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**BASE PROSPECTUS**

# KOMMUNALBANKEN AS

*Incorporated with limited liability in the Kingdom of Norway*

# Programme For The Issuance Of Debt Instruments

Application has been made to the Luxembourg Stock Exchange for debt instruments (the "**Instruments**") issued by Kommunalbanken AS (the "**Issuer**") under the programme (the "**Programme**") described in this document (as amended or supplemented, the "**Base Prospectus**") to be admitted to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange during the period of twelve months after the date of this document. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, "**MiFID II**"). The Programme also permits Instruments to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), in its capacity as competent authority under Article 6(1) of the Luxembourg Act dated 16 July 2019 relating to prospectuses for securities (the "**Luxembourg Prospectus Law**"), has approved this Base Prospectus as a base prospectus for the purposes of Article 8 of the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). By approving the Base Prospectus, the CSSF gives no undertaking as to the economic and financial opportuneness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in line with the provisions of Article 6(4) of the Luxembourg Prospectus Law. The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of any Instruments that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in such Instruments.

In compliance with Article 21(8) of the Prospectus Regulation, this Base Prospectus is valid for a period of twelve months from its date of approval, with the validity period ending on 17 March 2023. The obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Base Prospectus is no longer valid.

Secondary offerings (*uridashi*) of Instruments may be made in Japan. This Base Prospectus does not constitute an approved document under the Prospectus Regulation for the purposes of any secondary offerings (*uridashi*) of Instruments made in Japan.

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

The Instruments are being offered and sold (i) outside the United States to non-U.S. persons in reliance on Regulation S (the "**Regulation S Instruments**") and (ii) within the United States to persons who are both "qualified institutional buyers" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act and "qualified purchasers" (each, a "**QP**") within the meaning of Section 2(a)(51)(A) of the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and the rules and regulations thereunder, in each case acting for their own account or for the account of one or more QIBs who are also QPs in reliance on Rule 144A (the "**Rule 144A Instruments**"). Prospective purchasers are hereby notified that sellers of the Instruments may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Instruments and the distribution of this Base Prospectus, see "*Subscription and Sale*" and "*Transfer Restrictions*".

In the case of any Instruments which are to be admitted to trading on a regulated market within the European Economic Area (the "**EEA**") or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Regulation, or which are offered to the public in the United Kingdom (the "**UK**") in circumstances which require the publication of a prospectus under the Prospectus Regulation as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"), the minimum specified denomination shall be EUR100,000 (or equivalent in another currency as at the date of the issue of the Instruments) and, in the case of Rule 144A Instruments and any Instruments issued as part of a Tranche (as defined herein) of Instruments that contain both Regulation S Instruments and Rule 144A Instruments, U.S.$100,000 (or equivalent in another currency).

***There are certain risks related to the issue of Instruments under the Programme which investors should ensure they fully understand (see "Risk Factors").***

*Arranger for the Programme*

**MORGAN STANLEY**

*Dealers*

| | |
|---|---|
| **BARCLAYS** | **BMO CAPITAL MARKETS** |
| **BofA SECURITIES** | **BNP PARIBAS** |
| **CITIGROUP** | **CRÉDIT AGRICOLE CIB** |
| **DAIWA CAPITAL MARKETS EUROPE** | **DEUTSCHE BANK** |
| **GOLDMAN SACHS INTERNATIONAL** | **HSBC** |
| **J.P. MORGAN** | **KOMMUNALBANKEN AS** |
| **MIZUHO SECURITIES** | **MORGAN STANLEY** |
| **MUFG** | **NOMURA** |
| **RBC CAPITAL MARKETS** | **SEB** |
| **SMBC NIKKO** | **TD SECURITIES** |
| **TOKAI TOKYO SECURITIES EUROPE LIMITED** | **UBS INVESTMENT BANK** |

17 March 2022

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## IMPORTANT NOTICES

This Base Prospectus may only be used for the purpose for which it has been published.

The Issuer (in relation to itself and the Instruments only) accepts responsibility for the information contained in this Base Prospectus and any relevant Final Terms (as defined herein). The Issuer declares that, to the best of its knowledge, the information contained in this Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect its import.

