iii)(D) (*Conditional Floating Rate Coupon*), 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.

(ii) ***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 (in the case of English Law Notes, 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).

The following provisions of this Condition 4B(iii) apply to all Notes other than Alternative Conditions Notes

(iii) ***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*):

(A) 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;

(B) 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;

(C) if, in the case of (A) above, such rate does not appear on that page or, in the case of (B) 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:

(1) 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;

(2) determine the arithmetic mean of such quotations; and

(D) 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 (A) above or (y) any such quotations are unlikely to be representative of an underlying market:

(1) the Calculation Agent shall not be required to request the quotations specified in (C)(1) above or to make the determination specified in (D) above; and

(2) 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(iii) apply to Alternative Conditions Notes only.

(iii) ***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*):

(A) 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;

(B) 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;

(C) 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:

(1) 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;

(2) determine the arithmetic mean of such quotations; and

(D) 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.

(iv) ***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:

(A)

(1) the "Floating Rate Option" is as specified in the relevant Final Terms;

(2) the "Designated Maturity", if applicable, is a period specified in the relevant Final Terms;

(3) the relevant "Reset Date" unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions; and

(4) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Final Terms and:

(a) 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;

(b) 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

(c) 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;

(5) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Final Terms and:

(a) 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;

(b) 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

(c) 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

(6) 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;

(B) references in the ISDA definitions to:

(1) "Confirmation" shall be references to the relevant Final Terms;

(2) "Calculation Period" shall be references to the relevant Interest Period;

(3) "Termination Date" shall be references to the final Interest Period End Date; and

(4) "Effective Date" shall be references to the Interest Commencement Date;

(C) an "Administrator/Benchmark Event" shall be deemed to have occurred for the purpose of the 2021 ISDA Definitions and this Condition 4B(iv) 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

(D) unless otherwise defined, capitalised terms used in this Condition 4B(iv) 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.

(v) ***Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA***

(A) 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.

(B) 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.

(C) 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.

(D) Definitions

"**Applicable Period**" means,

(1) 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

(2) where "Lag", "Lock-Out" or "Payment Delay" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period.

"**d**" means the number of calendar days in the Applicable Period.

"**d_0**" 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:

(1) 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;

(2) 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;

(3) where "Payment Delay" is specified as the Observation Method in the relevant Final Terms, and:

(a) "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;

(b) 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

(4) in any other circumstances, no Rate Cut-Off Date shall apply.

"**Reference Rate**" means in relation to any Reference Rate Business Day:

(1) 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;

(2) 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;

(3) 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;

(4) 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

(5) 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:

(1) 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;

(2) 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;

(3) where "€STR" is specified as the Reference Rate in the relevant Final Terms, a Euro Business Day;

(4) 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

(5) 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 $Day_{(i)}$:

(1) 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

(2) otherwise, such Reference Rate Business $Day_{(i)}$;

"**Relevant Rate**" means with respect to an Interest Period:

(1) 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:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{REF_i \times n_i}{Y}\right)-1\right]\times\frac{Y}{d}$$

(2) 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.

(E) 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):

(1) 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.

(2) 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(v)(A) to 4B(v)(D):

(a) 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;

(b) 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 (c) 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(v)(E)(2)(a) above) prior to the related Reference Rate Determination Date; and

(c) 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(v)(E)(2) 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(v)(A) to 4B(v)(D), 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.

(3) Definitions for the purposes of this Condition 4B(v)(E) and Condition 4B(v)(G):

"**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:

(a) if no Relevant Recommended Rate is recommended before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to the Reference Rate referred to in the first paragraph of Condition 4B(v)(E)(2), 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(v)(E)(2) occurs and ending on the Reference Rate Business Day immediately preceding such day; or

(b) 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:

(a) 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

(b) 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:

(a) where "SONIA" is specified as the Reference Rate in the relevant Final Terms, London; or

(b) 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:

(a) 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;

(b) 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;

(c) 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

(d) 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

(F) 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):

(1) 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:

(a) 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 Fallback**s" 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.

(2) 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(v)(E)(3) 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(v)(E)(3) all subsequent determinations; **provided that**, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's 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 (*Interest –Fixed Rate Note Provisions*) applied.

(3) 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(v)(A) to 4B(v)(D),

(a) 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$_{(i)}$;

(b) 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;

(c) 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(v)(A) to 4B(v)(D), Reference $Rate_{(i)}$ in relation to each Reference Rate Business Day (i) falling on or after the Applicable Fallback Effective Date with respect to SOFR or the Applicable Fallback Effective Date with respect to the Fed Recommended Rate (as applicable) will be the Overnight Bank Funding Rate ("**OBFR**") administered by the Federal Reserve Bank of New York (or a successor administrator), as determined in relation to the related Reference Rate Determination Date for such Reference Rate Business $Day_{(i)}$ but as if references to "Reference Rate Business $Day_{(i)}$" were to "New York Fed Business Day", but so that in the case of the Applicable Period in which the Applicable Fallback Effective Date occurred, "d_0" 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);

(d) 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;

(e) 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(v)(A) to 4B(v)(D),

Reference $Rate_{(i)}$ in relation to each Reference Rate Business $Day_{(i)}$ falling on or after the Applicable Fallback Effective Date with respect to OBFR (or,

if the Applicable Fallback Effective Date with respect to SOFR or the Applicable Fallback Effective Date with respect to the Fed Recommended Rate (as applicable) is later, the Reference Rate Business $Day_{(i)}$ occurring on or after the Applicable Fallback Rate with respect to SOFR or the Fed Recommended Rate, as applicable) will be the short-term interest rate target set by the Federal Open Market Committee, as prevailing on such Reference Rate Determination Date, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee, as prevailing on such Reference Rate Determination Date (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range, rounded, if necessary, to the nearest second decimal place with 0.005 being rounded upwards) (the "**FOMC Target Rate**") determined in accordance with the definition of Reference $Rate_{(i)}$, but as if references to "Reference Rate Business $Day_{(i)}$" were to "New York City Business Day", but so that in the case of the Applicable Period in which the Applicable Fallback Effective Date occurred, "d_0" 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.

(4) *Definitions for purposes of this Condition 4B(v)(F):*

"**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:

(a) 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;

(b) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate the ISDA Fallback Adjustment; or

(c) 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):

(a) 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

(b) 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.

(a) 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;

(b) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment; or

(c) 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):

(a) 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

(b) 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

(c) 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.

(G) 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):

(1) 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.

(2) 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(v)(A) to (D):

(a) 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;

(b) 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 (c) 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(v)(G)(2)(a) above) prior to the related Reference Rate Determination Date; and

(c) 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(v)(G)(2) 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(v)(A) to (D), 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.

(3) The definitions set out in Condition 4B(v)(E)(3) shall be equally applicable to this Condition 4B(v)(G).

(vi) *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.

(vii) *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:

(A) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable (and, in the case of English Law Notes, in respect of Notes represented by a global Note or global Notes only), the Aggregate Outstanding Nominal Amount of the Notes notwithstanding that the formula specified in the relevant Final Terms or Conditions may provide for calculation in relation to the Calculation Amount; or

(B) in the case of English Law 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 "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable or where the Specified Denomination of an English Law Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of the Aggregate Outstanding Nominal Amount or, as the case may be, such Note 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 or, as the case may be, the Specified Denomination.

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.

(viii) *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 state that 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

(ix) *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 (to the extent required by any applicable rules) 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.

(x) *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 (in the case of English Law Notes in bearer form) 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 Amounts linked to Underlying(s)***

(i) ***Application***

This Condition 4C (*Interest – Coupon Amounts linked to Underlying(s)*) is applicable to Notes only where "Coupon Amounts linked to Underlying(s)" is specified in the relevant Final Terms as being applicable.

(ii) ***Payment of Coupon Amounts***

(A) Unless "*in fine*" is specified as applicable in the relevant Final Terms, in relation to a Coupon Valuation Date and each Note, the Issuer shall pay on the corresponding Coupon Payment Date the relevant Coupon Amount (if any) determined by the Calculation Agent in respect of such Coupon Valuation Date.

(B) If "*in* fine" is specified as applicable in the relevant Final Terms, then, in respect of each Note, the Issuer shall pay on the Coupon Payment Date specified in the applicable Final Terms an amount (if any) in the Settlement Currency (per Calculation Amount) determined by the Calculation Agent in accordance with the following formula:

$$Max(Global\ Coupon\ Floor\ Amount;\ Sum\ of\ Coupon\ Amounts)$$

(iii) ***Determination of Coupon Amounts***

Subject (if applicable) to the additional provisions of Conditions 4C(iv) (*Coupon Recovery Event*) and (v) (*Lock-In Coupon Event*), in respect of each Note and a Coupon Valuation Date, the

Calculation Agent shall determine an amount (the "**Coupon Amount**") in the Settlement Currency (per Calculation Amount) in accordance with the following provisions:

(A) if "Conditional Digital Coupon" is specified as being applicable in the relevant Final Terms and if a Conditional Coupon Event has occurred in respect of such Coupon Valuation Date, an amount equal to the Calculation Amount *multiplied by* the Coupon Rate corresponding to such Coupon Valuation Date. If a Conditional Coupon Event does not occur in respect of such Coupon Valuation Date, then no Coupon Amount shall be payable or accrue in respect thereof;

(B) if "Performance Coupon" is specified as being applicable in the relevant Final Terms, an amount equal to the Calculation Amount *multiplied by* the percentage determined by the Calculation Agent in accordance with the following formula in respect of such Coupon Valuation Date:

$$Min[Coupon\ Cap; Max(Coupon\ Floor; Coupon\ Participation \times \{Reference\ Performance - Coupon\ Strike\ Level\})]$$

(C) if "Conditional Fixed Rate Coupon" is specified as being applicable in the relevant Final Terms and if a Conditional Coupon Event has occurred in respect of such Coupon Valuation Date, an amount calculated in accordance with Condition 4A (*Fixed Rate Note Provisions*). If a Conditional Coupon Event does not occur in respect of such Coupon Valuation Date, then no Coupon Amount shall be payable or accrue in respect thereof.

For the avoidance of doubt, to the extent that a "Previously Missed Coupon Amount" becomes payable in accordance with Condition 4C(iv) (*Coupon Recovery Event*), the quantum of any such amounts (including such Coupon Amounts as are required to be calculated to determine any Previously Missed Coupon Amounts) shall also be determined in accordance with Condition 4A (*Fixed Rate Note Provisions*);

(D) if "Conditional Floating Rate Coupon" is specified as being applicable in the relevant Final Terms and if a Conditional Coupon Event has occurred in respect of such Coupon Valuation Date, an amount calculated in accordance with Condition 4B (*Floating Rate Note Provisions*). If a Conditional Coupon Event does not occur in respect of such Coupon Valuation Date, then no Coupon Amount shall be payable or accrue in respect thereof.

For the avoidance of doubt, to the extent that a "Previously Missed Coupon Amount" becomes payable in accordance with Condition 4C(iv) (*Coupon Recovery Event*), the quantum of any such amounts (including such Coupon Amounts as are required to be calculated to determine any Previously Missed Coupon Amounts) shall also be determined in accordance with Condition 4B (*Floating Rate Note Provisions*).

(iv) ***Coupon Recovery Event***

This Condition 4C(iv) shall apply in respect of Notes for which the applicable Coupon Amount is Conditional Digital Coupon, Conditional Fixed Rate Coupon or Conditional Floating Rate Coupon and if "Coupon Recovery Event" is specified as applicable in the relevant Final Terms.

If "Coupon Recovery Event" is specified as applicable in the relevant Final Terms and if a Conditional Coupon Event occurs in relation to a Coupon Valuation Date, then an amount equal to the Previously Missed Coupon Amounts (if any) shall be added to the Coupon Amount determined by the Calculation Agent in respect of such Coupon Valuation Date in accordance with Condition 4C(iii) (*Determination of Coupon Amounts*).

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

This Condition 4C(v) shall apply in respect of Notes for which the applicable Coupon Amount is Conditional Digital Coupon, Conditional Fixed Rate Coupon or Conditional Floating Rate Coupon and if "Lock-In Coupon Event" is specified as applicable in the relevant Final Terms.

If a Lock-In Coupon Event occurs in relation to any Lock-In Coupon Valuation Date, then, for the purposes of determination by the Calculation Agent of the "Coupon Amount" in respect of any subsequent Coupon Valuation Date in accordance with Condition 4C(iii) (*Determination of*

Coupon Amounts), a Conditional Coupon Event shall be deemed to have occurred in respect of each such subsequent Coupon Valuation Date falling on or after the relevant Lock-In Coupon Valuation Date on which a Lock-In Coupon Event has occurred (if any).

5. **Redemption and Purchase**

(i) ***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(i) (*Redemption and Purchase – At Maturity*) together with Condition 5(ii) (*Redemption and Purchase – 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**").

(ii) ***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(xi) (*Redemption and Purchase – Calculation and Rounding*) and Condition 5(iii) (*Redemption and Purchase – 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(ii), depending on the type of Final Redemption Amount specified in the relevant Final Terms.

(A) *Booster with Barrier Redemption*

(1) Subject to limb (2) 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Strike Level, the result of the following formula:

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

(ii) if the Final Performance is less than the Strike Level but a Barrier Event has not occurred, 100%; or

(iii) if the Final Performance is less than the Strike Level and a Barrier Event has occurred, the Final Performance.

(2) 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(vi) (*Payments – Physical Delivery*).

(B) *Airbag with Barrier Redemption*

(1) Subject to limb (2) 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:

(a) the Calculation Amount; and

(b) either:

(i) 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:

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

(ii) 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:

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

(iii) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection; or

(iv) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

(2) 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(vi) (*Payments – Physical Delivery*).

(C) *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:

(i) the Calculation Amount; and

(ii) either:

(A) if the Final Performance is greater than or equal to the Strike Level, 100 per cent.; or

(B) if the Final Performance is less than the Strike Level but a Barrier Event has not occurred, 100 per cent.; 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(vi) (*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:

(i) the Calculation Amount; and

(ii) either:

(A) if a Barrier Event has not occurred, 100 per cent.; 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(vi) (*Payments – Physical Delivery*).

(D) *Digital with Barrier Redemption*

(1) Subject to limb (2) 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Return Threshold, the sum of 100 per cent. and the Digital Rate

(ii) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection; or

(iii) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

(2) 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(vi) (*Payments – Physical Delivery*).

(E) *Digital Growth with Barrier Redemption*

(1) Subject to limb (2) 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Return Threshold, the result of the following formula:

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

(ii) if the Final Performance is less than the Return Threshold but a Barrier Event has not occurred, the Conditional Protection; or

(iii) if the Final Performance is less than the Return Threshold and a Barrier Event has occurred, the Final Performance.

(2) 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(vi) (*Payments – Physical Delivery*).

(F) *Protected Digital Redemption*

If Protected Digital 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 sum of 100 per cent. and the Digital Rate; or

(b) if the Final Performance is less than the Return Threshold, the Protection Level.

(G) *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:

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

(H) *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:

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

(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.

(I) *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:

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

(b) if the Final Performance is greater than the Put Strike, the result of the following formula:

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

(J) *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:

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

(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.

(K) *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:

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

(L) *Geared Buffer Redemption*

(1) Subject to limb (2) below, if Geared 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Strike Level, 100%; or

(ii) if the Final Performance is less than the Strike Level, the result of the following formula:

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

(c) If Geared 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(vi) (*Payments – Physical Delivery*).

(M) *Booster Redemption*

(1) Subject to limb (2) 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Strike Level, the result of the following formula:

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

(ii) if the Final Performance is less than the Strike Level, the result of the following formula:

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

(2) 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(vi) (*Payments – Physical Delivery*).

(N) *Booster with Geared Buffer Redemption*

(1) Subject to limb (2) below, if Booster with Geared 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Call Strike, the result of the following formula:

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

(ii) if the Final Performance is less than the Call Strike but greater than or equal to the Strike Level, 100%; or

(iii) if the Final Performance is less than the Call Strike and less than the Strike Level, the result of the following formula:

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

(2) If Booster with Geared 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(vi) (*Payments – Physical Delivery*).

(O) *Digital with Buffer Redemption*

If Digital with Buffer Redemption is specified in relation to the Final Redemption Amount in the relevant Final Terms, the Final Redemption Amount shall be an amount in the Settlement Currency per Calculation Amount equal to the product of:

(1) the Calculation Amount; and

(2) either:

(a) if the Final Performance is greater than or equal to the Return Threshold, the sum of 100% + 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 the Strike Level, the result of the following formula:

$$100\% - \text{Strike Level} + \text{Final Performance}$$

(P) *Digital with Geared Buffer Redemption*

(1) Subject to limb (2) below, if Digital with Geared 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Return Threshold, 100% + Digital Rate;

(ii) if the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, 100%; or

(iii) if the Final Performance is less than the Return Threshold and less than the Strike Level, the result of the following formula:

$$Final\ Performance\ /\ Strike\ Level$$

(2) If Digital with Geared 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(vi) (*Payments – Physical Delivery*).

(Q) *Digital Growth with Geared Buffer Redemption*

(1) Subject to limb (2) below, if Digital Growth with Geared 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Return Threshold, the result of the following formula:

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

(ii) if the Final Performance is less than the Return Threshold but greater than or equal to the Strike Level, 100%; or

(iii) if the Final Performance is less than the Return Threshold and less than the Strike Level, the result of the following formula:

$$Final\ Performance\ /\ Strike\ Level$$

(2) If Digital Growth with Geared 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(vi) (*Payments – Physical Delivery*).

(R) *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:

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

(b) if the Final Performance is less than the Call Strike, the Protection Level.

(S) *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:

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

(b) if the Final Performance is greater than the Put Strike, the Protection Level.

(T) *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:

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

(b) if a Barrier Event has occurred, the result of the following formula:

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

(U) *Straddle with Geared Buffer Redemption*

(1) Subject to limb (2) below, if Straddle with Geared 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Final Performance is greater than or equal to the Strike Level, the result of the following formula:

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

(ii) if the Final Performance is less than the Strike Level, the result of the following formula:

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

(2) If Straddle with Geared 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(vi) (*Payments – Physical Delivery*).

(V) *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:

Max[Protection Level; 100% + ABS(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).

(W) *Star Barrier Redemption*

(1) Subject to limb (2) below, if Star 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:

(a) the Calculation Amount; and

(b) either:

(i) if the Star Performance is greater than or equal to the Star Barrier Level, the Specified Redemption Rate; or

(ii) if the Star Performance is less than the Star Barrier Level but a Barrier Event has not occurred, 100 per cent.; or

(iii) if the Star Performance is less than the Star Barrier Level and a Barrier Event has occurred, the result of the following formula:

$$Final\ Performance\ /\ Strike\ Level$$

(2) If Star 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 Star Performance is less than the Star Barrier 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(vi) (*Payments – Physical Delivery*).

(X) *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 (x) the Calculation Amount and (y) the Specified Redemption Rate.

(iii) ***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(ii) (*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:

(A) the Calculation Amount; and

(B) Lock-In Redemption Rate.

(iv) ***Redemption for Taxation Reasons***

If in respect of a Series of Notes, Condition 6(ii) (*Taxation – No gross-up*) is not specified as applicable in the relevant Final Terms, and:

(A) 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 in accordance with the provisions of Condition 6(i) (*Taxation – Gross-up*); or

(B) 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 in accordance with the provisions of Condition 6(i) (*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(vi) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option*)), below, if the due date for redemption under this Condition 5(iv) would occur prior to that under Condition 5(vi) (*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(vi) (*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(iv) 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 France (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(iv).

If the Issuer, 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 6(i) (*Taxation – Gross-up*), then the Issuer shall forthwith give notice of such fact to the Principal Paying Agent and the Issuer shall, subject to giving not less than seven (7) calendar days' prior notice to the Noteholders in accordance with Condition 12 (*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 the Issuer 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 the Issuer 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 the Issuer

could make payment of the full amount payable in respect of the Notes, or, if that date is passed, as soon as practicable thereafter.

(v) ***Autocall Event***

This Condition 5(v) 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(xi) (*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.

(vi) ***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 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.

The following provisions of the immediately following Conditions 5(vii) to 5(xi) apply to all Notes other than Alternative Conditions Notes

(vii) ***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:

(A) have become unlawful, or

(B) except in the case of Alternative Conditions Notes, and 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(vii). 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*).

(viii) ***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 (i) in the case of French Law Notes, 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, and (ii) in the case of English Law Notes, held, reissued, resold or, provided such Notes are held by the Issuer, at the option of the Issuer, reissued or cancelled.

(ix) ***Cancellation***

All Notes which are redeemed pursuant to Condition 5(i) (*Redemption and Purchase – At Maturity*), 5(iv) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(v) (*Redemption and Purchase – Autocall Event*), 5(vi) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*) or 5(vii) (*Redemption and Purchase – Early Redemption for Illegality*) shall be cancelled forthwith (together with, in the case of Definitive Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). All Notes purchased by the Issuer pursuant to Condition 5(viii) (*Redemption and Purchase – Purchases*) (i) for cancellation shall (in the case of French Law Notes), or (ii) may at the option of the Issuer (in the case of English Law Notes), 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.

(x) ***No Other Redemption Provisions***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 5(i) (*Redemption and Purchase – At Maturity*), 5(iv) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(v) (*Redemption and Purchase – Autocall Event*), 5(vi) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), 5(vii) (*Redemption and Purchase – Early Redemption for Illegality*), Condition 17 (*Adjustments to Indices*), Condition 18 (*Adjustments and Events affecting Securities*), Condition 19 (*Additional Disruption Events*), Condition 20 (*Adjustments and Events affecting Funds*), and Condition 22 (*Events relating to Notes linked to one or more Depository Receipts*).

(xi) ***Calculation and Rounding***

Any redemption amount payable on redemption of a Note (the "**Redemption Amount**") shall be calculated pursuant to this Condition 5 and in rounding any values determined or calculated in connection with such Redemption Amount, the Calculation Agent shall apply the following rounding conventions:

(A) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable, (and, in the case of English Law Notes, in respect of Notes represented by a global Note or global Notes only), 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 or Conditions may provide for the Redemption Amount to be calculated in relation to the Calculation Amount; or

(B) if "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable or in the case of English Law Notes in definitive form, 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 or where the Specified Denomination of an English Law Note in definitive form is a multiple of the Calculation Amount, 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 Aggregate Outstanding Nominal Amount or, as the case may be, the Specified Denomination.

The following provisions (in place of Conditions 5(vii) to 5(xi) above) of the immediately following Conditions 5(vii) *to 5(xiii) apply to Alternative Conditions Notes only*

(vii) ***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(vii). 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*).

(viii) ***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*).

(ix) ***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 (i) in the case of French Law Notes to which the Alternative Conditions apply, 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, and (ii) in the case of English Law Notes to which the Alternative Conditions apply, held, reissued, resold or, provided such Notes are held by the Issuer, at the option of the Issuer, reissued or cancelled.

(x) ***Cancellation***

All Notes which are redeemed pursuant to Condition 5(i) (*Redemption and Purchase – At Maturity*), 5(iv) (*Redemption and Purchase – Redemption for Taxation Reasons*), 5(v) (*Redemption and Purchase – Autocall Event*), 5(vi) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*) or 5(vii) (*Redemption and Purchase – Early Redemption for Illegality*), and all Notes purchased by the Issuer pursuant to Condition 5(viii) (*Redemption and Purchase – Purchases*), (i) for cancellation shall (in the case of French Law Notes to which the Alternative Conditions apply), or (ii) may at the option of the Issuer (in the case of English Law Notes to which the Alternative Conditions apply), 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.

(xi) ***No Other Redemption Provisions***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 5(i)) (*Redemption and Purchase – At Maturity*), 5(iv) (*Redemption and Purchase – Redemption for*

Taxation Reasons), 5(v) (*Redemption and Purchase – Autocall Event*), 5(vi) (*Redemption and Purchase – Redemption at the Option of the Issuer (Call Option)*), 5(vii) (*Redemption and Purchase – Early Redemption for Illegality*), Condition 17 (*Adjustments to Indices*), Condition 18 (*Adjustments and Events affecting Securities*), Condition 19 (*Additional Disruption Events*) Condition 20 (*Adjustments and Events affecting Funds*), and Condition 22 (*Events relating to Notes linked to one or more Depository Receipts*).

(xii) ***Calculation and Rounding***

Any redemption amount payable on redemption of a Note (the "**Redemption Amount**") shall be calculated pursuant to this Condition 5 and in rounding any values determined or calculated in connection with such Redemption Amount, the Calculation Agent shall apply the following rounding conventions:

(A) if "Aggregate Outstanding Nominal Amount Rounding" is specified in the relevant Final Terms as being applicable (and, in the case of English Law Notes, in respect of Notes represented by a global Note or global Notes only), 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 or Conditions may provide for the Redemption Amount to be calculated in relation to the Calculation Amount; or

(B) 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 "Aggregate Outstanding Nominal Amount Rounding" is not specified in the relevant Final Terms as being applicable or where the Specified Denomination of an English Law Note in definitive form is a multiple of the Calculation Amount, 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 Aggregate Outstanding Nominal Amount or, as the case may be, the Specified Denomination.

(xiii) ***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(xiii), to receive the Early Redemption Amount on the date fixed for early redemption of the Notes; and

(A) The Issuer's notice of early redemption must include the following:

(1) 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;

(2) the instructions to allow such Noteholder to make such election, substantially in accordance with the paragraph below; and

(3) the Early Redemption Amount Valuation Date;

(4) the Early Redemption Amount;

(5) the amount calculated by the Calculation Agent as the Monetisation Amount; and

(6) 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:

(i) in the case of English Law Notes to which the Alternative Conditions apply, 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; or

(ii) in the case of French Law Notes to which the Alternative Conditions apply, 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**

(i) ***Taxation – Gross-up***

This Condition 6(i) will be applicable to all Series of Notes unless it is specified in the relevant Final Terms that Condition 6(ii) (*Taxation – No gross-up*) 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 or Couponholders, as the case may be, 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 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 France or any other relevant jurisdiction, other than the mere holding of such Note or Coupon, or (b) in the case of English Law Notes only:

(1) 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;

(2) 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;

(3) 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

(4) 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 (i) in the case of English Law Notes, 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 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*) and (ii) in the case of French Law Notes, 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:

(A) any additional amounts which may be payable under this Condition 6;

(B) the principal amount payable on the relevant Notes on the Maturity Date;

(C) the principal amount payable on redemption of the relevant Notes prior to such Maturity Date; and

(D) 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.

(ii) ***Taxation – No gross-up***

This Condition 6(ii) will only be applicable to a Series of Notes where it is specified in the relevant Final Terms that Condition 6(ii) (*Taxation – No gross-up*) 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**

The following provisions of Conditions 7(i) and 7(ii) apply to English Law Notes only

(i) ***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.

(ii) ***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(iii) (*Payments – General Provisions*).

The following provisions of Conditions 7(i) and 7(ii) apply to French Law Notes only

(i) ***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*).

(ii) ***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*).

(iii) ***General Provisions***

The following provisions of this Condition 7(iii) apply to English Law Notes only

The following provisions apply to both Bearer Notes and Registered Notes. Subject to Condition 7(iv) (*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.

The following provisions of this Condition 7(iii) apply to French Law Notes only

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.

(iv) ***Payment of Alternative Payment Currency Equivalent***

If:

(A) "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(v)(Y) (*Payments – Price Source Disruption and FX Disruption*); or

(B) 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(iv) 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.

(v) ***Price Source Disruption and FX Disruption***

The following provisions of this Condition 7(v) apply to all Notes other than Alternative 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**"):

(1) a Price Source Disruption occurs, (other than as a result of an Unscheduled Holiday), the Calculation Agent shall:

(a) 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

(b) 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 (a) 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

(c) 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 (a) 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 (b) 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 (b) 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

(2) 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:

(1) 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(v) 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

(2) 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(iv) (*Payments – Payment of Alternative Payment Currency Equivalent*).

If a Scheduled FX Fixing Date is postponed in accordance with this Condition 7(v), 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(v) apply to Alternative 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**"):

(1) a Price Source Disruption occurs, (other than as a result of an Unscheduled Holiday), the Calculation Agent shall:

(a) 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

(b) 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 (a) 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

(c) 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 (a) 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 (b) 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 (b) 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

(2) 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 may elect to either:

(1) 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(v) 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

(2) 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 producing 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(iv) (*Payments – Payment of Alternative Payment Currency Equivalent*).

If a Scheduled FX Fixing Date is postponed in accordance with this Condition 7(v), 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.

(vi) ***Physical Delivery***

In relation to Notes linked to one or more Securities 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:

(A)

(1) 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.

(2) 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.

(3) 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.

(4) 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.

(5) 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.

(6) The Issuer shall discharge its obligation to redeem each Note by

(a) 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 that 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

(b) paying an amount equal to the Residual Cash Amount to the relevant Noteholder on the Settlement Date.

(7) 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.

(8) 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.

(9) 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.

(10) 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.

(11) 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.

(12) 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:

(a) 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);

(b) 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

(c) if the Issuer elects to redeem the relevant Notes pursuant to sub-paragraph (a) 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).

(B) 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 12 (*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.

(C) 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:

(1) 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);

(2) 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 (1) above, upon such eight 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 (1) 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 (1) 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

(3) deliver on the Settlement Date (as may have been postponed pursuant to paragraph (1) 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 (1) 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 (1) 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(vi)(C) 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**

(i) ***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:

(A) 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, (to the extent required by any applicable rules) 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;

(B) if English Law Notes are in definitive form:

(1) 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;

(2) 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(i)(B) shall remain in full force and effect; and

(3) 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;

(C) 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

(D) 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.

(ii) ***Interest***

Following redenomination of the Notes pursuant to Condition 8(i) (*Redenomination – General*):

(A) where English Law 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;

(B) 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 (to the extent required by any applicable rules) 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;

(C) 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 (to the extent required by any applicable rules) 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;

(D) 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

(E) 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 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:

(i) the Issuer fails to remedy a default in (i) the repayment of any principal due on the Notes of such Series or any of them or (ii) the payment of any interest due in respect of the Notes of such Series or any of them or (iii) the delivery of any security or other asset or the payment of any residual cash amount in connection with such delivery 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 (i) in the case of English Law Notes, any Noteholder in accordance with Condition 12(ii) (*Notices from Noteholders*), or (ii) in the case of French Law Notes, 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 or delivery (as applicable) (1) if the Issuer determines, acting in good faith, that there is a material risk of the payment or delivery (as applicable) 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 or delivery (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; or

(ii) 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: (a) in the case of English Law Notes, 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; and (b) in the case of French Law Notes, 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 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:

(i) the Issuer fails to remedy a default in (i) the repayment of any principal due on the Notes of such Series or any of them or (ii) the payment of any interest due in respect of the Notes of such Series or any of them or (iii) the delivery of any security or other asset or the payment of any residual cash amount in connection with such delivery 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 (i) in the case of English Law Notes, any Noteholder in accordance with Condition 12(ii) (*Notices from Noteholders*), or (ii) in the case of French Law Notes, 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 or delivery (as applicable) (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 delivery (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 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 (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 (a) in the case of English Law Notes to which the Alternative Conditions apply, 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; and (b) in the case of French Law Notes to which the Alternative Conditions apply, 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**

The following provisions of this Condition 10 apply to English Law Notes only

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 or Condition 7 (*Payments*).

The following provisions of this Condition 10 apply to French Law Notes only

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. **Replacement, Exchange and Transfer**

This Condition 11 applies to English Law Notes only.

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(ii) (*Payments – Registered Notes*)) for such payment of interest and the date on which such payment of interest falls 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**

The following provisions of this Condition 12 apply to English Law Notes only

(i) ***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); or (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 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).

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.

(ii) ***Notices from Noteholders***

Notices given by any Noteholder shall be in writing and given by lodging the same, together with the 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.

The following provisions of this Condition 12 apply to French Law Notes only

(i) ***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).

(ii) ***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.

13. **Agents and Calculation Agent**

The following provisions of this Condition 13 apply to all Notes other than Alternative Conditions Notes

(i) The names of the initial Agents 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 Agent or Calculation Agent and/or approve any change in the specified office through which any Agent or Calculation Agent acts, **provided that**, so long as any (i) Bearer Notes or French Law Notes (as applicable) 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. In addition, in the case of Bearer Notes, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances in the second paragraph of Condition 7(i) (*Payments – Bearer Notes*).

(ii) 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*).

(iii) 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.

(iv) 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.

The following provisions of this Condition 13 apply to Alternative Conditions Notes only.

(i) The names of the initial Agents 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 Agent or Calculation Agent and/or approve any change in the specified office through which any Agent or Calculation Agent acts, **provided that**, so long as any (i) Bearer Notes or French Law Notes (as applicable) 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. In addition, in the case of Bearer Notes, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances in the second paragraph of Condition 7(i) (*Payments – Bearer Notes*).

(ii) 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*).

(iii) 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.

(iv) 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.

14. **Meetings of Noteholders, Modification and Substitution**

The following provisions of Conditions 14(i) to (iii) apply to English Law Notes only

(i) ***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.

(ii) ***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:

(A) 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;

(B) 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

(C) 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.

(iii) ***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 (except in the case of Alternative Conditions Notes) 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.

The following provisions of Condition 14(iv) to (xv) apply to French Law Notes only

(iv) ***Representation of Noteholders***

The Noteholders will, in respect of all Tranches of the same Series, be grouped automatically for the defence of their common interests in a *Masse* (the "**Masse**") which will be governed by the provisions of Articles L.228-46 *et seq*. of the French *Code de commerce* as amended (except for those Notes with a denomination of less than €100,000 (or its equivalent in any other currency) where the issue is not made outside France in accordance with Article L.228-90 of the French *Code de commerce*) by this Condition 14.

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.

(v) ***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**").

(vi) ***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 (iii) will be notified to the Noteholders in accordance with the provisions of Condition 12 (*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.

(vii) ***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.

The Representative may not be involved in the management of the affairs of the Issuer.

(viii) ***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 12 (*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.

(ix) ***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 12 (*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. The votes cast shall not include votes attaching to Notes in respect of which the holders of the Notes have not taken part in the vote or have abstained or have returned a blank or spoilt ballot paper.

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.

(x) ***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 12 (*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 12 (*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.

(xi) ***Exclusion of certain provisions of the French Code de commerce***

The provisions of Article L.228-65 I 1°, 3° and 4° and Article L.228-65 II 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).

(xii) ***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.

(xiii) ***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 14, 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.

(xiv) ***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 15 (*Further Issues*), shall, for the defence of their respective common interests, be grouped in a single Masse.

(xv) ***Full Masse***

For Notes issued with a denomination of less than €100,000 (or its equivalent in any other currency), this Condition 14 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 14(viii) (*Meetings of Noteholders, Modification and Substitution – 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 14(ix) (*Meetings of Noteholders, Modification and Substitution – 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 14, 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 Conditions Notes

(i) 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:

(A) if an Alternative Pre-nominated Index has been specified in relation to such Relevant Benchmark in the relevant Final Terms:

(1) 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

(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 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

(B) if an Alternative Pre-nominated Index has not been specified in relation to such Relevant Benchmark in the relevant Final Terms or the Issuer manner 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:

(1) 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:

(a) 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

(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 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

(2) follow the steps for determining the relevant rate or level set out in the Relevant Reference Asset Fallback Provisions (if any); or

(3) 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.

(ii) 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.

(iii) 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.

(iv) The Issuer shall promptly following the determination of any replacement for a Relevant Benchmark pursuant to paragraph (i)(A)(1) or (i)(B)(1) above give notice thereof and of any changes pursuant to paragraph (i)(A)(2) or (i)(B)(1)(b) (as applicable) to the Principal Paying Agent, the Calculation Agent and the Noteholders (in accordance with Condition 12 (*Notices*)).

(v) Without prejudice to Condition 17(ii) (*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.

(vi) 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, 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 (other than Italian MTF 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 Condition 13A.

The following provisions of this Condition 13A (Consequences of a Benchmark Trigger Event) apply to Alternative Conditions Notes only

(i) 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:

(A) if an Alternative Pre-nominated Index has been specified in relation to such Relevant Benchmark in the relevant Final Terms:

(1) 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

(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 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

(B) 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:

(1) 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:

(a) 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

(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 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

(2) follow the steps for determining the relevant rate or level set out in the Relevant Reference Asset Fallback Provisions (if any); or

(3) 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 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.

(ii) 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.

(iii) 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.

(iv) The Issuer shall promptly following the determination of any replacement for a Relevant Benchmark pursuant to paragraph (i)(A)(1) or (i)(B)(1) above give notice thereof and of any changes pursuant to paragraph (i)(A)(2) or (i)(B)(1)(b) (as applicable) to the Principal Paying Agent, the Calculation Agent and the Noteholders (in accordance with Condition 12 (*Notices*)).

(v) Without prejudice to Condition 17(ii) (*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.

(vi) 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 Condition 13A.

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 (in the case of Bearer Notes) 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**

(X) ***Consequences of Disrupted Days – Securities and Indices***

(i) For the purposes of this Condition 16(X), "**Limit Valuation Date**" shall mean, if any Scheduled Valuation Date or Scheduled Observation Date (as applicable) in respect of an Underlying which is a Security or an Index 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 16(X)(ii) apply to all Notes other than Alternative Conditions Notes

(ii) 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 Underlying which is a Security or an Index, 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 (i) 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 (ii) the Calculation Agent shall determine:

(1) in respect of an Underlying which is an Index, the level of the Index as of the Valuation Time on the Limit Valuation Date determined:

(a) other than in respect of a Proprietary Index, 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

(b) in respect of a Proprietary Index 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 Underlying which is a Security, 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 a Basket of one or more Securities and/or Indices, the Valuation Date, Decrement Observation Date or Observation Date (as applicable) for each Index or Security (as applicable) 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 Index or Security (as applicable) 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 or Security (as applicable), unless each of the succeeding Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or the Scheduled Observation Date (as applicable), is a Disrupted Day

relating to that Index or Security (as applicable). In that case, (i) the Limit Valuation Date shall be deemed to be the Valuation Date, Decrement Observation Date or Observation Date (as applicable) for the relevant Index or Security (as applicable) notwithstanding the fact that such day is a Disrupted Day relating to that Index or Security (as applicable) and (ii) the Calculation Agent shall determine:

(1) in respect of an Underlying which is an Index, the level of that Index as of the Valuation Time on the Limit Valuation Date determined:

(a) other than in respect of 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

(b) 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

(2) in respect of an Underlying which is a Security, its estimate of the value for that Security as of the Valuation Time on the Limit Valuation Date.

The following provisions of this Condition 16(X)(ii) apply to Alternative Conditions Notes only

(ii) 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 Underlying which is a Security or an Index, 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 (i) 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 (ii) the Calculation Agent shall determine:

(1) in respect of an Underlying which is an Index, the level of the Index as of the Valuation Time on the Limit Valuation Date determined:

(a) other than in respect of a Proprietary Index, 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

(b) in respect of a Proprietary Index 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 Underlying which is a Security, 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 a Basket of one or more Securities and/or Indices, the Valuation Date, Decrement Observation Date or Observation Date (as applicable) for each Index or Security (as applicable) 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 Index or Security (as applicable) 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 or Security (as applicable), unless each of the succeeding Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or the Scheduled Observation Date (as applicable) is a Disrupted Day relating to that Index or Security (as applicable). In that case, (i) the Limit Valuation Date shall be deemed to be the Valuation Date, Decrement Observation Date or Observation Date (as applicable) for the relevant Index or Security (as applicable) notwithstanding the fact that such day is a Disrupted Day relating to that Index or Security (as applicable) and (ii) the Calculation Agent shall determine:

(1) in respect of an Underlying which is an Index, the level of that Index, as of the Valuation Time on the Limit Valuation Date determined:

(a) other than in respect of 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 good faith estimate of the value of the relevant security or other property as of the Valuation Time on the Limit Valuation Date); and

(b) 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

(2) in respect of an Underlying which is a Security, its good faith estimate of the value for that Security as of the Valuation Time on the Limit Valuation Date.

(iii) 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 Underlying which is a Security or an Index:

(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 Security or Index (as applicable), then Condition 16(X)(ii) (*Consequences of Disrupted Days – Securities and Indices*) 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(X)(iv) (*Consequences of Disrupted Days – Securities and Indices*) shall apply as if the relevant Valuation Date had been

postponed to such last Averaging Date in accordance with this Condition 16(X) (*Consequences of Disrupted Days – Securities and Indices*);

(2) "**Postponement**", then Condition 16(X)(ii) (*Consequences of Disrupted Days – Securities and Indices*) 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(X)(iv) (*Consequences of Disrupted Days – Securities and Indices*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 16(X); or

(3) "**Modified Postponement**", then:

(aa) in the case of a Note which relates to a single Underlying which is an Index or a Security (as applicable), 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 Underlying which is an Index, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 16(X)(ii)(A)(1) (*Consequences of Disrupted Days – Securities and Indices*); and

(ii) in respect of an Underlying which is a Security, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 16(X)(ii)(A)(2) (*Consequences of Disrupted Days – Securities and Indices*); and

(bb) in the case of a Note which relates to a Basket of one or more Securities and/or Indices, the Averaging Date for each Index or Security (as applicable) not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date, and the Averaging Date for an Index or Security (as applicable) affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index or Security (as applicable). If the first succeeding Valid Date in relation to such Index or Security (as applicable) 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 Underlying which is an Index, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 16(X)(ii)(B)(1) (*Consequences of Disrupted Days – Securities and Indices*); and

(ii) in respect of an Underlying which is a Security, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 16(X)(ii)(B)(2) (*Consequences of Disrupted Days – Securities and Indices*).

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(X)(v) (*Consequences of Disrupted Days – Securities and Indices*) shall apply as if the relevant Valuation Date had been postponed to such last Averaging Date in accordance with this Condition 16(X).

For the purposes of this Condition 16(X)(iv)(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.

(iv) If a Scheduled Valuation Date or Scheduled Observation Date in respect of an Underlying which is a Security or an Index is postponed (x) in accordance with this Condition 16(X) 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 a Basket, the postponed Valuation Date or postponed Observation Date or postponed Decrement Observation Date or Limit Valuation Date referred to in this paragraph 16(X)(iv) 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.

(v) 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(vi) (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(vi)) 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.

(Y) ***Consequences of Disrupted Days – Funds***

If a Fund Disruption Event occurs in relation to a Fund (but no Fund Event has occurred or is subsisting) on:

(i) any Scheduled Valuation Date or Scheduled Observation Date (as applicable), then the Calculation Agent may, acting in good faith and in a commercially reasonable manner, postpone the relevant Valuation Date, Observation Date or Decrement Observation Date in relation to such relevant Fund Unit until the earlier of (i) the first Fund Valuation Day on which the Calculation Agent determines that any one or more Fund Disruption Events are no longer continuing, or (ii) the corresponding Cut-off Valuation Date. If a Fund Disruption Event continues on such Cut-off Valuation Date, the Calculation Agent shall determine the Fund Unit Value for such Cut-off Valuation Date acting in good faith and in a commercially reasonable manner;

(ii) any Averaging Date, then the Calculation Agent may, acting in good faith and in a commercially reasonable manner, 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**", deem such Averaging Date not to be a relevant Averaging Date for purposes of determining the Reference Value or Closing Value of any Fund Unit or the Final Redemption Amount, Coupon Amount or Autocall Amount, provided that, if through the

operation of this provision no Averaging Date would occur, then Condition 16(Y)(i) will apply for purposes of determining the relevant Fund Unit Value on the final Averaging Date as if such final Averaging Date were the relevant Valuation Date;

(2) "**Postponement**", determine that Condition 16(Y)(i) shall apply for purposes of determining the relevant Fund Unit Value as if such Averaging Date were a relevant Valuation Date 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; or

(3) "**Modified Postponement**", then:

(aa) in the case of a Note which relates to a single Fund, determine that the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the relevant Cut-off Valuation Date then such Cut-off Valuation Date shall be deemed to be the Averaging Date, notwithstanding the fact that a Fund Disruption Event occurs or is continuing on such day (irrespective of whether that Cut-off Valuation Date is already an Averaging Date) and the Calculation Agent shall determine the Fund Unit Value for that Averaging Date in accordance with Condition 16(Y)(i) as if such Averaging Date were a relevant Valuation Date; and

(bb) in the case of a Note which relates to a Basket of Funds, the Averaging Date for each Fund in respect of which no Fund Disruption Event has occurred or is continuing shall be the day specified in the relevant Final Terms as an Averaging Date and the Averaging Date for a Fund affected by the occurrence of a Fund Disruption Event shall be the first succeeding Valid Date in relation to such Fund. If the first succeeding Valid Date in relation to such Fund has not occurred as of the relevant Cut-off Valuation Date, then such Cut-off Valuation Date shall be deemed to be the Averaging Date (irrespective of whether that Cut-off Valuation Date is already an Averaging Date) and the Calculation Agent shall determine the relevant Fund Unit Value for that Averaging Date in accordance with Condition 16(Y)(i) as if such Averaging Date were a relevant Valuation Date in respect of such Fund; or

(iii) notwithstanding (i) and (ii) above, if the Fund Unit Value is not available in a timely fashion on any Fund Valuation Day in respect of such relevant date, the Calculation Agent may, at its discretion acting in good faith, in order to calculate the relevant Fund Unit Value calculate an estimated Fund Unit Value in respect of such Fund Valuation Day and such relevant date.

If any Averaging Date in relation to a Valuation Date occurs after such Valuation Date as a result of the occurrence of a Fund Disruption Event, then (i) (if applicable) the Maturity Date, an Optional Redemption Date (Call Option), an Optional Redemption Date (Put Option), Autocall Redemption Date or other early redemption date, as the case may be, or (ii) the occurrence of an Extraordinary Fund Event, Merger Event or Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were that Valuation Date.

If a Scheduled Valuation Date or Scheduled Observation Date is postponed pursuant to this Condition 16(Y) (*Consequences of Disrupted Days – Funds*), the Scheduled FX Fixing Date in respect of such postponed Valuation Date or postponed Observation Date or postponed Decrement Observation Date (as applicable) shall, in the Calculation Agent's discretion, be postponed to such Valuation Date, Observation Date or Decrement Observation Date (as applicable) as postponed, provided that, if the postponed Scheduled FX Fixing Date would, as a result of this paragraph, occur on a day which is not a Relevant Currency Business Day, it will be postponed to the immediately following Relevant Currency Business Day, and provided further that, the Scheduled FX Fixing Date is subject to Condition 7(v) (*Payments – Price Source Disruption and FX Disruption*).

If a Scheduled Valuation Date or Scheduled Observation Date is postponed in accordance with this Condition 16(Y) (*Consequences of Disrupted Days – Funds*), any Fund Disrupted Day Related Payment Date will also be postponed, if needed, such that the Fund 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 (as applicable) or, if later, the relevant Cut-off 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.

Unless Fund Disruption 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(Y) (*Consequences of Disrupted Days – Funds*) (so that, for the avoidance of doubt, any interest payable in respect of the Notes on a Fund Disrupted Day Related Payment Date which is so postponed shall be calculated as if such Fund Disrupted Day Related Payment Date had not been postponed pursuant to this Condition 16(Y)).

17. **Adjustments to Indices**

This Condition 17 is applicable only in relation to Notes linked to one or more Indices.

(i) ***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.

The following provisions of this Condition 17(ii) apply to Notes other than Alternative Conditions Notes

(ii) ***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.

The following provisions of this Condition 17(ii) apply to Alternative Conditions Notes only

(ii) ***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.

The following provisions of this Condition 17(iii) apply to Notes other than Alternative Conditions Notes

(iii) ***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 (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 Intraday Value, 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.

The following provisions of this Condition 17(iii) apply to Alternative Conditions Notes only

(iii) ***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 (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 Intraday Value, 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.

(iv) ***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**

The following provisions of this Condition 18 apply to Notes other than Alternative Conditions Notes

This Condition 18 is applicable only in relation to Notes linked to one or more Securities.

(i) ***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 Security 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 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).

(ii) ***Extraordinary Events***

Without prejudice to Condition 18(v) (*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 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 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.

(iii) ***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 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.

(iv) ***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.

(v) ***Security Substitution***

(A) 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 Depository 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**").

(B) 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).

(C) The "Initial Value" of the Substitute Security shall be determined in accordance with the following formula:

$$Initial\ Value = Substitute\ Price \times (Affected\ Security\ Price(k) \,/\, Affected\ Security\ Price(j))$$

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.

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.

(D) 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 (C) above as soon as practicable after determining the same.

(E) In the event that (i) the Issuer determines not to substitute the Security in accordance with the provisions of this Condition 18(v), or (b) the Calculation Agent determines that it cannot substitute the Affected Security in accordance with the provisions of this Condition 18(v), the Issuer may make appropriate adjustments or redeem the Notes of the relevant Series in accordance with Condition 18(ii) (*Extraordinary Events*) or Condition 19 (*Additional Disruption Events*), as applicable.

The following provisions of this Condition 18 apply to Alternative Conditions Notes only

This Condition 18 is applicable only in relation to Notes linked to one or more Securities.

(i) ***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 Security 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 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).

(ii) ***Extraordinary Events***

If Extraordinary Events is specified as 'Applicable' in the relevant Final Terms, the following provisions shall apply.

(A) Without prejudice to Condition 18(v) (*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 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.

(B) 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 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 Early Redemption Amount of the Notes.

(iii) ***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 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 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 Early Redemption Amount of the Notes.

(iv) ***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.

(v) ***Security Substitution***

(A) 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 Depository 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 producing 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.

(B) 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).

(C) The "Initial Value" of the Substitute Security shall be determined in accordance with the following formula:

$$Initial\ Value = Substitute\ Price \times (Affected\ Security\ Price(k) / Affected\ Security\ Price(j))$$

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.

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.

(D) 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 (C) above as soon as practicable after determining the same.

(E) In the event that (i) the Issuer determines not to substitute the Security in accordance with the provisions of this Condition 18(v), or (b) the Calculation Agent determines that it cannot substitute the Affected Security in accordance with the provisions of this Condition 18(v), the Issuer may make appropriate adjustments or redeem the Notes of the relevant Series in accordance with Condition 18(ii) (*Extraordinary Events*) or Condition 19 (*Additional Disruption Events*), as applicable.

19. **Additional Disruption Events**

The following provisions of this Condition 19 (Additional Disruption Events) apply to Notes other than Alternative Conditions Notes

Without prejudice to Condition 18(v) (*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 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 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.

The following provisions of this Condition 19 (Additional Disruption Events) apply to Alternative Conditions Notes only

(i) Without prejudice to Condition 18(v) (*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 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 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 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 Early Redemption Amount of the Notes.

20. **Adjustments and Events affecting Funds**

This Condition 20 is applicable only in relation to Notes linked to one or more Funds.

(i) ***Effect of Fund Events***

Following the occurrence of a Fund Event, the Calculation Agent may, acting in good faith and in a commercially reasonable manner, either:

(A) designate a date as an early redemption date (the "**Early Redemption Date**") and the Noteholders will receive the Early Redemption Amount on such designated Early Redemption Date (the "**Original Early Redemption Date**"), **provided that**, if the Calculation Agent determines, in its sole discretion, that a Hypothetical Investor would experience a delay in receiving all of the relevant redemption proceeds assuming it had submitted a timely notice for the redemption of its fund holdings in respect of the Original Early Redemption Date (or any earlier date designated by the Calculation Agent), then the Early Redemption Date shall occur 10 Relevant Financial Centre Days after the earlier of (A) the date on which a Hypothetical Investor would have received all relevant redemption proceeds and (B) the Cut-off Valuation Date; or

(B) make any temporary or permanent adjustments to any of the following:

(1) any relevant Fund (including a substitution of such Fund);

(2) any relevant Fund Unit;

(3) any relevant Fund Unit Values; and/or

(4) any other terms of the Notes as the Calculation Agent determines appropriate,

and it shall determine the time as of which any such adjustments become effective;

(C) in respect of a Merger Event, where consideration for the relevant Fund Units of the relevant Fund consists solely of units of a fund in which the Hypothetical Investor could invest (the "**New Units**"), references to a Fund Unit of the relevant Fund shall be replaced by references to the number of New Units to which a holder of a Fund Unit would be entitled upon consummation of the Merger Event and the New Units and their issuer will be deemed to be the Fund Units and the Fund, respectively, and, if necessary, the Calculation Agent will make adjustments to the relevant Fund Unit Value and/or any other terms of the Notes in such manner as it considers appropriate; or

(D) in respect of any Fund Event occurring or subsisting on a Valuation Date, Observation Date, Decrement Observation Date or Averaging Date (as applicable), the Calculation Agent may determine any amounts payable in respect of such date. In doing so, it may take into account the redemption proceeds (if any) which a Hypothetical Investor would have received by not later than the corresponding Cut-off Valuation Date assuming that it had submitted a timely notice for redemption of all relevant fund holdings in respect of the related Valuation Date.

(ii) ***Early Redemption Amount on Early Redemption by Issuer***

The following provisions of this Condition 20(ii) apply to English Law Notes (other than Alternative Conditions Notes) only

With respect to any Early Redemption Date designated by the Issuer upon the occurrence of a Fund Event, the amount payable on such Early Redemption Date (the "**Early Redemption Amount**") shall be the Fair Market Value of the Notes immediately prior to the date on which such early redemption occurs. When determining the Early Redemption Amount, the Calculation Agent may take into account the redemption proceeds (if any) which a Hypothetical Investor would have received by not later than the Cut-off Valuation Date assuming that it had submitted a timely notice for redemption of all relevant fund holdings in respect of the Original Early Redemption Date (or any earlier date designated by the Calculation Agent).

The definition of each of "Early Redemption Amount" and "Fair Market Value of the Notes" in Condition 1 (*Definitions*) shall be construed accordingly.

The following provisions of this Condition 20(ii) apply to (a) English Law Notes to which the Alternative Conditions apply and (b) French Law Notes

With respect to any Early Redemption Date designated by the Issuer upon the occurrence of a Fund Event, the amount payable on such Early Redemption Date (the "**Early Redemption Amount**") shall be the Early Redemption Amount of the Notes immediately prior to the date on which such early redemption occurs.

21. **Adjustments where the Securities are Units in an ETF**

The following provisions of this Condition 21 apply to Notes other than Alternative Conditions Notes

Where any Underlyings 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 21, "**Affected Unit(s)**" means each Unit subject to an applicable Extraordinary Event.

The following provisions of this Condition 21 apply to Alternative Conditions Notes only

Where any Underlyings 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 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 Early Redemption Amount of the Notes.

In this Condition 21, "**Affected Unit(s)**" means each Unit subject to an applicable Extraordinary Event

22. **Events relating to Notes linked to one or more Depository Receipts**

The following provisions of this Condition 22 apply to Notes other than Alternative Conditions Notes

In relation to each Underlying which is a Depository Receipt, if a Delisting of the Underlying 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 Underlyings 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.

The following provisions of this Condition 22 apply to Alternative Conditions Notes only

In relation to each Underlying which is a Depository Receipt, if a Delisting of the Underlying 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 Underlyings 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 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 Early Redemption Amount of the Notes.

23. **Notes Linked to Units in an ETF – General**

If the relevant Final Terms specify that any Underlyings in relation to a Series of Notes are Units in an ETF, then these Conditions shall apply to the Notes in respect of such Underlying(s) as if references herein to "Underlying Company" were references to the "ETF" and as if references therein to "Security" were references to "Unit".

24. **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.

25. **Agreement with Respect to the Exercise of the Bail-in Power**

The following provisions of this Condition 25 apply to English Law Notes only

(i) ***Recognition of Bail-in***

Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements, or understandings between the Issuer and any Noteholder, by its acquisition of the Notes, each Noteholder (which, for the purposes of this clause, includes each holder of a beneficial interest in the Notes), acknowledges and accepts that the Amounts Due arising under these Notes may be subject to the exercise of Bail-in Powers by the relevant resolution authority (the "**Resolution Authority**"), and acknowledges, accepts, consents and agrees to be bound by:

(A) the effect of the exercise of any Bail-in Power by the Resolution Authority, that may include and result in any of the following, or some combination thereof:

(1) the reduction of all, or a portion, of the Amounts Due;

(2) the conversion of all, or a portion, of the Amounts Due on the 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

(3) the cancellation of the Notes;

(4) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(B) the variation of the terms of the Notes, if necessary, to give effect to the exercise of any Bail-in Power by the Resolution Authority.

(ii) ***Payment of Interest and Other Outstanding Amounts Due***

No repayment or payment of Amounts Due on the Notes, will become due and payable or be paid after the exercise of any Bail-in Power by the Resolution Authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

(iii) ***Default***

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 any Bail-in Power by the Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in Power by the Resolution Authority with respect to the Notes will be an Event of Default or a default for any purpose.

(iv) ***Notice to Noteholders***

Upon the exercise of any Bail-in Power by the Resolution Authority with respect to the Notes, the Issuer will provide a written notice to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable regarding such exercise of any Bail-in Power. The Issuer will also deliver a copy of such notice to the Principal Paying Agent for information purposes. Any delay or failure by the Issuer in delivering any notice referred to in this Condition 25(iv) shall not affect the validity and enforceability of the Bail-in Powers.

For the purposes of this Condition 25:

"**Amounts Due**" are the principal amount, or outstanding principal amount, together with any accrued but unpaid interest, due on the Notes and shall include any obligation to physically deliver any underlying asset pursuant to the Conditions. 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 Bail-in Power by the Resolution Authority; and

"**Bail-in Powers**" means any write down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in France, in relation to the transposition of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms ("**BRRD**") as amended from time to time, including but not limited to the provisions of articles L. 613-55 et seq. of the *Code monétaire et financier* as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which:

(a) any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period); and

(b) any right in a contract governing an obligation of the Issuer may be deemed to have been exercised.

26. **Determinations by the Issuer or its designee in the case of (a) English Law Notes to which the Alternative Conditions apply and (b) French Law Notes**

In the case of (a) English Law Notes to which the Alternative Conditions apply and (b) French Law Notes, notwithstanding any provision of the Conditions or any Final Terms to the contrary (in particular notwithstanding any provision of the Conditions or Final Terms which provides that the Issuer determines or may determine any matter in its sole and absolute discretion), all calculations and determinations made, and any discretion exercised, by the Issuer or the Issuer's designee (for the purposes of Condition 4B(v) (*Interest – Floating Rate Note Provisions – Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR, €STR, SORA or TONA*) pursuant to the Conditions for the purposes of the Notes shall be made acting in good faith and in a commercially reasonable manner.

26A. **Issuer and Issuer's Relevant Persons**

The following provisions of this Condition 26A (Issuer and Issuer's Relevant Persons) apply to Alternative Conditions Notes only

Neither the Issuer nor any of the Issuer's directors, officers, employees, staff members or other auxiliaries ("*hulppersoon"* / "*auxiliaire")* (together, the "**Issuer's Relevant Persons**") will be liable, pursuant to the Belgian civil code, to a Noteholder in tort for any obligations or liabilities arising under or in connection with the Notes, and each Noteholder shall be deemed to have waived the right to bring such claims against the Issuer or the Issuer's Relevant Persons to the fullest extent legally permitted.

27. **Governing Law**

The following provisions of this Condition 27 apply to English Law Notes only

(i) ***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, other than the provisions of Condition 3 (*Status*) which are governed by, and shall be construed in accordance with, French law.

(ii) ***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).

The following provisions of this Condition 27 apply to French Law Notes only

(iii) ***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.

(iv) ***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).

28. **Indicative Amounts**

If the relevant Final Terms provide that the Notes are being offered to the public in circumstances requiring the prior publication of a prospectus under Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"), the relevant Final Terms may specify an indicative amount, an indicative minimum amount, or an indicative maximum amount, or any combination of the foregoing, as applicable, in relation to any Specified Product Value which is not fixed or determined at the commencement of the Offer Period set out in such relevant Final Terms. If so specified in the relevant Final Terms, references in the Conditions to such Specified Product Value shall be construed as the amount, level, percentage,

price, rate or value (as applicable) determined by the Issuer on or after the relevant date specified in the relevant Final Terms, and:

(i) if an indicative minimum amount is provided in the relevant Final Terms, the Specified Product Value will not be less than such indicative minimum amount; or

(ii) if an indicative maximum amount is provided in the relevant Final Terms, the Specified Product Value will not be more than such indicative maximum amount; or

(iii) if both an indicative minimum amount and indicative maximum amount is provided in the relevant Final Terms, the Specified Product Value will not be less than such indicative minimum amount and will not be more than such indicative maximum amount.

Notice of the relevant Specified Product Value will be published following the end of the Offer Period set out in the relevant Final Terms and the relevant amount, level, percentage, price, rate or value (as applicable) specified in such notice will be deemed to be the Specified Product Value.

For these purposes, "**Specified Product Value**" means any amount, level, percentage, price, rate or value which is specified in the Conditions as the amount, level, percentage, price, rate or value (as applicable) to be provided in the relevant Final Terms (or phrases of similar import).

29. **Third party rights**

The following provisions of this Condition 29 apply to English Law Notes only

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

SECTION II.5 – FORM OF FINAL TERMS FOR NOTES

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. In the case of an offering and/or listing of Notes falling outside the scope of the EU Prospectus Regulation, the form of final terms below may be amended.

Final Terms dated: [●]

HSBC Continental Europe
(a société anonyme registered in France)

Legal Entity Identifier (LEI): **F0HUI1NY1AZMJMD8LP67**

Programme for the Issuance of Notes and Warrants

[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

[[***The following option applies in the case of an offering/listing falling within the scope of the EU Prospectus Regulation***]

[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 Notes*" in the Base Prospectus dated 2 June 2026 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 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 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 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 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 2026 Prospectus Expiry Date (as defined below), the Final Terms must be read in conjunction with the Base Prospectus dated 2 June 2026 relating to Notes issued under the above Programme, which together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 but before the 2026 Prospectus Expiry Date constitutes a base prospectus (the "**2026 Prospectus**") for the purposes of the EU Prospectus Regulation. The 2026 Prospectus shall expire on [[•]/[1 June 2027]] (the "**2026 Prospectus Expiry Date**").

Following the 2026 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 2026 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 "**2027 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 Notes*" in the 2026 Prospectus (the "**Conditions**"). The Conditions shall be incorporated by reference into the 2027 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 or if terms and conditions from an earlier offering document are otherwise intended to be used:

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*"]["*Alternative Terms and Conditions of the English Law Notes*"]["*Terms and Conditions of the French Law Notes*"] in the Base Prospectus dated [[30 December 2022] / [28 June 2023] [27 June 2024] [26 June 2025]] which are incorporated by reference in the Base Prospectus dated 2 June 2026 and are applicable to the Notes. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129) (as amended, the "**EU Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 2 June 2026 together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 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 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 2026 Prospectus Expiry Date, the 2026 Prospectus, and (ii) from but excluding the 2026 Prospectus Expiry Date, the 2027 Prospectus. The 2026 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 2027 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].]]

[[***The following option applies in the case of an offering/listing falling outside the scope of the EU Prospectus Regulation***]

[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 Notes*" in the Base Prospectus dated 2 June 2026 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 but before the issue date or listing date of the Notes, whichever is later, to which these Final Terms relate which together constitute the "**Prospectus**".

The Prospectus is not a "prospectus" or a "base prospectus", and this document does not constitute "final terms", for the purposes of Regulation (EU) 2017/1129 (as amended, the "EU Prospectus Regulation"). This document must be read in conjunction with such Prospectus.

[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 Notes*" in the Base Prospectus dated [*insert date*] which are incorporated by reference in the Base Prospectus dated 2 June 2026 and are applicable to the Notes. This document constitutes the Final Terms of the Notes and must be read in conjunction with the Base Prospectus dated 2 June 2026 together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 but before the issue date or listing date of the Notes to which the Final Terms relate, whichever is later, which together constitute the "**Prospectus**".

The Prospectus is not a "prospectus" or a "base prospectus", and this document does not constitute "final terms", for the purposes of Regulation (EU) 2017/1129 (as amended, the "EU Prospectus Regulation"). This document must be read in conjunction with such Prospectus.]

The Alternative Conditions will [not] apply to the Notes.

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 Continental Europe, 38, avenue Kléber, 75116, Paris, France and www.about.hsbc.fr/investor-relations/debt-issuance].]

[**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.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not 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 European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.]

[**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 of the Swiss Financial Services Act of 15 June 2018 (as amended, "**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance of 6 November 2019 (as amended, "**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 fined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.]

1.	Issuer:		HSBC 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] [French law]

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] [[●] per Note] [plus accrued interest from [●]]
7.	(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]
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] [●]] (subject to adjustment in accordance with the Conditions) [Subject to the occurrence of an Early Redemption Date,] [the Maturity Date shall fall on [●] (subject to adjustment in accordance with the Conditions)]
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 Amounts linked to Underlying(s) 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]

[Condition 4C (*Coupon Amounts linked to Underlying(s)*) and (b) (*Payment of Coupon Amounts*) [and] [,] [4C(iv) (*Coupon Recovery Event*)] [and] [4C(v) (*Lock-In Coupon Event*)] applies and "Conditional Fixed Rate Coupon" is the applicable Coupon Amount 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]

(v) Interest Step-up: [Applicable] [Not Applicable]

[Interest Payment Date]	**[Rate of Interest]**
[●]	[●]

(vi) Interest Step-down: [Applicable] [Not Applicable]

[Interest Payment Date]	**[Rate of Interest]**
[●]	[●]

(vii) 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] [Condition 4C (*Coupon Amounts linked to Underlying(s)*) and (b) (*Payment of Coupon Amounts*)] [and] [,] [4C(iv) (*Coupon Recovery Event*)] [and] [4C(v) (*Lock-in Coupon Event*)] applies and "**Conditional Floating Rate Coupon**" is the applicable Coupon Amount 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 (Condition 4B(iii)):	[Applicable] [Not Applicable]
	(1) Reference Rate:	[[●] month] [BBR] [EURIBOR]
	(2) Interest Determination Date:	[●]
	(3) Relevant Screen Page:	[●]
	(4) Alternative Pre-nominated Index:	[●] [*specify Alternative Pre-nominated Index details*] [Not Applicable]
	(5) Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition [13A(vi)] [13A(ii)] (*Consequences of a Benchmark Trigger Event*):	[3] [●]
	(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(vi)] [13A(ii)] (*Consequences of a Benchmark Trigger Event*):	[3] [●]
	• Fewer than minimum number of Reference Banks quoting:	[Applicable] [Not Applicable]
	• Applicable Benchmark	[●] [Not Applicable]
	• Fixing Day:	[●] [Not Applicable]
	• Fixing Time:	[●] [Not Applicable]
	• Any other terms relating to the ISDA Definitions:	[●] [Not Applicable]
	• Alternative Pre-nominated Index:	[●] [*specify Alternative Pre-nominated Index details*] [Not Applicable]

(vi)	ISDA Determination (*Condition* 4B(iv)):		[Applicable] [Not Applicable]
	(1)	ISDA Definitions	[2021 ISDA Definitions]
	(2)	Floating Rate Option:	[[●] / CHF-SARON / EUR-EURIBOR / EUR-EuroSTR / EUR-EuroSTR Compounded Index/ GBP-SONIA / GBP-SONIA Compounded Index/ HKD-HONIA / JPY-TONA / USD-SOFR / USD-SOFR Compounded Index] (*The Floating Rate Option should be selected from one of: CHF-SARON* / *EUR-EURIBOR* / *EUR-EuroSTR* / *EUR-EuroSTR Compounded Index* / *GBP-SONIA* / *GBP-SONIA Compounded Index* / *HKD-HONIA* / *JPY-TONA* / *USD-SOFR* / *USD-SOFR Compounded Index* (*as defined in the ISDA Definitions*). *These are the only options envisaged by the terms and conditions.*)
	(3)	Designated Maturity:	[●]
	(4)	Reset Date:	[[●] /as specified in the ISDA Definitions/ the first day of the relevant Interest Period]
	(5)	Compounding:	[Applicable] [Not applicable]
		(i) Compounding Method:	[Compounding with Lookback Lookback: [●] Applicable Business Days] [Compounding with Observation Period Shift Observation Period Shift: [●] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [●]/[Not applicable]] [Compounding with Lockout Lockout:[●] Lockout Period Business Days Lockout Period Business Days: [●]/Applicable Business Days]
	(6)	Averaging:	[Applicable][Not applicable]
		(i) Averaging Method:	[Averaging with Look back Lookback: [●] Applicable Business Days] [Averaging with Observation Period Shift Observation Period Shift: [●] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [●]/[Not applicable]] [Averaging with Lockout Lockout: [●] Lockout Period Business Days

			Lockout Period Business Days: [●]/Applicable Business Days]
	(7)	Index Provisions:	[Applicable][Not applicable]
		(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(v)):		[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*]
	(4)	Determination Method:	[Compounded Daily Rate][Weighted Average Rate]
	(5)	Observation Method:	[Observation Shift][Lag][Lock-Out][Payment Delay]
	(6)	Y:	[360 – *likely to be specified for USD*][365 -*likely to be specified for GBP*][●]
	(7)	"p":	[*Specify if Observation Shift or Lag are applicable*][Not Applicable]
	(8)	ARRC Fallbacks:	[Applicable][Not Applicable] – *May be applicable if SOFR is the Reference Rate only*
	(9)	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]

(10) 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]

14. Coupon Amounts linked to Underlying(s): [Applicable] [Not Applicable]

(i) Coupon Amount: [Conditional Digital Coupon] [Performance Coupon] [Conditional Fixed Rate Coupon] [Conditional Floating Rate Coupon]

(ii) Coupon Cap (in respect of each Coupon Valuation Date): [[●] per cent.] [Unlimited] [Not Applicable]

(iii) Coupon Floor (in respect of each Coupon Valuation Date): [[●] per cent.] [Zero] [Not Applicable]

(iv) Coupon Strike Level (in respect of each Coupon Valuation Date): [[100][●] per cent.] [Not Applicable]

(v) Coupon Restrike Value (in respect of each Coupon Valuation Date): [Applicable] [Not Applicable]

(vi) *in fine*: [Applicable] [Not Applicable]

- [Coupon Payment Date: [●] [Maturity Date [(subject to adjustment in accordance with the Conditions)]]]
- [Global Coupon Floor: [[●] per cent.] [Zero] [Not Applicable]]

(vii) Coupon Recovery Event: [Applicable] [Not Applicable]

[Coupon Valuation Date]	**[Coupon Level]**	**[Coupon Payment Date]**	**[Coupon Rate]**	**[Coupon Participation]**
[●]	[●]	[●]	[●]	[●]

(viii) Reference Value (in respect of each Coupon Valuation Date): [Closing Value][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]]

(ix) 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]

(x) Lock-In Coupon Event: [Applicable] [Not Applicable]

[Lock-In Coupon Valuation Date(s)]	[Lock-In Coupon Level]
[●]	[●]

(xi) Reference Value (in respect of each Lock-In Coupon Valuation Date): [Closing Value][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]]

(xii) 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 Digital Redemption] [Protected Growth Redemption] [Protected Knock-Out Growth Redemption] [Protected Bear Redemption] [Protected Knock-Out Bear Redemption] [Partial Protection Redemption] [Geared Buffer Redemption] [Booster Redemption] [Booster with Geared Buffer Redemption] [Digital with Buffer Redemption] [Digital with Geared Buffer Redemption] [Digital Growth with Geared Buffer Redemption] [Protected Step-Down Growth Redemption] [Protected Step-Down Bear Redemption] [Straddle with Barrier Redemption] [Straddle with Geared Buffer Redemption] [Protected Knock-Out Straddle Redemption] [Star Barrier Redemption] [- In addition, Lock-In Redemption Event is applicable with respect to the Notes, and the provisions of Condition 5(iii) (*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):] [Closing Value][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 Period Start Date:	[●] [Not Applicable]
	Barrier Valuation Period End Date:	[●] [Not Applicable]

[Barrier Valuation Date(s)]
[●]

	[Reference Value (in respect of each Barrier Valuation Date)]:	[Closing Value] [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 Barrier Averaging Dates: [●] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]

(iii) Lock-In Redemption Event: [Applicable][Not Applicable]

[Lock-In Redemption Valuation Date(s)]	[Lock-In Redemption Level]	[Lock-In Redemption Rate]
[●]	[●]	[●]

[Reference Value]: [Closing Value][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 Lock-In Redemption Averaging Dates:	[●] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]
(iv)	Return Threshold:	[[100][●] per cent.] [The Autocall Level determined by the Calculation Agent in respect of the last Autocall Valuation Date] [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)	Star Performance:	[Best of Basket] [Weighted Basket] [Not Applicable]
(xvi)	Star Barrier Level:	[[100][●] per cent.] [Not Applicable]
(xvii)	Specified Redemption Rate:	[[100][●] per cent.] [Not Applicable]
(xviii)	Physical Delivery:	[Applicable] [Not Applicable] [*N.B. If the Notes are listed on MOT, EuroTLX or SeDeX markets of Borsa Italiana S.p.A., note that the underlying assets must be capable of being cleared via the same clearing systems of the Notes*]
(xix)	[Settlement Date]:	[●] [As per Condition 1]

17. Early Redemption:

(i)	Early Redemption Amount (upon redemption for taxation reasons or illegality): (*Condition 5(iv) (Redemption and Purchase – Redemption for Taxation Reasons) or* 5(vii) (*Redemption and Purchase –*	[[●][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]

		Early Redemption for Illegality)	
	(ii)	Early Redemption Amount following an Event of Default: (Condition 9 (*Events of Default*))	[[●] per cent. of the Calculation Amount] [Fair Market Value]
	(iii)	Redemption following FX Disruption Event (Condition 7(v)(Y) (*Payments – Price Source Disruption and FX Disruption*))	[Applicable] [Not Applicable]
	(iv)	Early Redemption Amount following FX Disruption Event or Benchmark Trigger Event: (Condition 7(v)(Y) (*Payments – Price Source Disruption and FX Disruption*) *or* 13A (*Consequences of a Benchmark Trigger Event*))	[[●] per cent. of the Calculation Amount] [Fair Market Value][Not Applicable]
		Interest Adjustment	[Applicable] [Not Applicable]
	(v)	[Early Redemption Amount following Fund Event: (Condition 20(ii) (*Adjustments and Events affecting Funds – Early Redemption Amount on Early Redemption by Issuer*) of the (a) English Law Notes to which the Alternative Conditions apply and (b) French Law Notes)	[[●][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)	[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]]
	(vii)	[Monetisation Option:	[Applicable] [Not applicable]]
	(viii)	Other redemption provisions:	[*Specify*] [Not applicable]
18.	Autocall Event:		[*Option available unless Memory Knock-Out applies*: Applicable – an Autocall Event occurs if the Reference Performance is [**greater than or equal to**][**greater than**] the relevant Autocall Level] [*Option available only if Worst of Basket and Memory Knock-Out applies*: Applicable – an Autocall Event occurs if the Performance of each Underlying has been, or is, [**greater than or equal to**][**greater than**] the relevant Autocall Level]

[Not Applicable]

Memory Knock-Out: [Applicable] [Not Applicable]

[Autocall Valuation Date(s)]	**[Autocall Level(s)]**	**[Autocall Redemption Date(s)]**	**[Autocall Rate(s)]**
[●]	[●]	[●]	[●]
[●]	[●] [Floored Restrike Level]	[●]	[●]

Autocall Floor: [[●] per cent.] [Not Applicable]

Daily Autocall Observation: [Applicable] [Not Applicable]

[Autocall Valuation Period Start Date]	**[Autocall Level]**	**[Autocall Annual Rate]**	**[Autocall Rate Accrual Start Date]**	**[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)]: [Closing Value][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(vi) 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 6 (*Taxation*))	[Condition 6(i) (*Taxation – Gross-up*) is applicable] [Condition 6(ii) (*Taxation – No gross-up*) is applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes:	*(The following elections apply in respect of English Law Notes:)* [Bearer Notes] [Registered Notes] *(The following applies in respect of French Law 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] *(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]
23.		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)*]
24.		If issued in registered form:	[Applicable; the Notes will initially be represented by a Regulation S Global Registered Note] [Not Applicable] *(select Not Applicable and delete (i) below in case of French Law Notes)*
	(i)	Regulation S Global Registered Note exchangeable at the option of the Issuer in circumstances where the Issuer would suffer a material disadvantage following a change of law or regulation:	[Yes] [No. Paragraph (d) of the Regulation S Global Registered Note does not apply. The Issuer may not elect to exchange a Regulation S Global Registered Note for Regulation S Definitive Registered Notes in the circumstances described in paragraph (d) of the Regulation S Global Registered Note]
25.		[*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:	[●]

26. Payments:

(i)	Relevant Financial Centre Day:	[●]
(ii)	Business Centre(s):	[●]
(iii)	Payment of Alternative Payment Currency Equivalent:	[Applicable] [Not Applicable]
	• Cross Currency:	[●]
	• Cross Currency Jurisdiction:	[●]
	• Settlement Currency Jurisdiction:	[●]
	• Alternative Payment Currency:	[●]
	• Alternative Payment Currency Jurisdiction:	[●]
	• Alternative Payment Currency Fixing Page:	[●]
	• Alternative Payment Currency Fixing Time:	[●]
	• Alternative Payment Currency Fixing Date:	[●] [Condition 1 (*Definitions*) applies] [The relevant [jurisdictions/places] for the purposes of the Alternative Payment Currency Fixing Date are [●]]
	• 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(iii)] [13A(ii)] (*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	[3] [●]

purpose of postponing Related Payment Dates pursuant to Condition [7(vi)] [7(v)] (*Payments – Price Source Disruption and FX Disruption*):

- Dealer Poll: [Applicable] [Not Applicable]
- Unscheduled Holiday and Deferral Period: The number of Relevant Currency Business Days for the purpose of the definition of Unscheduled Holiday in Condition 1 (*Definitions*) is [●] [and the number of calendar days for the purposes of the Deferral Period is [●] [as per Condition 1 (*Definitions*)]]
- • Interest Adjustment [Applicable] [Not Applicable]

(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 [●] (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**")] [*if mixed basket:* and [the][each] Security specified at paragraph 29 below]

[The Index is a Proprietary Index][[*specify relevant Indices in a basket*] are Proprietary Indices][1]

[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.

(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):]	[Closing Value][Highest Value][Lowest Value][Average Value]
	[If Highest/Lowest Level is specified]	
	[Observation Dates:	[●][Not Applicable][Performance Observation Period applies]]
	[Strike Observation Start Date:	[●][Not Applicable]]
	[Strike Observation End Date:	[●][Not Applicable]]
	[If Average Level is specified]	
	[Averaging Dates:	[●] [Averaging Period applies][Not Applicable]]
	[Strike Averaging Start Date:	[●][Not Applicable]]
	[Strike Averaging End Date:	[●][Not Applicable]]
	[Averaging Date Market Disruption in respect of [Strike] Averaging Dates:	[●] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]
(ix)	Alternative Pre-nominated Index:	[Applicable] [Not Applicable] [As per the table below]

[Index]	**[Bloomberg Ticker]**	**[Alternative Pre-nominated Index**	**[Index Rules]**	**[Index Sponsor]**	**[Exchanges]**	**[Related Exchanges]**	**[Initial Value]**	**[Weighting]**
[●]	[●]	[●]	[●]	[●]	[●] [The Index is a Multiple Exchange Index] [Not	[●] [All Exchanges] [Not applicable (the Index is a	[●]	[●]

					applicable (the Index is a Proprietary Index)]	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]

[*n.b. Hedging Disruption and Increased Cost of Hedging may not be selected for Alternative Conditions Notes*]

(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(vi)] [13A(ii)] (*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]

[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**")] [*if mixed basket:* and [the][each] Index specified at paragraph 28 above]

["**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)]: [Closing Value][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]]

[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]**

(viii) Potential Adjustment Event: Condition [18(i)] [17(i)] 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(ii)] [17(ii)] is [Applicable] [Not Applicable]
(x)	Conversion: (for Notes relating to Government Bonds and debt securities only)	Condition [18(iii)] [17(iii)] is [Applicable] [Not Applicable]
(xi)	Correction of Prices:	Condition [18(iv)] [17(iv)] is [Applicable] [Not Applicable]
(xii)	Additional Disruption Event:	[The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Cost of Stock Borrow] [Loss of Stock Borrow]] [Insolvency Filing] [Not Applicable] [*n.b. Hedging Disruption and Increased Cost of Hedging may not be selected for Alternative Conditions Notes*]
(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]

[Security]	**[Contractual Dividend]**	**[Day Count Divisor]**	**[Re-Investment Percentage]**
[●]	[●]	[360] [365] [●]	[[100] [●] per cent.]

(xv)	[Initial Stock Loan Rate:]	[●]
(xvi)	[Maximum Stock Loan Rate:]	[●]

30.	Provisions relating to the underlying Fund[s]:	[Applicable] [Not Applicable]
(i)	[Fund][Basket]:	[The Fund (the "**Fund**") is: [[●] (ISIN:[●])]]

		[Each of the funds specified in the table below (each a "**Fund**" and together the "**Funds**").]
(ii)	[Listing of the Fund[s]:]	[●]
(iii)	[Authorisation of the Fund[s]:]	[●]
(iv)	Reference Performance:	[Single Underlying][Worst of Basket][Best of Basket][Weighted Basket][Not Applicable]
(v)	Weighting:	[Equally weighted basket][As per the table below][Not Applicable – [Worst of Basket][Best of Basket] applies][Not Applicable]
(vi)	[Initial Value]:	[●] [The Reference Value with respect to [the][each] Fund determined with respect to the Strike Date][As per the table below.]
	[Strike Date:]	[●]
	[Reference Value (in respect of the Strike Date)]:	[Closing Value][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]]
	[Averaging Date Market Disruption in respect of [Strike] Averaging Dates:	[●] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]
(vii)	Cut-off Valuation Date:	[For the purposes of a[n] [Valuation Date] [Decrement Observation Date] [Observation Date] [Valid Date],] [180]/[●] [Fund Valuation Days] [For the purposes of early redemption, [180]/[●] calendar days]

[Fund]	**[ISIN]**	**[Initial Value]**	**[Weighting]**

(viii)	Additional Disruption Event:	[The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]] [Not Applicable] [*n.b. Hedging Disruption and Increased Cost of Hedging may not be selected for Alternative Conditions Notes*]

(ix) 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]

[Fund]	**[Contractual Dividend]**	**[Day Count Divisor]**	**[Re-Investment Percentage]**
[●]	[●]	[360] [365] [●]	[[100][●] per cent.]

(x) Fund Disruption Interest Adjustment: [Applicable] [Not Applicable]

31. 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 [Fund] Disrupted Day Related Payment Dates pursuant to Condition [16 / 15]: [3] [●]

32. Valuation Time: [●] [The definition in Condition 1 applies] [Not Applicable]

33. 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.*]

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 Notes to listing on [the Official List of Euronext Dublin] [and] [the official list of Borsa Italiana S.p.A.] [and] [the official list of the Luxembourg Stock Exchange] [*specify other*]. 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 Euronext Dublin] [and] [the Electronic Bond Market, being the regulated market of Borsa Italiana S.p.A. ("**MOT**")] [and] [the multilateral trading facility Securities Derivative Exchange managed by Borsa Italiana S.p.A.] [and] [the multilateral trading facility EuroTLX (on its segment for securitised derivatives Cert-X) managed by Borsa Italiana S.p.A.] [and] [the regulated market of the Luxembourg Stock Exchange]] [*specify other*]. 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][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 Financing Framework][Specify other].]
(ii)	Estimated net proceeds:	[●]
(iii)	Estimated total expenses:	[●]

4. [**INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[The Notes may be on-sold by the Dealer(s) to the Initial Authorised Offerors at a discount to the Issue Price of [up to] [●%]. Such discount (the "**re-offer spread**") will be retained by the Initial Authorised Offerors.] [Save for any [[fees payable]/[and]/[discount to the Issue Price offered] to the [Dealer(s)/distributor(s) in respect of the Notes [as of (or around the Issue Date)] (the "**Distributors**")/[*specify other*]], [and][S/s]ave for the re-offer spread retained by the Initial Authorised Offerors], no person involved in the issue of the Notes has, so far as the Issuer is aware, an interest material to the [issue/offer]. The [Dealer(s)/Distributor(s)/[*specify other*]] and their affiliates have

engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] /

[Save for any [[fees payable]/[and]/[discount to the Issue Price offered] to the [Dealer(s)/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][SONIA][SOFR][€STR][SORA][TONA] 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 Basket] [Security] [Securities comprised in the Basket] [[Index][Indices] and [Security][Securities] comprised in the Basket] [Fund] [Funds comprised in the 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] [Currency Pair Exchange Rate[s]] 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 [https://www.about.hsbc.fr/investor-relations/debt-issuance] other than pursuant to Article 1(4) of the EU Prospectus Regulation in [[the Republic of Ireland] [the Kingdom of Belgium] [France] [Italy]] [Luxembourg] [the Netherlands] (the "**Public Offer Jurisdiction**") [●][during the period from [(and including)][(but excluding)] [●] until [(and including)][(but excluding)] [●]] (the "**Offer Period**").] [●]
	(ii)	Conditions attached to the consent to use the Prospectus:	[●] [Not Applicable]]
	(iii)	General Consent	[Applicable] [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] [and] [Clearstream, Luxembourg] [Euroclear France] *(Select Euroclear France for French Law Notes)*
22.	Central Depositary		[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 Depositary:	[●] [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 rates and description of the main terms of their commitment:	[●] [Not Applicable]]

BENCHMARKS

43.	Details of benchmarks administrators and registration under EU Benchmarks Regulation:	[[*specify benchmark*] is provided by [*administrator legal name*]. As at the date hereof, [*administrator legal name*] [appears]/[does not appear] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. [As far as the Issuer is aware, as at the date hereof, [*administrator legal name*] has applied for [endorsement/recognition] under the EU Benchmarks Regulation[, and is currently permitted to provide [*specify benchmark*]]] / [As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of the EU Benchmarks Regulation] / [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*

The Issuer 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 an index (an "**Index**) or a security (a "**Security**") or a basket comprising one or more indices ("**Indices**") and/or one or more securities ("**Securities**") or one or more funds ("**Funds**") to which the Warrant is linked and the relevant Cash Settlement Amount provision. In this section, an "**Underlying**" shall mean an Index, Security or Fund, as the case may be, and a "**Basket**" shall mean a basket comprising one or more Indices together with one or more Securities, or a basket comprising one or more Funds.

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 400 to 403**
Closing Value	Pages 401 to 401
Highest Value	Pages 401 to 402
Lowest Value	Pages 402 to 403
Average Value	Pages 403 to 403
Ascertaining the Performance of the Underlying (for each Underlying in the Basket)	**Pages 404 to 407**
Determining the Performance of the Underlying	Pages 404 to 404
Determining Reference Performance	Pages 404 to 407
• Reference Performance – single Underlying	Pages 405 to 405
• Reference Performance – Worst of Basket	Pages 405 to 406
• Reference Performance – Weighted Basket	Pages 406 to 407

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:**
Cash Settlement Amount provisions	**Pages 407 to 412**
Call Warrants	Pages 407 to 408
Call Spread Warrants	Pages 408 to 409
Put Warrants	Pages 409 to 410
Put Spread Warrants	Pages 411 to 412

(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 "**Closing Value**" 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 or a Proprietary Index, the level of the Index determined by the calculation agent or (ii) in the case of an Underlying which is a Multiple Exchange Index or a Proprietary Index, the level of the Index as calculated by an index sponsor, in each case at as of a particular valuation time on a particular valuation date;

  - 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; and

  - the Reference Value of an Underlying which is a Fund with respect to the relevant date for determination shall be the net asset value per share in respect of the Fund in the relevant (or related) share classes,

  in each case, the "**Closing Value**".

Closing Value worked example:

The hypothetical scenario

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

- An investor purchases a Warrant linked to the Carmignac Patrimoine Fund (CARMPAT FP).
- "Closing 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 net asset value of the Carmignac Patrimoine Fund (CARMPAT FP) on 30 June 2025 is EUR 180.

What is the Reference Value?

The Reference Value of the Carmignac Patrimoine Fund (CARMPAT FP) will be the net asset value of the Carmignac Patrimoine Fund (CARMPAT FP) *on* the Valuation Date.

The net asset value of the Carmignac Patrimoine Fund (CARMPAT FP) on 30 June is EUR 180, thus the Reference Value will be EUR 180.

- 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 the Performance of the Underlying

In order to ascertain the relevant Reference Performance, the Calculation Agent must first determine the "**Performance**" of the Underlying or, in respect of each Underlying in a Basket. The 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.

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 Performance of the Underlying (FTSE®100 Index)?

In order to determine the 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 divided by 5,800 = 106.89%

Thus, the 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 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 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 Performance of that Underlying;
- where the Warrants relate to a Basket in respect of which "Worst of Basket" is specified to apply, the 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 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 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.
- "Closing Value" 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 "Closing Value" valuation method.

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

In order to determine the 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 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 Performance and thus, the Reference Performance is 96%.

- Where "**Worst of Basket**" is specified as applicable with respect to a Basket and the 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 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.
- "Closing Value" 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 "Closing Value" valuation method.
  - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Closing Value" valuation method.

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

In order to determine which is the worst performing Underlying, the 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 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 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 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.
- "Closing Value" 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 "Closing Value" valuation method.
  - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Closing Value" valuation method.

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

The 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 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 Performances of each Underlying: [(50% × 102%) = 51%] + [(50% × 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:

Max[0; Final Performance - 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.
- "Closing Value" 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 "Closing Value" 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.

Max[0; Final Performance - 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:

Min[Cap; Max(0; Final Performance - 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.
- "Closing Value" 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 "Closing Value" 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.

Min[Cap; Max(0; Final Performance - 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:

Max[0; Strike Level - 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.

Max[0; Strike Level - 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**

Put Spread Warrants

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:

Min[Cap; Max(0; Strike Level - 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.
- "Closing Value" 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 "Closing Value" valuation method.
  - The Reference Value of the S&P 500® Index is 2,500, as determined by the Calculation Agent using the "Closing Value" 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 Performance of each Underlying in the Basket and the Reference Performance of the Basket?***

The 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 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 Performances of each Underlying: [(75% × 102%) = 76.50%] + [(25% × 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.

Min[Cap; Max(0; Strike Level - Final Performance)]

- 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:

(i) an "**Exempt Offer**" in accordance with the Market Rulebook of the Financial Services Regulatory Authority (the "**FSRA**");

(ii) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Rulebook of the FSRA; and

(iii) made only in circumstances in which the "Financial Promotion Restriction" set out in section 18(1) of the Financial Services and Markets Regulations 2015 does not apply.

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:

(i) an "**Exempt Offer**" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "**DFSA**") rulebook; and

(ii) 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 Warrants specify "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", such Warrants which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms in relation thereto, may not be offered, sold otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision:

(i) 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

(ii) 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

If the Final Terms in respect of any Warrants specify "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to such Warrants which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms in relation thereto, an offer of Warrants to the public may not be made in a Member State of the European Economic Area (an "**EEA Member State**") except that an offer of such Warrants may be made to the public in that EEA Member State:

(i) *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;

(ii) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(iii) *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

(iv) *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

(i) *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 in accordance with Article 3.1 of Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") will only be made in the period beginning on the date of notification of the Base Prospectus which has been approved by the competent authority of a Member State of the EEA 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

(ii) *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:

(i) 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;

(ii) 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

(iii) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

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:

(i) 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

(ii) 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

(iii) 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

(iv) 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 in respect of entering or offering to enter into an agreement the making or performance of which by either party constitutes (i) the carrying on of a regulated activity; (ii) a restricted activity; or (iii) exercising any rights conferred by a controlled investment to acquire, dispose of, underwrite or convert a controlled investment (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), (1A) or (1B) of the FSA19 does not apply to the Issuer.

All applicable provisions of the FSA19 and the Financial Services (Restricted Promotions) Regulations 2025 (as amended or re-enacted) (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 or from 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 or (vi) to persons licensed under the Lending, Credit and Finance (Bailiwick of Guernsey) Law, 2022.

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 ("**COBO**") has been obtained in relation to the circulation in Jersey of any offer of Warrants. Accordingly, Warrants may not be offered to any person in Jersey who is a "retail investor", as defined in COBO.

Kingdom of Bahrain

The Warrants have not been and may not be offered or sold except on a private placement basis to persons in the Kingdom of Bahrain who are "**accredited investors**".

For this purpose, an "**accredited investor**" means:

(i) 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;

(ii) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.$1,000,000;

(iii) 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

(iv) 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 (Legislative Decree 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 73,529 (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.

Portugal

An offer of Warrants to the public in Portugal can only be made in compliance with the Portuguese Securities Code (*Código dos Valores Mobiliários, approved by Decreto-Lei n.° n.° 486/99, de 13 de novembro*, as amended – "**Portuguese Securities Code**") and the applicable laws, regulations and procedures in Portugal and formalities required by Portuguese laws and regulations to permit the offering and sale of Warrants in Portugal, including any related documents or marketing materials. For the purposes of this provision, the expression "the public in Portugal" does not include professional investors as defined in Article 30(1) of the Portuguese Securities Code.

The Warrants are not intended to be offered, sold or otherwise made available to any retail investor in Portugal where the issuance or marketing of such Warrants are subject to the supervision of the Portuguese Securities Market Commission (the "**CMVM**") and to CMVM Regulation 8/2018. Consequently, the requirements of the CMVM Regulation 8/2018 in respect of Packaged Retail Investment Products have not been met and therefore offering or selling the Warrants in or into Portugal may not be permitted without complying with the requirements set out in the CMVM Regulation 8/2018 and other applicable laws and regulations in Portugal.

For these purposes, a retail investor means a person who is a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**").

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), Directive 2014/65/EU (as amended, including by Directive (EU) 2024/790) and Regulation (EU) No 600/2014 (as amended, including by Regulation (EU) 2024/791), 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 (as amended, including by Regulation (EU) 2024/2809) or any delegated or implementing acts adopted thereunder, the European Union (Prospectus) Regulations 2019 of Ireland (as amended), the Companies Act 2014 (as amended), the Central Bank (Investment Market Conduct) Rules 2019 (as amended) and any rules issued under Section 1363 of the Companies Act 2014 (as amended) by the Central Bank of Ireland; and

(d) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Warrants, otherwise than in conformity with the provisions of the European Union (Market Abuse) Regulations 2016 (as amended), Regulation (EU) No 596/2014 of the European Parliament (as amended, including by Regulation (EU) 2024/2809) 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.

Switzerland

The Warrants are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority FINMA ("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 of 15 June 2018 (as amended, "**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance of 6 November 2019 (as amended, "**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 or into 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 or into Switzerland is exempt from the requirement to prepare and publish a prospectus under FinSA.

Professional Clients in terms of FinSA specifically include:

(i) Swiss regulated financial intermediaries such as banks, securities firms, fund management companies, asset managers of collective assets, portfolio managers, or trustees;

(ii) Swiss regulated insurance companies;

(iii) 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;

(iv) central banks;

(v) public entities with professional treasury operations;

(vi) occupational pension schemes and other institutions whose purpose is to serve occupational pensions with professional treasury operations;

(vii) companies with professional treasury operations;

(viii) large companies; and

(ix) 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 specify "Prohibition of Sales to UK Retail Investors" as "Not Applicable", such Warrants which are the subject of this Base Prospectus, as completed by the Final Terms in relation thereto, may not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is either one (or both) of the following:

  (i) not 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

  (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; 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 buy or subscribe for the Warrants.

Public Offer Selling Restriction Under the POATRs

If the Final Terms in respect of any Warrants specify "Prohibition of Sales to UK Retail Investors" as "Not Applicable", then in relation to such Warrants which are the subject of this Base Prospectus, as completed by the Final Terms in relation thereto, an offer of Warrants to the public may not be made in the United Kingdom except:

(A) *Qualified investors:* at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(B) *Fewer than 150 offerees:* at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) 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 Part 1 of Schedule 1 to the POATRs.

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 buy or subscribe for the Warrants and the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

(i) 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.

(ii) 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 Super intendency 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 and which are completed by the Final Terms for each issue of 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 22 May 2026 ((as amended, supplemented and/or restated 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 22 May 2026 (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 22 May 2026 (as further amended, supplemented and/or restated 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, Increased Cost of Stock Borrow, Loss of Stock Borrow and/or Insolvency Filing, as are specified as such in the relevant Final Terms, provided that Increased Cost of Stock Borrow or Loss of Stock Borrow may only apply in respect of Warrants linked to Securities and that Insolvency Filing may not apply to Warrants linked to one or more Fund(s);

"**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 Underlyings which are Securities, an exchange or quotation system on which the Underlyings 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(vii) (*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:

(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); or

(ii) if Averaging Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, (x) in respect of a Warrant which relates to a single Underlying, each Scheduled Trading Day in the Averaging Period or (y) in respect of a Warrant which relates to a Basket, each day during the Averaging Period which is a Scheduled Trading Day in respect of all Underlyings in the Basket,

in each case, 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, (i) the basket of Indices; (ii) the basket of Securities; or (iii) the basket comprising one or more Indices and one or more Securities; or (iv) the basket of Funds,

in each case to which such Warrants relate and as specified in the relevant Final Terms, subject (as applicable) to adjustment pursuant to Condition 18 (*Adjustment to Indices*), Condition 19 (*Adjustments and Events affecting Securities*), Condition 20 (*Adjustments and Events affecting Funds*), Condition 21 (*Additional Disruption Events*), Condition 22 (*Adjustments where the Securities are Units in an ETF*) and 23 (*Events relating to Warrants linked to one or more Depository Receipts*);

"**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 or Fund Units (as applicable) 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, Clearstream, Luxembourg and/or any other clearing system specified in the relevant Final Terms 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;

"**Clearing System Business Day**" means, in relation to an Underlying which is a Security, 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, in respect of a Valuation Date, Averaging Date or Observation Date (as applicable) and an Underlying which is:

(i) 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 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 such date (in each case, the "**Closing Level**");

(ii) a Security, the price of such Security as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such date (the "**Closing Price**"); and

(iii) a Fund, the Fund Unit Value determined by the Calculation Agent in respect of such date;

"**Component**" means, with respect to an Underlying which is an Index, each component comprised in that Index;

"**Conversion**" means, in respect of any Underlyings which are 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;

"**Cut-off Valuation Date**" means, in respect of:

(i) a Valuation Date, Observation Date or Valid Date (as applicable), 180 Fund Valuation Days following such Valuation Date, Observation Date or Valid Date (as applicable), or such other number of Fund Valuation Days specified in the relevant Final Terms; or

(ii) an Original Early Redemption Date or such other date designated for early redemption, 180 calendar days following such date or such other number of calendar days specified in the relevant Final Terms;

"**Deferral Period**" has the meaning ascribed thereto in Condition 5(vii) (*Exercise Procedure – Price Source Disruption and FX Disruption*);

"**Delisting**" means, in respect of an Underlying which is a Security, (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 23 (*Events relating to Warrants linked to one or more Depository Receipts*);

"**Disrupted Day**" means:

(i) in respect of an Underlying which is an Index:

(A) other than a Multiple Exchange Index or a Proprietary Index, 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) which is 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) which is 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;

(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; and

(iii) in respect of an Underlying which is a Fund, any Scheduled Trading Day in respect of which a Fund Disruption Event has occurred or is continuing;

"**Disrupted Day Related Payment Date**" means any payment date on the Warrants on which the amount payable is calculated by reference to the price(s) and/or level(s) (as applicable) of an Underlying (which is a Security or an Index) or a Basket (of Securities and/or Indices) determined in respect of the related Valuation Date or Limit Valuation Date;

"**Early Closure**" means:

(a) in respect of an Underlying which is a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index), the closure on any Exchange Business Day of the relevant Exchange (in the case of an Underlying which is a Security) or any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index) 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) in respect of an Underlying which is a Multiple Exchange Index, 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 Underlying; or

(v) any change in the currency in which some or all of the securities or other property comprising any Index is denominated;

"**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 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, with respect to an Underlying which is:

(i) 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

(ii) a Multiple Exchange Index, the principal exchange on which each relevant Component of such Multiple Exchange Index 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 with respect to an Underlying which is a Security, 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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index) 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

(ii) 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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary 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 (i) to effect transactions in, or obtain market values for the Underlyings on the Exchange (in the case of an Underlying which is a Security) or on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index), or (ii) to effect transactions in, or obtain market values for, future or options contracts relating to the relevant Underlying (in the case of a Security) or the relevant Index (in the case of Index-Linked Warrants) on any relevant Related Exchange; or

(ii) 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 such 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(i) (*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(iv) (*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(i) (*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(vii) (*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(vii) (*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, with respect to an Underlying which is a Security, 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, with respect to an Underlying which is a Security, (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;

"**Extraordinary Fund Event**" means, in respect of a Fund, the occurrence or existence of any of the following on or prior to the Final Valuation Date, as determined by the Calculation Agent:

(i) any breach or violation of the provisions of the Fund Prospectus or any other relevant fund document including, but not limited to: the constitutive and governing documents of the relevant Fund, the subscription agreements and other agreements of the relevant Fund, any (verbal or written) agreement with respect to the Fund entered into by the Issuer with the Fund and/or any of its service providers, any strategy or investment guidelines, and any agreement entered into by the relevant Fund and/or its service providers that is reasonably likely to affect the relevant Fund;

(ii) (i) the non-execution or partial execution by such Fund for any reason of a subscription or redemption order in respect of any units in that Fund given by a Hypothetical Investor (whether or not in accordance with the relevant Fund Prospectus), (ii) the Fund suspends or refuses transfers of any of its units (including, without limitation, if the Fund applies any gating, deferral, suspension or other similar provisions permitting the Fund to delay or refuse redemption or transfer of units), (iii) the Fund imposes in whole or in part any restriction (including, without limitation, any redemption in specie), charge or fee in respect of a redemption or subscription of its units by the Issuer or exercises its right to claw back the proceeds already paid on redeemed units if in any case it could, in the determination of the Calculation Agent, have an adverse impact on the Issuer's or any of its designated affiliates', as applicable, rights or obligations in relation to its hedging activities in relation to the Warrants, or (iv) a mandatory redemption, in whole or in part, of the units is imposed by the Fund on any one or more holders of units at any time for any reason;

(iii) such Fund or any Fund Service Provider (i) ceases trading and/or, in the case of a Fund Service Provider, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable); (ii) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (A) 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 (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or 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 sub-clause (A) 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 fifteen days of the institution or presentation thereof; (v) 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; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter; or (vii) 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 clauses (i) through (v) above;

(iv) there exists any litigation against the Fund or a Fund Service Provider which in the determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;

(v) (i) a Fund Service Provider ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the Fund and/or any Fund Service Provider to meet or maintain any obligation or undertaking under the Fund Prospectus or any other relevant fund document which failure is reasonably likely to have an adverse impact on the value of the Fund Units or on the rights or remedies of any investor in such Fund Units;

(vi) a material modification, or any announcement regarding a potential future material modification, of the investment programme, investment objectives, investment policies, investment strategy, investment process or investment guidelines of such Fund;

(vii) the failure by such Fund to comply with its reporting obligations (including but not limited to, without limitation, any periodic reporting of the Net Asset Value of such Fund, periodic statements thereof, return numbers and composition of such Fund and the allocation of capital for such Fund (where applicable)) in accordance with its agreements with the Issuer or any of its designated affiliates (as applicable);

(viii) a material modification (other than any modifications referred to in (v) above) of such Fund (including but not limited to a modification of the Fund Prospectus or the articles of association or other constitutional documents of such Fund) or the occurrence of a change or any event materially affecting such Fund (including, but not limited to, the interruption, breakdown or suspension of the calculation of the Net Asset Value of such Fund unless such interruption, breakdown or suspension is cured within two Fund Valuation Days);

(ix) a material modification of the type of assets in which such Fund invests or the trading practices of the relevant Fund (including but not limited to a material deviation from the investment policy and investment objectives set out in the Fund Prospectus) which, in the determination of the Calculation Agent, has or is likely to have a material effect on any hedging arrangements entered into by the Issuer or any of its designated affiliates (as applicable) in respect of these Warrants;

(x) such Fund or any Fund Service Provider has its authorisation or registration cancelled by any applicable regulatory authority;

(xi) (i) an allegation of criminal or fraudulent activity is made in respect of the Fund, or any Fund Service Provider, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred or (ii) such Fund or a Fund Service Provider (A) 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 such Fund, investment adviser, manager or administration agent; (B) commits an act which constitutes fraud or criminal activity in the performance of its obligations in respect of such Fund; (C) makes any material misrepresentation under any document in respect of the relevant Fund or (D) announces its intention to cease the business of investment management;

(xii) any relevant activities of or in relation to the Fund or a Fund Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the Fund by any governmental, legal or regulatory entity with authority over the Fund), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the Fund or a Fund Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the Fund is required by a competent authority to redeem any Fund Units, (iv) the Issuer or any of its designated affiliates (as applicable) is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any Fund Units held in connection with

any hedging arrangements relating to the Warrants and/or (v) any change in the legal, tax, accounting or regulatory treatment of the Fund or any Fund Service Provider that is reasonably likely to have an adverse impact on the value of the Fund Units or other activities or undertakings of the Fund or on the rights or remedies of any investor in such Fund Units, including the Issuer;

(xiii) the creation by the Fund of any illiquid share class or unit howsoever described;

(xiv) the currency denomination of Fund Units is amended from that set out in the Fund Prospectus or any other relevant fund document so that the NAV per unit is no longer calculated in the same currency as it was as at the Trade Date;

(xv) if applicable, the Fund ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction;

(xvi) if the Fund comprises multiple classes or series (howsoever described in the Fund Prospectus or any other relevant fund document) of shares or units, and the Calculation Agent determines (in good faith and a commercially reasonable manner) at any time, taking into consideration the potential cross-liability between classes of shares or units (howsoever described in the Fund Prospectus or any other relevant fund document), that such other class or series has or may have an adverse effect on the hedging activities of the Issuer or any of its designated affiliates (as applicable) in relation to the Warrants;

(xvii) (i) the Calculation Agent determines, at any time, that the NAV per unit is inaccurate, or (ii) the reported net asset value of the Fund Units misrepresents the net asset value of the Fund Units;

(xviii) any material modification of the method of calculating the NAV per unit;

(xix) any change in the periodicity of the calculation or the publication of the NAV per unit;

(xx) any change in the length of notice periods for redemptions or transfers in relation to the Fund;

(xxi) a Fund Disruption Event has occurred and is continuing for at least three consecutive Fund Valuation Days;

(xxii) the exposure (expressed as percentage) of the Fund to securities with a credit quality (based upon the lowest credit ratings from S&P, Moody's and Fitch when available) below B, B2 or B for S&P, Moody's and Fitch respectively exceeds 35%; the aggregated level of leverage (expressed as percentage) of the Fund exceeds 20%;

(xxiii) the Calculation Agent determines that, over any period not exceeding twelve months, the total net value of the assets of the Fund has decreased by 30 per cent. (either due to redemptions, a decrease in value of such assets or otherwise); or

(xxiv) the Calculation Agent determines that, over any period not exceeding twelve months (ending on the immediately preceding date on which the Fund Adviser published the total value of the assets it managed), the total value of the assets managed by the Fund Adviser (including the Fund) has decreased by 50 per cent. (either due to redemptions, a decrease in value of such assets or otherwise);

"**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*);

"**Fund**" means in respect of a Warrant, each fund to which such Warrant relates, as specified in the relevant Final Terms, subject to adjustment pursuant to Condition 20 (*Adjustments and Events affecting Funds*) and Condition 21 (*Additional Disruption Events*) and "**Funds**" shall be construed accordingly. For the avoidance of doubt, "Fund" shall not include exchange-traded funds (see the definition of "*Securities*" below);

"**Fund Adviser**" means, with respect to a Fund, 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 Fund Documents;

"**Fund Disrupted Day Related Payment Date**" means any payment date on the Warrants on which the amount payable is calculated by reference to the Fund Unit Value of a Fund determined in respect of the related Valuation Date, Observation Date or Cut-off Valuation Date (as applicable);

"**Fund Disruption Event**" means, in respect of a Fund, the occurrence or existence on any day of, as determined by the Calculation Agent:

(i) a postponement of the date as of which the relevant Fund is scheduled, according to the documentation governing such Fund, to determine the Net Asset Value of such Fund for the purposes of calculating the redemption proceeds to be paid to or number of units to be subscribed by a Hypothetical Investor assuming it had submitted a timely and valid notice for redemption or subscription; and/or

(ii) the occurrence or continuation of a postponement of the reporting by the relevant Fund to its investors or, if applicable, the publishing by the relevant Fund or the relevant publishing service, in each case of the Net Asset Value of the relevant Fund; and/or

(iii) the occurrence or continuation of a postponement in the payment of any or all of the redemption proceeds relating to such Fund Units (whether or not in accordance with the Fund Prospectus);

"**Fund Documents**" means, in relation to any Fund, the constitutive and governing documents, subscription agreements and other agreements of such Fund specifying the terms and conditions relating to such Fund, in each case as amended and supplemented from time to time;

"**Fund Event**" means each of a Potential Adjustment Event, an Extraordinary Fund Event, an Additional Disruption Event, a Merger Event or a Technical Constraints Event;

"**Fund Prospectus**" means, in respect of a Fund, the most recently published offering document relating to that Fund, as amended, restated or supplemented from time to time;

"**Fund Service Provider**" means any person who is appointed to provide services, directly or indirectly, in respect of a Fund, whether or not specified in the Fund Prospectus or any other relevant fund document, including any adviser, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner;

"**Fund Unit**" means, in respect of a Fund, a share or a notional unit of ownership in respect of that Fund in the relevant (or related) share classes, as designated by the Calculation Agent;

"**Fund Unit Value**" means, as determined by the Calculation Agent, in respect of a Fund and a Fund Valuation Day, the Net Asset Value per share for the relevant Fund Unit as published in accordance with the Fund Prospectus for such Fund Valuation Day;

"**Fund Valuation Day**" means, in respect of a Fund, any day in respect of which such Fund is scheduled to publish its Net Asset Value;

"**FX Cut-off Date**" has the meaning ascribed thereto in Condition 5(vii) (*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*);

"**Hypothetical Investor**" means a hypothetical investor in the Fund Units of a Fund;

"**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;

"**Increased Cost of Stock Borrow"** means that the Issuer or any of its designated affiliates would incur a rate to borrow any Security that is greater than the Initial Stock Loan Rate in respect of such Security; where "**Initial Stock Loan Rate",** in respect of a Security, is specified in the relevant Final Terms;

"**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 21 (*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 Sponsor**" means, in respect of an Underlying which is 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, level or value (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, in respect of an Underlying which is a Security, 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, in respect of an Underlying which is a Security, 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 and to trading on the regulated market MOT or on the multilateral trading facilities Securities Derivative Exchange ("**SeDeX**") or EuroTLX (on its segment for securitised derivatives Cert-X);

"**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;

"**Loss of Stock Borrow**" means that the Issuer or any of its designated affiliates is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Security in an amount equal to the Hedging Securities at a rate equal to or less than the Maximum Stock Loan Rate;

where:

"**Hedging Securities**" means the number of Securities that the Issuer or any of its designated affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Warrants; and

"**Maximum Stock Loan Rate**", in respect of a Security is specified in the relevant Final Terms.

"**Market Disruption Event**" means:

(i) in respect of an Underlying which is (a) Index (other than a Multiple Exchange Index or a Proprietary Index), 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) a Multiple Exchange Index, either:

(A) (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

(B) 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

(ii) in respect of an Underlying which is 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:

(a) Underlyings which are 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 linked to Depository Receipts, "**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;

(b) the Fund Units of a Fund and as determined by the Calculation Agent, the occurrence on or prior to the Final Valuation Date of any (i) reclassification or change of such Fund Units that results in a transfer of or an irrevocable commitment to transfer all of such units outstanding, (ii) consolidation, amalgamation or merger of the Fund with or into another entity (other than consolidation, amalgamation or merger in which the Fund is the continuing entity and which does not result in any such reclassification or change of all of such units outstanding), or (iii) other takeover offer for such Fund Units that results in a transfer of or an irrevocable commitment to transfer all such Fund Units (other than such units owned or controlled by the offeror;

"**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;

"**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, in respect of an Underlying which is a Security, that all the Securities (or, if the Securities are Depository Receipts, 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;

"**Net Asset Value**" or "**NAV**" means, in respect of each Fund Unit of a Fund and a Fund Valuation Day, the official net asset value, expressed in the relevant currency, for such Fund Valuation Day, as published in accordance with the relevant Fund Prospectus and as determined by the Calculation Agent;

"**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:

(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); or

(ii) if Performance Observation Period is specified in the relevant Final Terms as being applicable with respect to the relevant Valuation Date, (x) in respect of a Warrant which relates to a single Underlying, each Scheduled Trading Day in the Performance Observation Period or (y) in respect of a Warrant which relates to a Basket, each day during the Performance Observation Period which is a Scheduled Trading Day in respect of all Underlyings in the Basket,

in each case, subject to the provisions of Condition 17 (*Consequences of Disrupted Days*);

"**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**" 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:

$$\frac{\text{Reference Value}}{\text{Initial Value}}$$

"**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;

"**Permitted Multiple**" has the meaning given to it in Condition 6 (*Minimum Number of Warrants Exercisable*);

"**Potential Adjustment Event**" means, in respect of an Underlying which is:

(a) a Security, (i) a subdivision, consolidation or reclassification of the relevant Security (unless resulting in a Merger Event), or a free distribution or dividend of any such Security 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 Security of (A) such Security 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 Security 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 the relevant Security that is not fully paid; or (v) a repurchase by the Underlying Company or any of its subsidiaries of the relevant Security 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. 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;

(b) a Fund the occurrence, as determined by the Calculation Agent, at any time on or prior to the Final Valuation Date of any of the following events:

(i) a subdivision, reclassification, reorganisation or consolidation of the Fund Units in the Fund (other than that constituting a Merger Event), or a free distribution or dividend of any such Fund Units to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Fund Units of (A) an additional amount of such Fund Units, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Units, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction or (D) 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;

(iii) an extraordinary dividend;

(iv) a repurchase by the Fund of such Fund Units whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Units initiated by an investor in such Fund Units that is consistent with the Fund Prospectus; or

(v) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Units;

"**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;

"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 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 as such in the relevant Final Terms, the 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 as such in the relevant Final Terms, the weighted average in line with the Weighting applicable to such Basket) of the 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) "**Closing Value** ", 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:

(i) each interest rate, yield, cost of fund 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 fund or similar rate);

(ii) 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);

(iii) 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);

(iv) 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:

(i) 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

(ii) 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:

(i) in relation to a Series of Warrants where the Affected Relevant Benchmark is an Index, Condition 18(iii) (*Adjustments to Indices – Index Cancellation*), as if the relevant Benchmark Trigger Event were an Index Cancellation; and

(ii) 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(vii) (*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 23 (*Events relating to Warrants linked to one or more Depository Receipts*) are to replace the Depository Receipts constituted by such terminated Deposit Agreement;

"**Replacement Index**" has the meaning given to it in Condition 9A(i)(B)(1) (*Consequences of a Benchmark Trigger Event*);

"**Scheduled Averaging Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date;

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

"**Scheduled Final Averaging Date**" means 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(vii) (*Exercise Procedure – Price Source Disruption and FX Disruption*);

"**Scheduled Observation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date;

"**Scheduled Trading Day**" means, in respect of:

(i) an Underlying which is (a) a Security or an Index (other than a Multiple Exchange Index or a Proprietary Index), 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) 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) a Proprietary Index, any day on which the Index Sponsor is scheduled to publish the level of such Proprietary Index; or

(ii) an Underlying which is a Fund, any Fund Valuation Day;

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"**Securities**" means, in relation to a Series of 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 21 (*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 23 (*Events relating to Warrants linked to one or more Depository Receipts),* or in the case of a Series of Warrants linked to Units in an ETF, to the provisions of Condition 22 (*Adjustments where the Securities are Units in an ETF*) and Condition 24 (*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 21 (*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 an Underlying which is a Security, the period of Clearing System Business Days following a trade in the relevant Security on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

"**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 Underlying which is 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(i) (*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(i)(E) (*Exercise Procedure – Exercise Notice*);

"**Technical Constraints Event**" means the occurrence or existence of a constraint in respect of the Issuer in performing adequately the hedging of its exposure to the Fund(s) and/or relevant currency exchange rates (if applicable) due to any of the following reasons, as determined by the Calculation Agent:

(a) any internal risk limits existing as of the Trade Date or at any time thereafter;

(b) internal approvals, whether required as of the Trade Date or at any time thereafter;

(c) reputational risks; or

(d) compliance with laws in relevant jurisdictions, including local regulations, whether required as of the Trade Date or at any time thereafter;

"**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, with respect to an Underlying which is:

(i) a Security or an Index (other than a Multiple Exchange Index or a Proprietary 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 an Underlying on the Exchange (in the case of an Underlying which is a Security) or on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Underlying (in the case of an Underlying which is an Index); or (ii) in futures or options contracts relating to the relevant Underlying on any relevant Related Exchange; or

(ii) 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 Underlying 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 and/or Security, or each Fund (each as defined in this Condition 1) to which such Series of Warrants relates;

"**Underlying Company**" means, with respect to an Underlying which is a Security, the issuer of the Security as specified in the relevant Final Terms and, if the Warrants are linked to one or more Depository Receipts, 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 24 (Warrant*s linked to Units in an ETF – General*);

"**Underlying Index**", in relation to an ETF, means each index to which such ETF relates;

"**Underlying Security**" means, with respect to 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 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 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 depositary) which shall credit the accounts of the Account Holders. For the purpose of these Conditions, "**Account Holders**" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV ("**Euroclear**") and the depositary bank for Clearstream Banking S.A. ("**Clearstream**"), and "**holder of 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 depositary 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:

(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 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**

(i) "***European Style*" *Exercise***

If the Warrants are specified in the relevant Final Terms as being European Style Warrants, then this Condition 4(i) 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(iv) (*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(i) (*Exercise Procedure – Exercise Notice*) shall become void in accordance with Condition 4(iii) (*Rights on Exercise – Warrants Void on Expiry*).

(ii) ***Cash Settlement***

Subject to Condition 5(vi) (*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.

(iii) ***Warrants Void on Expiry***

Warrants which are not deemed automatically exercised in accordance with Condition 4(iv) (*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.

(iv) ***Automatic Exercise***

Notwithstanding Condition 4(iii) (*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(viii) (*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(iv).

In respect of Italian Warrants, notwithstanding any other provision of these Conditions, Automatic Exercise shall always be deemed to be specified as "Applicable" in the relevant Final Terms and any Italian Warrant which in the determination of the Calculation Agent is "in-the-money" shall be automatically exercised by the HBCE Principal Warrant Agent on behalf of the Warrantholders on the Expiry Date.

5. **Exercise Procedure**

(i) ***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(i) (*Rights on Exercise – "European Style" Exercise*).

Subject to Condition 4(iii) (*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.

(ii) ***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.

(iii) ***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.

(iv) ***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.

(v) ***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(i) (*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.

(vi) ***Payment of Alternative Payment Currency Equivalent***

If:

(A) "**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(vii)(Y); or

(B) 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(vi) (*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.

(vii) ***Price Source Disruption and FX Disruption***

(X) If "**Price Source Disruption**" is specified as being applicable in the relevant Final Terms, then, if on any day on which the Calculation Agent is required to determine a Relevant Rate (a "**Scheduled FX Fixing Date**"):

(A) a Price Source Disruption occurs, (other than as a result of an Unscheduled Holiday), the Calculation Agent shall:

(1) determine the Relevant Rate by reference to the rate of exchange published by available recognised financial information vendors (as selected by the Calculation Agent) on the Scheduled FX Fixing Date (the "**Fall-Back Reference Price**"); or

(2) unless the Final Terms specify Dealer Poll as not applicable, in the event that the Calculation Agent is unable to determine a Fall-Back Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fall-Back Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market, the Calculation Agent will on the Scheduled FX Fixing Date request four Reference Dealers to provide a quotation of their rate for the Relevant Rate on such day. If at least two quotations are provided, the Relevant Rate will be the arithmetic mean of such quotations; and

(3) if (i) the Final Terms specify Dealer Poll as not applicable and the Calculation Agent is unable to determine a Fall-Back Reference Price in accordance with paragraph (1) above or the Calculation Agent determines that the Fall-Back Reference Price so determined does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; (ii) the Calculation Agent determines that the Relevant Rate determined in accordance with paragraph (2) above does not accurately represent the rate which the Calculation Agent determines that the Issuer would be able to obtain in the general foreign exchange market; or (iii) fewer than 2 quotations are provided by Reference Dealers following the Calculation Agent's request pursuant to paragraph (2) above, the Calculation Agent will determine the Relevant Rate on the first succeeding Business Day on which the Price Source Disruption ceases to exist; **provided, however, that** if the Price Source Disruption continues for thirty consecutive calendar days (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (the "**FX Cut-off Date**"), the Calculation Agent shall determine its good faith estimate of the Relevant Rate on that FX Cut-off Date; or

(B) an Unscheduled Holiday occurs (whether or not a Price Source Disruption also occurs), the Scheduled FX Fixing Date for such Relevant Rate and all other Relevant Rates which have the same Scheduled FX Fixing Date shall be postponed to the first succeeding Relevant Currency Business Day; **provided**, **however that**

in the event that the Scheduled FX Fixing Date is postponed as a result of the occurrence of an Unscheduled Holiday (a "**Postponed FX Fixing Date**"), and if the Postponed FX Fixing Date has not occurred on or before the thirtieth consecutive calendar day (or such other number of calendar days as may be specified in the relevant Final Terms) after the Scheduled FX Fixing Date (any such period being a "**Deferral Period**"), then the next day after the Deferral Period that is or would have been a Relevant Currency Business Day but for an Unscheduled Holiday, shall be deemed to be the Postponed FX Fixing Date and the Calculation Agent shall determine its good faith estimate of the Relevant Rate on that Postponed FX Fixing Date.

(Y) If at any time, a FX Disruption Event occurs, the Issuer, 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(vii) (*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(vi) (*Exercise Procedure – Payment of Alternative Payment Currency Equivalent*).

If a Scheduled FX Fixing Date is postponed in accordance with this Condition 5(vii) (*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.

(viii) ***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.

(ix) ***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.

(x) ***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(i) (*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(vi) (*Exercise Procedure – Payment of Alternative Currency Equivalent*), the amount payable by the Issuer to the Holder pursuant to Condition 4(ii) (*Rights on Exercise – Cash Settlement*) (the "**Cash Settlement Amount**") means a cash amount calculated in accordance with this Condition.

(i) ***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:

(A) the Face Value; and

(B) the result of the following formula:

$$\text{Max}[0; \text{Final Performance} - \text{Strike Level}]$$

(ii) ***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:

(A) the Face Value; and

(B) the result of the following formula:

$$\text{Min}[\text{Cap};\ \text{Max}(0; \text{Final Performance} - \text{Strike Level})]$$

(iii) ***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:

(A) the Face Value; and

(B) the result of the following formula:

$$\text{Max}[0; \text{Strike Level} - \text{Final Performance}]$$

(iv) ***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:

(A) the Face Value; and

(B) 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**

(i) 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.

(ii) 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.

(iii) 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**

(i) ***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.

(ii) ***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.

(iii) ***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 HCBE 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**

(i) 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:

(A) if an Alternative Pre-nominated Index has been specified in relation to such Relevant Benchmark in the relevant Final Terms:

(1) 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

(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 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

(B) 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:

(1) 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:

(a) 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

(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 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

(2) follow the steps for determining the relevant rate or level set out in the Relevant Reference Asset Fallback Provisions (if any); or

(3) 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.

(ii) 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.

(iii) 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*)).

(iv) Without prejudice to Condition 18(ii) (*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.

(v) 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**

(i) 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*).

(ii) 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.

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(i) (*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**

(X) ***Consequences of Disrupted Days – Securities and Indices***

(i) For the purposes of this Condition 17(X), "**Limit Valuation Date**" shall mean, if any Scheduled Valuation Date or Scheduled Observation Date (as applicable) in respect of an Underlying which is a Security or an Index 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.

(ii) 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 Underlying which is a Security or an Index, 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 (i) 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 (ii) the Calculation Agent shall determine:

(1) in respect of an Underlying which is an Index, the level of the Index as of the Valuation Time on the Limit Valuation Date determined:

(a) other than in respect of a Proprietary Index, 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

(b) in respect of a Proprietary Index 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 Underlying which is a Security, 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 a Basket of one or more Securities and/or Indices, the Valuation Date or Observation Date (as applicable) for each Index or Security (as applicable) 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 or Observation Date (as applicable) for each Index or Security (as applicable) 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 or Security (as applicable), unless each of the succeeding Scheduled Trading Days (up to and including the Limit Valuation Date) immediately following the Scheduled Valuation Date or the Scheduled Observation Date (as applicable), is a Disrupted Day relating to that Index or Security (as applicable). In that case, (i) the Limit Valuation Date shall be deemed to be the Valuation Date or Observation Date (as applicable) for the relevant Index or Security (as applicable) notwithstanding the fact that such day is a Disrupted Day relating to that Index or Security (as applicable), and (ii) the Calculation Agent shall determine:

(1) in respect of an Underlying which is an Index, the level of that Index as of the Valuation Time on the Limit Valuation Date determined:

(a) other than in respect of 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

(b) 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 respect of an Underlying which is a Security, its estimate of the value for that Security as of the Valuation Time on the Limit Valuation Date.

(iii) 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 Underlying which is a Security or an Index:

(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 Security or Index (as applicable), then Condition 17(X)(ii) (*Consequences of Disrupted Days – Securities and Indices*) 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(ii) (*Consequences of Disrupted Days – Securities and Indices*) 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 Underlying which is an Index or a Security (as applicable), 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 Underlying which is an Index, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 17(X)(ii)(A)(1) (*Consequences of Disrupted Days – Securities and Indices*); and

(ii) in respect of an Underlying which is a Security, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 17(X)(ii)(A)(2) (*Consequences of Disrupted Days – Securities and Indices*)

(bb) in the case of a Warrant which relates to a Basket of one or more Securities and/or Indices, the Averaging Date for each Index or Security (as applicable) not affected by the occurrence of a Disrupted Day shall be the Scheduled

Averaging Date and the Averaging Date for an Index or Security (as applicable) affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index or Security (as applicable). If the first succeeding Valid Date in relation to such Index or Security (as applicable) 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 Underlying which is an Index, the Calculation Agent shall determine the relevant level for that Averaging Date in accordance with Condition 17(X)(ii)(B) (*Consequences of Disrupted Days – Securities and Indices*); and

(ii) in respect of an Underlying which is a Security, the Calculation Agent shall determine the relevant value for that Averaging Date in accordance with Condition 17(X)(ii)(C) (*Consequences of Disrupted Days – Securities and Indices*).

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(X)(iii) (*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.

(iv) If a Scheduled Valuation Date or Scheduled Observation Date in respect of an Underlying which is a Security or an Index, 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 Warrant which relates to a Basket, the postponed Valuation Date or postponed Observation Date or Limit Valuation Date referred to in this Condition 17(X)(iv) 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.

(Y) ***Consequences of Disrupted Days – Funds***

If a Fund Disruption Event occurs in relation to a Fund (but no Fund Event has occurred or is subsisting) on:

(i) any Scheduled Valuation Date or Scheduled Observation Date (as applicable), then the Calculation Agent may, acting in good faith and in a commercially reasonable manner, postpone the relevant Valuation Date or Observation Date in relation to such relevant Fund Unit until the earlier of (i) the first Fund Valuation Day on which the Calculation Agent determines that any one or more Fund Disruption Events are no longer continuing, or (ii) the corresponding Cut-off Valuation Date. If a Fund Disruption Event continues on such Cut-off Valuation Date, the Calculation Agent shall determine the Fund Unit Value for such Cut-off Valuation Date acting in good faith and in a commercially reasonable manner;

(ii) any Averaging Date, then the Calculation Agent may, acting in good faith and in a commercially reasonable manner, 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**", deem such Averaging Date not to be a relevant Averaging Date for purposes of determining the Reference Value or Closing Value of any Fund Unit, provided that, if through the operation of this provision no Averaging Date would occur, then Condition 17(Y)(i) will apply for purposes of determining the relevant Fund Unit Value on the final Averaging Date as if such final Averaging Date were the relevant Valuation Date;

(2) "**Postponement**", determine that Condition 17(Y)(i) shall apply for purposes of determining the relevant Fund Unit Value as if such Averaging Date were a relevant Valuation Date 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; or

(3) "**Modified Postponement**", then:

(aa) in the case of a Warrant which relates to a single Fund, determine that the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the relevant Cut-off Valuation Date then such Cut-off Valuation Date shall be deemed to be the Averaging Date, notwithstanding the fact that a Fund Disruption Event occurs or is continuing on such day (irrespective of whether that Cut-off Valuation Date is already an Averaging Date) and the Calculation Agent shall determine the Fund Unit Value for that Averaging Date in accordance with Condition 17(Y)(i) as if such Averaging Date were a relevant Valuation Date; and

(bb) in the case of a Warrant which relates to a Basket of Funds, the Averaging Date for each Fund in respect of which no Fund Disruption Event has occurred or is continuing shall be the day specified in the relevant Final Terms as an Averaging Date and the Averaging Date for a Fund affected by the occurrence of a Fund Disruption Event shall be the first succeeding Valid Date in relation to such Fund. If the first succeeding Valid Date in relation to such Fund has not occurred as of the relevant Cut-off Valuation Date, then such Cut-off Valuation Date shall be deemed to be the Averaging Date (irrespective of whether that Cut-off Valuation Date is already an Averaging Date) and the Calculation Agent shall determine the relevant Fund Unit Value for that Averaging Date in accordance with Condition 17(Y)(i) as if such Averaging Date were a relevant Valuation Date in respect of such Fund; or

(iii) notwithstanding (i) and (ii) above, if the Fund Unit Value is not available in a timely fashion on any Fund Valuation Day in respect of such relevant date, the Calculation Agent may, at its discretion acting in good faith, in order to calculate the relevant Fund Unit Value calculate an estimated Fund Unit Value in respect of such Fund Valuation Day and such relevant date.

If any Averaging Date in relation to a Valuation Date occurs after such Valuation Date as a result of the occurrence of a Fund Disruption Event, then (i) (if applicable) the Expiry Date or other automatic exercise date, as the case may be, or (ii) the occurrence of an Extraordinary Fund Event, Merger Event or Potential Adjustment Event shall be determined by reference to the last such Averaging Date as though it were that Valuation Date.

If a Scheduled Valuation Date or Scheduled Observation Date is postponed pursuant to this Condition 17(Y)(i) (*Consequences of Disrupted Days – Funds*), the Scheduled FX Fixing Date in respect of such postponed Valuation Date or postponed Observation Date (as applicable) shall, in the Calculation Agent's discretion, be postponed to such Valuation Date or Observation Date (as applicable) as postponed, provided that, if the postponed Scheduled FX Fixing Date would, as a result of this paragraph, occur on a day which is not a Relevant Currency Business Day, it will be postponed to the immediately following Relevant Currency Business Day, and provided further

that, the Scheduled FX Fixing Date is subject to Condition 5(vii)) (*Price Source Disruption and FX Disruption*).

If a Scheduled Valuation Date or Scheduled Observation Date is postponed in accordance with this Condition 17(Y)(i) (*Consequences of Disrupted Days – Funds*), any Fund Disrupted Day Related Payment Date will also be postponed, if needed, such that the Fund 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 (as applicable) or, if later, the relevant Cut-off 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.

Unless Fund Disruption 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 17(Y) (*Consequences of Disrupted Days – Funds*) (so that, for the avoidance of doubt, any interest payable in respect of the Warrants on a Fund Disrupted Day Related Payment Date which is so postponed shall be calculated as if such Fund Disrupted Day Related Payment Date had not been postponed pursuant to this Condition 17(Y).

18. **Adjustments to Indices**

This Condition 18 is applicable only in relation to Warrants linked to one or more Indices.

(i) *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.

(ii) *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.

(iii) *Index Cancellation*

If on or prior to any Valuation Date, Observation Date or Averaging Date (A) the Index Sponsor fails to calculate and announce a relevant Index, (B) the Index Sponsor announces that it suspends the calculation and publication of the level of a relevant Index, or (C) the Index Sponsor permanently cancels the Index and no Successor Index exists (each, an "**Index Cancellation**"), then:

(A) the Issuer shall as soon as is reasonably practicable after determining the same give notice (an "**Index Cancellation Notice**") of such Index Cancellation to the Warrantholders (with a copy to the Calculation Agent) in accordance with Condition 12 (*Noti*ces);

(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 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

(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 Warrants shall continue and:

(1) 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

(2) 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.

(iv) *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 Warrants linked to one or more Securities.

(i) *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 Security 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 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).

(ii) *Extraordinary Events*

Without prejudice to Condition 19(v) (*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 Depository 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.

(iii) *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.

(iv) *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.

(v) *Security Substitution*

(A) 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 Depository 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**").

(B) 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).

(C) The "**Initial Value**" of the Substitute Security shall be determined in accordance with the following formula:

$$Initial\ Value = Substitute\ Price \times (Affected\ Security\ Price(k)/Affected\ Security\ Price(j))$$

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.

(D) 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.

(E) 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 (D) above as soon as practicable after determining the same.

(F) In the event that (i) the Issuer determines not to substitute the Security in accordance with the provisions of this Condition 19(v), or (b) the Calculation Agent determines that it cannot substitute the Affected Security in accordance with the provisions of this Condition 19(v), the Issuer may make appropriate adjustments or terminate the Warrants of the relevant Series in accordance with Condition 19(ii) (*Adjustments and Events affecting Securities – Extraordinary Events*) or Condition 21 (*Additional Disruption Events*), as applicable.

20. **Adjustments and Events affecting Funds**

This Condition 20 is applicable only in relation to Warrants linked to one or more Funds.

(a) Effect of Fund Events

Following the occurrence of a Fund Event, the Calculation Agent may, acting in good faith and in a commercially reasonable manner, either:

(i) designate a date as an early exercise date (the "**Early Exercise Date**") and the Warrantholders will receive the Early Termination Amount on such designated Early Exercise Date (the "**Original Early Exercise Date**"), **provided that**, if the Calculation Agent determines, in its sole discretion, that a Hypothetical Investor would experience a delay in receiving all of the relevant exercise proceeds assuming it had submitted a timely notice for the exercise of its fund holdings in respect of the Original Early Exercise Date

(or any earlier date designated by the Calculation Agent), then the Early Exercise Date shall occur 10 Relevant Financial Centre Days after the earlier of (A) the date on which a Hypothetical Investor would have received all relevant exercise proceeds and (B) the Cut-off Valuation Date; or

(ii) make any temporary or permanent adjustments to any of the following:

(A) any relevant Fund (including a substitution of such Fund);

(B) any relevant Fund Unit;

(C) any relevant Fund Unit Values; and/or

(D) any other terms of the Warrants as the Calculation Agent determines appropriate,

and it shall determine the time as of which any such adjustments become effective;

(iii) in respect of a Merger Event, where consideration for the relevant Fund Units of the relevant Fund consists solely of units of a fund in which the Hypothetical Investor could invest (the "**New Units**"), references to a Fund Unit of the relevant Fund shall be replaced by references to the number of New Units to which a holder of a Fund Unit would be entitled upon consummation of the Merger Event and the New Units and their issuer will be deemed to be the Fund Units and the Fund, respectively, and, if necessary, the Calculation Agent will make adjustments to the relevant Fund Unit Value and/or any other terms of the Warrants in such manner as it considers appropriate; or

(iv) in respect of any Fund Event occurring or subsisting on a Valuation Date, Observation Date or Averaging Date (as applicable), the Calculation Agent may determine any amounts payable in respect of such date. In doing so, it may take into account the exercise proceeds (if any) which a Hypothetical Investor would have received by not later than the corresponding Cut-off Valuation Date assuming that it had submitted a timely notice for exercise of all relevant fund holdings in respect of the related Valuation Date.

(b) Early Termination Amount on Early Exercise Date by Issuer

With respect to any Early Exercise Date designated by the Issuer upon the occurrence of a Fund Event, the amount payable on such Early Exercise Date (the "**Early Termination Amount**") shall be the Fair Market Value of the Warrants immediately prior to the date on which such early exercise occurs. When determining the Early Termination Amount, the Calculation Agent may take into account the exercise proceeds (if any) which a Hypothetical Investor would have received by not later than the Cut-off Valuation Date assuming that it had submitted a timely notice for exercise of all relevant fund holdings in respect of the Original Early Exercise Date (or any earlier date designated by the Calculation Agent).

The definition of each of "**Early Termination Amount**" and "**Fair Market Value**" in Condition 1 (*Definitions*) shall be construed accordingly.

21. **Additional Disruption Events**

Without prejudice to Condition 19(v) (*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.

22. **Adjustments where the Securities are Units in an ETF**

Where any Underlying 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 21 (*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 21 (*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 22, "**Affected Unit(s)**" means each Unit subject to an applicable Extraordinary Event.

23. **Events relating to Warrants linked to one or more Depository Receipts**

In relation to each Underlying which is a Depository Receipt, if a Delisting of the Underlying 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 Underlyings 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.

24. **Warrants Linked to Units in an ETF – General**

If the relevant Final Terms specify that any Underlyings in relation to a Series of Warrants are Units in an ETF, then these Conditions shall apply to the Warrants in respect of such Underlying(s) as if references herein to "Underlying Company" were references to the "ETF" and as if references therein to "Security" were references to "Unit".

25. **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 state that 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.

26. **Governing Law**

(i) ***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.

(ii) ***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).

27. ***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

(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.

28. **Indicative Amounts**

If the relevant Final Terms provide that the Warrants are being offered to the public in circumstances requiring the prior publication of a prospectus under Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"), the relevant Final Terms may specify an indicative amount, an indicative minimum amount, or an indicative maximum amount, or any combination of the foregoing, as applicable, in relation to any Specified Product Value which is not fixed or determined at the commencement of the Offer Period set out in such relevant Final Terms. If so specified in the relevant Final Terms, references in the Conditions to such Specified Product Value shall be construed as the amount, level, percentage, price, rate or value (as applicable) determined by the Issuer on or after the relevant date specified in the relevant Final Terms, and:

(i) if an indicative minimum amount is provided in the relevant Final Terms, the Specified Product Value will not be less than such indicative minimum amount; or

(ii) if an indicative maximum amount is provided in the relevant Final Terms, the Specified Product Value will not be more than such indicative maximum amount; or

(iii) if both an indicative minimum amount and indicative maximum amount is provided in the relevant Final Terms, the Specified Product Value will not be less than such indicative minimum amount and will not be more than such indicative maximum amount.

Notice of the relevant Specified Product Value will be published following the end of the Offer Period set out in the relevant Final Terms and the relevant amount, level, percentage, price, rate or value (as applicable) specified in such notice will be deemed to be the Specified Product Value.

For these purposes, "**Specified Product Value**" means any amount, level, percentage, price, rate or value which is specified in the Conditions as the amount, level, percentage, price, rate or value (as applicable) to be provided in the relevant Final Terms (or phrases of similar import).

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. In the case of an offering and/or listing of Warrants falling outside the scope of the EU Prospectus Regulation, the form of final terms below may be amended.

Final Terms dated: [●]

HSBC Continental Europe
(a société anonyme registered in France)

Legal Entity Identifier (LEI): **F0HUI1NY1AZMJMD8LP67**

Programme for the Issuance of Notes and Warrants

[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

[[***The following option applies in the case of an offering/listing falling within the scope of the EU Prospectus Regulation***]

[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 2 June 2026 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 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 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 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 2026 Prospectus Expiry Date (as defined below), the Final Terms must be read in conjunction with the Base Prospectus dated 2 June 2026 relating to Warrants issued under the above Programme, which together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 but before the 2026 Prospectus Expiry Date constitutes a base prospectus (the "**2026 Prospectus**") for the purposes of the EU Prospectus Regulation. The 2026 Prospectus shall expire on [[•]/[1 June 2027]] (the "**2026 Prospectus Expiry Date**").

Following the 2026 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 2026 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 "**2027 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 2026 Prospectus (the "**Conditions**"). The Conditions shall be incorporated by reference into the 2027 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 or if terms and conditions from an earlier offering document are otherwise intended to be used:

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 2 June 2026 and are applicable to the Warrants. This document constitutes the Final Terms of the Warrants described herein for the purposes of Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 2 June 2026 together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 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 2026 Prospectus Expiry Date, the 2026 Prospectus, and (ii) from but excluding the 2026 Prospectus Expiry Date, the 2027 Prospectus. The 2026 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 2027 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.]]

[[***The following option applies in the case of an offering/listing falling outside the scope of the EU Prospectus Regulation***]

[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 2 June 2026 in relation to the above Programme, together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 but before the issue date or listing date of the Notes, whichever is later, to which these Final Terms relate which together constitute the "**Prospectus**".

The Prospectus is not a "prospectus" or a "base prospectus", and this document does not constitute "final terms", for the purposes of Regulation (EU) 2017/1129 (as amended, the "EU Prospectus Regulation"). This document must be read in conjunction with such Prospectus.]

[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 2 June 2026 and are applicable to the Warrants. This document constitutes the Final Terms of the Warrants and must be read in conjunction with the Base Prospectus dated 2 June 2026 together with each supplemental prospectus relating to the Programme published by the Issuer after 2 June 2026 but before the issue date or listing date of the Warrants to which the Final Terms relate, whichever is later, which together constitute the "**Prospectus**".

The Prospectus is not a "prospectus" or a "base prospectus", and this document does not constitute "final terms", for the purposes of Regulation (EU) 2017/1129 (as amended, the "EU Prospectus Regulation"). This document must be read in conjunction with such 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 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.]]

[**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.]

[**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, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not 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 European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"); or (iii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Warrants or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Warrants or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.]

[**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 of the Swiss Financial Services Act of 15 June 2018 (as amended, "**FinSA**") and its implementing ordinance, the Swiss Federal Financial Services Ordinance of 6 November 2019 (as amended, "**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)] (subject to adjustment in accordance with the Conditions)
9.	Type of Warrants:		[Index] [Security] [Fund] [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(i) (*Rights on Exercise – European Style Exercise*) is applicable.
12.	(i)	Automatic Exercise:	[Applicable] [Not Applicable] [*Always select "Applicable" in case of Italian Warrants*]
	(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):	[Closing Value] [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]]
	(i) Strike Level:	[[100][●] per cent.] [Not Applicable]
	(ii) Cap:	[[●] per cent.] [Unlimited][Not Applicable]
16.	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**").] [*if mixed basket*: and [the][each] Security specified at paragraph 17][●][The Index is a Proprietary Index][[*specify relevant Indices in a basket*] are Proprietary Indices][2]
	(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:	[●]]

[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 4 (*Information about the Underlying*) in Part B hereof is included.

[Reference Value (in respect of the Strike Date): [Closing Value] [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(ii) (*Consequences of a Benchmark Trigger Event*):	[3] [●]
17.	Provisions relating to the underlying Securit[y][ies]:		[Applicable] [Not Applicable]
	(i)	[Security] [Basket]:	[●] [Each of the securities specified in the table below (each a "**Security**" and together the "**Securities**").] [*if mixed basket*: and [the][each] Index specified at paragraph 16]
	(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):	[Closing Value] [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(i) 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(ii) is [Applicable] [Not Applicable]
(x)	Conversion:	Condition 19(iii) is [Applicable] [Not Applicable]
	(for Warrants relating to Government Bonds and debt securities only)	
(xi)	Correction of Prices:	Condition 19(iv) is [Applicable] [Not Applicable]
(xii)	Additional Disruption Event:	[The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Cost of Stock Borrow] [Loss of Stock Borrow]] [Insolvency Filing] [Not Applicable]
(xiii)	Substitution of Securities:	[Applicable] [Not applicable]

[Security]	**[ISIN]**	**[Underlying Company]**	**[Exchange]**	**[Related Exchanges]**	**[Initial Value]**	**[Weighting]**
[●]	[●]	[●]	[●]	[●] [All Exchanges]	[●]	[●]

(xiv)	[Initial Stock Loan Rate:]	[●]
(xv)	[Maximum Stock Loan Rate:]	[●]

18.	Provisions relating to the underlying Fund[s]:	[Applicable] [Not Applicable]
(i)	[Fund][Basket]:	[The Fund (the "**Fund**") is: [[●] (ISIN:[●])]] [Each of the funds specified in the table below (each a "**Fund**" and together the "**Funds**").]
(ii)	[Listing of the Fund[s]]	[●]
(iii)	[Authorisation of the Fund[s]:]	[●]
(iv)	Reference Performance:	[Single Underlying][Worst of Basket][Best of Basket][Weighted Basket][Not Applicable]

(v)	Weighting:	[Equally weighted basket][As per the table below][Not Applicable – [Worst of Basket][Best of Basket] applies][Not Applicable]
(vi)	[Initial Value]:	[●] [The Reference Value with respect to [the][each] Fund determined with respect to the Strike Date][As per the table below.]
	[Strike Date:]	[●]
	[Reference Value (in respect of the Strike Date)]:	[Closing Value][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]]
	[Averaging Date Market Disruption in respect of [Strike] Averaging Dates:	[●] [Omission] [Postponement] [Modified Postponement] [Not Applicable]]
(vii)	Cut-off Valuation Date:	[For the purposes of a[n] [Valuation Date] [Observation Date] [Valid Date],] [180]/[●] [Fund Valuation Days] [For the purposes of early redemption, [180]/[●] calendar days]

[Fund]	**[ISIN]**	**[Initial Value]**	**[Weighting]**

(viii)	Additional Disruption Event:	[The following Additional Disruption Events apply: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging]] [Not Applicable]
(ix)	Fund Disruption Interest Adjustment:	[Applicable] [Not Applicable]

19.	Business Day:	[●]
20.	Business Centre(s):	[●]
21.	Valuation Time:	[●] [The definition in Condition 1 (*Definitions*) applies] [Not Applicable]

22. Payments:

(i)	Payment of Alternative Payment Currency Equivalent:	[Applicable] [Not Applicable]
	• Settlement Currency Jurisdiction:	[●]
	• Cross Currency:	[●]
	• Cross Currency Jurisdiction:	[●]
	• Alternative Payment Currency:	[●]
	• Alternative Payment Currency Jurisdiction:	[●]
	• Alternative Payment Currency Fixing Page:	[●]
	• Alternative Payment Currency Fixing Time:	[●]
	• Alternative Payment Currency Fixing Date:	[●] [Condition 1 (*Definitions*) applies] [[the relevant [jurisdictions/places] for the purposes of the Alternative Payment Currency Fixing Date are [●]]
	• Additional Alternative Payment Currency Event:	[●] [Not Applicable]
	• Alternative Pre-nominated Index:	[●] [*specify Alternative Pre-nominated Index details*] [Not Applicable]
	• Number of local banking days for the purpose of postponing Relevant Benchmark Related Payment Date pursuant to Condition 9A(ii) (*Consequences of a Benchmark Trigger Event*):	[3] [●]
(ii)	Price Source Disruption:	[Applicable] [Not Applicable]
	• FX Cut-off Date:	[●] [Condition 1 (*Definitions*) applies]
	• Number of local banking days for the	[3] [●]

		purpose of postponing Related Payment Dates pursuant to Condition 5(vii) (*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: (*Condition 5(vii)*(Y) (*Exercise Procedure – Price Source Disruption and FX Disruption*))	[Applicable] [Not Applicable]
	(v)	Early Termination Amount following FX Disruption Event or Benchmark Trigger Event: (*Condition 5(vii)*(Y) (*Exercise Procedure – Price Source Disruption and FX Disruption*) *or 9A Consequences of a Benchmark Trigger Event*)	[[●] per cent. of the Face Value][Fair Market Value][Not Applicable]
23.	Additional U.S. federal income tax considerations:		[Not Applicable/*give details*] [The Warrants are [not] Section 871(m) Warrants for the purpose of Section 871(m).] [The [Dividend Withholding] [Issuer Withholding] approach shall apply to the Warrants. For further information, see "*Taxation – Other Taxation Matters – U.S. Withholding on Dividend Equivalent Payments*" in the Base Prospectus. [The following dividend equivalent amounts are to be treated as being reinvested during the term of the Warrants, less a withholding on such amounts at a rate of [●] per cent. (as of the Issue Date), which shall be treated for U.S. federal income tax purposes as having been withheld from payments due to the holders of the Warrants: [●]]. Additional information regarding the application of Section 871(m) to the Warrants will be available from the Issuer. Investors should submit any requests for additional information to the Issuer via their custodians.] [*The Warrants will not be Section 871(m) Warrants if they do not reference any U.S. equity or any index that contains any U.S. equity. Warrants that reference a U.S. equity or index that contains any U.S. equity are subject to*

additional testing on a trade-by-trade basis to determine whether they are Section 871(m) Warrants.]

CONFIRMED

HSBC 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 Borsa Italiana S.p.A.] [and][the official list of the Luxembourg Stock Exchange] [*specify other*]. 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 Warrants to be admitted to trading on [the regulated market of Euronext Dublin] [and] [the Electronic Bond Market, being the regulated market of Borsa Italiana S.p.A. ("**MOT**")][and][the multilateral trading facility Securities Derivative Exchange managed by Borsa Italiana S.p.A.] [and] [the multilateral trading facility EuroTLX (on its segment for securitised derivatives Cert-X) managed by Borsa Italiana S.p.A.] [and] [the regulated market of the Luxembourg Stock Exchange]] [*specify other*]. 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 Basket] [Security] [Securities comprised in the Basket] [[Index][Indices] and [Security][Securities] comprised in the Basket] [Fund] [Funds comprised in the 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] other than pursuant to Article 1(4) of the EU Prospectus Regulation in [the Republic of Ireland] [France] [Italy] [Luxembourg] [the Netherlands] (the "**Public Offer Jurisdiction**") during the period from [(and including)][(but excluding)] [●] until [(and including)][(but excluding)] [●] (the "**Offer Period**").
(ii)	Conditions attached to the consent to use the Prospectus:	[●] [Not Applicable]
(iii)	General Consent:	[Applicable] [Not Applicable]
8.	Prohibition of Sales to EEA Retail Investors:	[Applicable] [Not Applicable]
9.	Prohibition of Sales to UK 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:	[●] (*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*)
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 indication whether dealing may begin before notification is made:	[●] [Not Applicable]
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, as at the date hereof, [*administrator legal name*] has applied for [endorsement/recognition] under the EU Benchmarks Regulation[, and is currently permitted to provide [*specify benchmark*]]] / [As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of the EU Benchmarks Regulation] / [Not Applicable]

ANNEX
ADDITIONAL PROVISIONS NOT REQUIRED BY THE SECURITIES NOTE RELATING TO THE UNDERLYING

[The following [Index] [ETF] disclaimer[s] [is][are] applicable [in respect of the [●] [Index] [ETF], as agreed between the [Index Sponsor[s]] [●] and the Issuer]: [●]].

PART IV – INFORMATION RELATING TO 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."

SECTION IV.2 – INFORMATION RELATING TO THE HANG SENG TECH INDEX

A. Strategy of the Index and investment policy

The Hang Seng Tech Index (Bloomberg Ticker: HSTECH) (for the purposes of this section, the "**Index**") is designed to represent the 30 largest technology companies listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**HKEX**"), which have high business exposure to at least one of the following selected technology themes: internet (including mobile), FinTech, cloud computing, e-commerce, digital or autonomous. The Index only includes companies that fall under one of the following industry categories: Industrials, Consumer Discretionary, Healthcare, Financials or Information Technology, pursuant to the Hang Seng Industry Classification System. Potential components must also satisfy at least one of the following innovation criteria: (i) operating a technology-enabled business (e.g. via internet/mobile platform), (ii) maintaining a Research & Development Expense to Revenue Ratio of 5% or greater, or (iii) demonstrating Year-on-Year Revenue Growth of 10% or greater. The Index excludes secondary-listed Foreign Companies and Investment Companies listed under Chapter 21 of HKEX's Listing Rules.

The launch date of the Index is 27 July 2020.

The base date of the Index is 31 December 2014.

The base value of the Index is 3,000.

B. Description of individual selection process of the components weighting factors

To be eligible for inclusion in the Index, a security must first satisfy the eligibility criteria outlined in A. above. The Index Calculation Agent selects the top 30 securities satisfying the eligibility criteria with the highest market value ranking ("**MV Rank**") as Index constituents. The number of constituents is always fixed at 30. The MV Rank is determined by reference to the average daily market value of a security over the past 12 months of any review period, excluding suspended trading days. For securities with a listing history of less than 12 months, the market value is calculated by the Index Calculation Agent as an amount equal to the average of daily market values since listing. A buffer zone mechanism applies to the Index whereby existing constituents ranked lower than 36th will be removed from the Index, while non-constituents ranked 24th or above will be included. Securities will be added or excluded according to their MV Rank to maintain the number of constituents at 30.

The Index is weighted based on the free float-adjusted market capitalisation of the constituents. The market capitalisation of each constituent company is adjusted to reflect the proportion of shares that are freely available for trading in the market. The maximum individual weighting of (i) non-foreign company constituents is capped at 8% and (ii) foreign company constituents is capped at 4% (with a maximum aggregate weighting of 10%). The caps applied are dependent on the closing prices of the constituent companies observed three trading days prior to the regular index rebalancing date.

C. Method and formulae for calculation

The level of the Index will be calculated in accordance with the method and formulae described in the Index Methodology General Guide for the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_methodology_guide_e.pdf) and the Index Operation Guide for managing the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_operation_guide_e.pdf). As the Index is a single-market index, the Index Calculation Agent will determine the level of the Index in respect of a scheduled trading day as an amount equal to the product of (a) the level of the Index calculated in respect of the immediately preceding scheduled trading day and (b) the quotient of (i) the sum of the Adjusted Price_t of each security comprised in the Index divided by (ii) the sum of the Adjusted Price_{t-1} of each security comprised in the Index.

For these purposes:

"**Adjusted Price_t**" means, in respect of a scheduled trading day and a component security, an amount calculated by the Index Calculation Agent equal to the product of (i) the price of such security, as published by the HKEX on such day, (ii) the number of issued shares of such security, (iii) the freefloat-adjusted factor (being a value between 0 and 1) for such security, (iv) the capping factor (being a value

between 0 and 1) for such security and (v) the adjustment factor for the security based on its weighting within the Index; and

"**Adjusted Price$_{t-1}$**" means, in respect of a scheduled trading day and a component security, an amount calculated by the Index Calculation Agent equal to the product of (i) the closing price of such security, as published by the HKEX for the immediately preceding scheduled trading day, (ii) the number of issued shares of such security, (iii) the free float-adjusted factor (being a value between 0 and 1) for such security, (iv) the capping factor (being a value between 0 and 1) for such security and (v) the adjustment factor for the security based on its weighting within the Index.

D. Name of the Index Calculation Agent

Hang Seng Indexes Company Limited ("**HSIL**" or the "**Index Calculation Agent**") is responsible for the calculation, administration and publication of the Index. HSIL is a wholly-owned subsidiary of Hang Seng Bank Limited, which is part of the group of companies under HSBC Holdings plc.

E. Adjustment rules

In certain circumstances described in the Index Methodology General Guide for the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_methodology_guide_e.pdf), a constituent may be removed from the Index because it is no longer eligible for inclusion. Where a constituent is removed it will be replaced by the highest ranked security from the last rebalancing date.

A newly listed security may be added to the Index on the next rebalancing date only if its full market capitalisation ranks within the top 10 of the existing constituents on its first trading day.

Further information on corrections, adjustments and disruptions can be found in the Hang Seng Family of Indexes Index Operation Guide: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_operation_guide_e.pdf.

F. Review Frequency

The Index is subject to quarterly review, with data cut-off dates at the end of March, June, September and December. Rebalancing of the Index is conducted quarterly.

G. Type of Index

The Index is a Price Index.

H. Currency

The Index is calculated and denominated in Hong Kong Dollars ("**HKD**").

For more information on the Index: https://www.hsi.com.hk/eng/indexes/all-indexes/hstech.

SECTION IV.3 – INFORMATION RELATING TO THE HANG SENG CHINA ENTERPRISES INDEX

A. Strategy of the Index and investment policy

The Hang Seng China Enterprises Index (Bloomberg Ticker: HSCEI) (for the purposes of this section, the "**Index**") is designed to reflect the overall performance of the securities of companies that are incorporated in China or that have at least 50 per cent. of their sales revenue derived from China ("**Mainland Securities**") listed in Hong Kong. The Index universe comprises securities listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**HKEX**"), excluding Stapled Securities, Foreign Companies, Biotech Companies with stock names ending with the marker "B", Specialist Technology Companies with stock names ending with the marker "P", and Investment Companies listed under Chapter 21 of HKEX's Listing Rules. To be eligible for inclusion in the Index, a security must be classified as a Mainland Security and must have a listing history of at least one month. In addition, potential constituents must satisfy a minimum turnover velocity of 0.1% on a monthly basis. The turnover velocity of a security is a measure of its liquidity, determined by dividing the median of such security's daily traded shares for a calendar month by the free float-adjusted issued shares at the end of such month.

The launch date of the Index is 8 August 1994.

The base date of the Index is 3 January 2000.

The base value of the Index is 2,000.

B. Description of individual selection process of the components weighting factors

To be eligible for inclusion in the Index, a security must first satisfy the eligibility criteria outlined in A. above. The Index Calculation Agent selects the top 50 securities satisfying the eligibility criteria with the highest combined market value ranking ("**Combined MV Rank**") as Index constituents. The number of constituents is always fixed at 50. The Combined MV Rank is determined by reference to a composite score calculated as the sum of (a) 50 per cent. of the security's MV Rank (being the average daily market value of a security over the past 12 months of any review period, excluding suspended trading days, ranked in descending order) and (b) 50 per cent. of the security's Free float-adjusted Market Value Rank (being the 12-month-average market value multiplied by the free float-adjusted factor calculated at the review data cut-off date, ranked in descending order). Securities are then ranked in ascending order to determine their Combined MV Rank. A buffer zone mechanism applies to the Index whereby existing constituents ranked lower than 60th will be removed from the Index, while non-constituents ranked 40th or above will be included. Securities will be added or excluded according to their Combined MV Rank to maintain the number of constituents at 50.

The Index is weighted based on the free float-adjusted market capitalisation of the constituents. The market capitalisation of each constituent company is adjusted to reflect the proportion of shares that are freely available for trading in the market. The maximum individual weighting of constituents is capped at 8%.

C. Method and formulae for calculation

The level of the Index will be calculated in accordance with the method and formulae described in the Index Methodology General Guide for the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_methodology_guide_e.pdf) and the Index Operation Guide for managing the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_operation_guide_e.pdf). As the Index is a single-market index, the Index Calculation Agent will determine the level of the Index in respect of a scheduled trading day as an amount equal to the *product* of (a) the level of the Index calculated in respect of the immediately preceding scheduled trading day and (b) the *quotient* of (i) the *sum* of the Adjusted Price_t of each security comprised in the Index *divided* by (ii) the *sum* of the Adjusted Price_{t-1} of each security comprised in the Index.

For these purposes:

"**Adjusted Price_t**" means, in respect of a scheduled trading day and a component security, an amount calculated by the Index Calculation Agent equal to the *product* of (i) the price of such security, as

published by the HKEX on such day, (ii) the number of issued shares of such security, (iii) the free float-adjusted factor (being a value between 0 and 1) for such security, (iv) the capping factor (being a value between 0 and 1) for such security and (v) the adjustment factor for the security based on its weighting within the Index; and

"**Adjusted Price$_{t-1}$**" means, in respect of a scheduled trading day and a component security, an amount calculated by the Index Calculation Agent equal to the *product* of (i) the closing price of such security, as published by the HKEX for the immediately preceding scheduled trading day, (ii) the number of issued shares of such security, (iii) the free float-adjusted factor (being a value between 0 and 1) for such security, (iv) the capping factor (being a value between 0 and 1) for such security and (v) the adjustment factor for the security based on its weighting within the Index.

D. Name of the Index Calculation Agent

Hang Seng Indexes Company Limited ("**HSIL**" or the "**Index Calculation Agent**") is responsible for the calculation, administration and publication of the Index. HSIL is a wholly-owned subsidiary of Hang Seng Bank Limited, which is part of the group of companies under HSBC Holdings plc.

E. Adjustment rules

In certain circumstances described in the Index Methodology General Guide for the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_methodology_guide_e.pdf), a constituent may be removed from the Index because it is no longer eligible for inclusion. Where a constituent is removed it will be replaced by the highest ranked security from the last rebalancing date.

A newly listed security may be added to the Index on the next rebalancing date only if its full market capitalisation ranks within the top 10 of the existing constituents on its first trading day.

Further information on corrections, adjustments and disruptions can be found in the Hang Seng Family of Indexes Index Operation Guide: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_operation_guide_e.pdf.

F. Review Frequency

The Index is subject to quarterly review, with data cut-off dates at the end of March, June, September and December. Rebalancing of the Index is conducted quarterly.

G. Type of Index

The Index is a Price Index.

H. Currency

The Index is calculated and denominated in Hong Kong Dollars ("**HKD**").

For more information on the Index: https://www.hsi.com.hk/eng/indexes/all-indexes/hscei.

SECTION IV.4 – INFORMATION RELATING TO THE HANG SENG INDEX

A. Strategy of the Index and investment policy

The Hang Seng Index (Bloomberg Ticker: HSI) (for the purposes of this section, the "**Index**") is designed to reflect the overall performance of the Hong Kong stock market. The Index includes the largest and most liquid stocks listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**HKEX**"). The Index universe comprises constituents of the Hang Seng Composite LargeCap & MidCap Index as at the relevant review data cut-off date (excluding secondary listed foreign companies, stapled securities, biotech companies (with stock names ending with the marker "B") and specialist technology companies (with stock names ending with the marker "P"). To be eligible for inclusion in the Index, the securities must have been listed on the HKEX for at least three months and have a minimum turnover velocity of 0.1% on a monthly basis. The turnover velocity of a security is a measure of its liquidity, determined by dividing the median of such security's daily traded shares for a calendar month by the free float-adjusted issued shares at the end of such month. Eligible securities are assigned to one of seven industry groups: (a) Financials, (b) Information Technology, (c) Consumer Discretionary and Consumer Staples, (d) Properties and Construction, (e) Telecommunications and Utilities, (f) Healthcare or (g) Energy, Materials, Industrials or Conglomerates (each as defined under the Hang Seng Industry Classification System) (each an "**Industry Group**").

The launch date of the Index is 24 November 1969.

The base date of the Index is 31 July 1964.

The base value of the Index is 100.

B. Description of individual selection process of the components weighting factors

To be eligible for inclusion in the Index, a security must first satisfy the eligibility criteria outlined in A. above. The number of constituents in each Industry Group is decided by reference to the following principles: (i) a target of covering at least 50%, in terms of market capitalisation, for each Industry Group, (ii) the characteristics of the Industry Group, including the distribution of listed companies by size and number, and (iii) the Industry Group weighting in the Index compared to the market. The HSI Advisory Committee selects 100 securities satisfying the eligibility criteria taking into account their representativeness, market capitalisation, turnover and financial performance (including profitability). The number of constituents is always fixed at 100.

Existing constituents will be considered for removal if they no longer satisfy the eligibility criteria. The smallest constituents and/or the constituents with the lowest liquidity within an industry group may be removed from the Index even if they otherwise satisfy the eligibility criteria if it is determined that there are more appropriate replacement candidates.

The Index is weighted based on the free float-adjusted market capitalisation of the constituents. The market capitalisation of each constituent company is adjusted to reflect the proportion of shares that are freely available for trading in the market. The maximum individual weighting of (i) non-Foreign Company constituents is capped at 8% and (ii) Foreign Company constituents is capped at 4% (with a maximum aggregate weighting of 10%).

C. Method and formulae for calculation

The level of the Index will be calculated in accordance with the method and formulae described in the Index Methodology General Guide for the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_methodology_guide_e.pdf) and the Index Operation Guide for managing the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_operation_guide_e.pdf). As the Index is a single-market index, the Index Calculation Agent will determine the level of the Index in respect of a scheduled trading day as an amount equal to the *product* of (a) the level of the Index calculated in respect of the immediately preceding scheduled trading day and (b) the *quotient* of (i) the *sum* of the Adjusted Price_t of each security comprised in the Index *divided* by (ii) the *sum* of the Adjusted Price_{t-1} of each security comprised in the Index.

For these purposes:

"**Adjusted Price$_t$**" means, in respect of a scheduled trading day and a component security, an amount calculated by the Index Calculation Agent equal to the *product* of (i) the price of such security, as published by the HKEX on such day, (ii) the number of issued shares of such security, (iii) the free float-adjusted factor (being a value between 0 and 1) for such security, (iv) the capping factor (being a value between 0 and 1) for such security and (v) the adjustment factor for the security based on its weighting within the Index; and

"**Adjusted Price$_{t-1}$**" means, in respect of a scheduled trading day and a component security, an amount calculated by the Index Calculation Agent equal to the *product* of (i) the closing price of such security, as published by the HKEX for the immediately preceding scheduled trading day, (ii) the number of issued shares of such security, (iii) the free float-adjusted factor (being a value between 0 and 1) for such security, (iv) the capping factor (being a value between 0 and 1) for such security and (v) the adjustment factor for the security based on its weighting within the Index.

D. Name of the Index Calculation Agent

Hang Seng Indexes Company Limited ("**HSIL**" or the "**Index Calculation Agent**") is responsible for the calculation, administration and publication of the Index. HSIL is a wholly-owned subsidiary of Hang Seng Bank Limited, which is part of the group of companies under HSBC Holdings plc.

E. Adjustment rules

In certain circumstances described in the Index Methodology General Guide for the Hang Seng Family of Indexes (see: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_methodology_guide_e.pdf), a constituent may be removed from the Index because it is no longer eligible for inclusion. Where a constituent is removed it will be replaced by an alternative constituent meeting the eligibility criteria, as determined by the HSI Advisory Committee.

Further information on corrections, adjustments and disruptions can be found in the Hang Seng Family of Indexes Index Operation Guide: https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/index_operation_guide_e.pdf.

F. Review Frequency

The Index is subject to quarterly review, with data cut-off dates at the end of March, June, September and December. Rebalancing of the Index is conducted quarterly.

G. Type of Index

The Index is a Price Index.

H. Currency

The Index is calculated and denominated in Hong Kong Dollars ("**HKD**").

For more information on the Index: https://www.hsi.com.hk/eng/indexes/all-indexes/hsi.

SECTION IV.5 – STATEMENTS REGARDING HANG SENG INDICES

The Hang Seng Tech Index, the Hang Seng China Enterprises Index and the Hang Seng Index (for the purposes of this section, each an "**Index**" and together, the "**Indices**") are published and compiled by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The mark and name "Hang Seng Tech Index" are proprietary to Hang Seng Data Services Limited. Hang Seng Indexes Company Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Indices by the Issuer in connection with the Notes or Warrants referencing the Indices (for the purpose of this statement, the "**Products**"), **BUT NEITHER HANG SENG INDEXES COMPANY LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE PRODUCTS OR ANY OTHER PERSON (i) THE ACCURACY OR COMPLETENESS OF THE INDICES AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (ii) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF THE INDICES OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (iii) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF THE INDICES OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO THE INDICES IS GIVEN OR MAY BE IMPLIED**. The process and basis of computation and compilation of any of the Indices and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by Hang Seng Indexes Company Limited without notice. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HANG SENG INDEXES COMPANY LIMITED OR HANG SENG DATA SERVICES LIMITED (i) IN RESPECT OF THE USE OF AND/OR REFERENCE TO THE INDICES BY THE ISSUER IN CONNECTION WITH THE PRODUCTS; OR (ii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HANG SENG INDEXES COMPANY LIMITED IN THE COMPUTATION OF THE INDEX; OR (iii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF THE INDICES WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (iv) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCTS OR ANY OTHER PERSON DEALING WITH THE PRODUCTS AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED** in connection with the Products in any manner whatsoever by any broker, holder or other person dealing with the Products. Any broker, holder or other person dealing with the Products does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on Hang Seng Indexes Company Limited and Hang Seng Data Services Limited. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any broker, holder or other person and Hang Seng Indexes Company Limited and/or Hang Seng Data Services Limited and must not be construed to have created such relationship. The Indices are published and compiled by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The marks and names "Hang Seng Tech Index", "Hang Seng China Enterprises Index" and "Hang Seng Index" are proprietary to Hang Seng Data Services Limited.

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