Each Tranche of Instruments will be issued on the terms set out herein under "*Terms and Conditions of the Instruments*" (the "**Conditions**"), as completed by a document specific to such Tranche called final terms (the "**Final Terms**") or as amended and/or replaced in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**"), as described under "*Final Terms and Drawdown Prospectuses*" below. In the case of a Tranche of Instruments which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to (1) information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus and (2) terms being completed by the relevant Final Terms shall be read and construed as a reference to such terms being supplemented, amended and/or replaced by the relevant Drawdown Prospectus, unless the context requires otherwise.

This document should be read and construed together with any supplement hereto and any other information deemed to be incorporated by reference herein and, in relation to any Tranche of Instruments which is the subject of Final Terms, should be read and construed together with the relevant Final Terms.

The Issuer has confirmed to the dealers (the "**Dealers**") named under "*Subscription and Sale*" below that this Base Prospectus contains all information which is material in the context of the Instruments; that the Base Prospectus is true, accurate and complete in all material respects and is not misleading; that the opinions and intentions expressed therein are honestly held and based on reasonable assumptions; that there are no other facts in relation to the information contained or incorporated by reference in this Base Prospectus or in relation to such opinions or intentions the omission of which would, in the context of the Programme or the issue of the Instruments, make any statement in this Base Prospectus or the opinions or intentions expressed therein misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing. The Issuer has further confirmed to the Dealers that this Base Prospectus contains all such information as may be required by all applicable laws, rules and regulations.

No person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any documents incorporated by reference herein or other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained in this Base Prospectus.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Instruments and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Instruments. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

None of the Dealers or any of their respective affiliates accepts any responsibility for any social, environmental and sustainability assessment of any Instruments issued under the Programme as green bonds (each, a "**Green Bond**") or makes any representation or warranty or assurance whether such Instruments will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels. None of the Dealers or any of their respective affiliates is responsible for the use of proceeds for any Instruments issued as Green Bonds, nor the impact or monitoring of such use of proceeds. Additionally, the Arranger and the Dealers have not reviewed the Green Bond Framework, the Criteria Document or the Second Opinion, nor do they accept any responsibility as to the accuracy and completeness of the information contained in the Green Bond Framework, the Criteria Document, the Second Opinion or any Green Bond Report, opinion, certification, assessment, Environmental, Social, and

Governance ("**ESG**") rating or other report in connection with the Green Bond Framework or any Instruments issued as Green Bonds. No representation or assurance is given by the Dealers or any of their respective affiliates as to the suitability or reliability of any opinion, certification or ESG rating of any third party made available in connection with an issue of Instruments issued as Green Bonds (whether or not solicited by the Issuer), nor is any such opinion, certification or ESG rating a recommendation by any Dealer or any of its affiliates to buy, sell or hold any such Instruments. In the event any such Instruments are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers or any of their respective affiliates that such listing or admission will be obtained or maintained for the lifetime of the Instruments. Defined terms used in this paragraph have the meanings given to them elsewhere in this Base Prospectus.

The Issuer and its Instruments may be the subject of unsolicited ESG ratings. Any such ESG ratings are not necessarily indicative of the Issuer's current or future operating or financial performance, or any future ability to service any Instruments. Furthermore, ESG ratings shall not be deemed to be a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold Instruments. ESG ratings may vary amongst ESG ratings agencies as the methodologies used to determine ESG ratings may differ. Currently, the providers of such ESG ratings are not subject to any regulatory or other similar oversight in respect of their determination and award of ESG ratings.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Instrument shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date thereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Instruments in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Instruments and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Instruments, see "*Subscription and Sale*" and "*Transfer Restrictions*".

In particular, the Instruments have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may include Instruments in bearer form, which are subject to U.S. tax law requirements. Instruments may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except in transactions exempt from the registration requirements of the Securities Act.

**THE INSTRUMENTS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, AND NONE OF THE FOREGOING AUTHORITIES HAVE PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF INSTRUMENTS OR THE ACCURACY OR THE ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.**

The Instruments are being offered and sold outside the United States only to persons that are non-U.S. persons in reliance on Regulation S and within the United States only to QIBs that are also QPs in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Instruments may be relying on the exemption from the provision of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales, and transfers of Instruments and distribution of this Base Prospectus, see "*Subscription and Sale*" and "*Transfer Restrictions*".

The Issuer will seek to qualify for an exemption from the definition of "investment company" under the U.S. Investment Company Act of 1940, and will not register as an investment company in the United States under the Investment Company Act. The Investment Company Act provides certain protections to investors

and imposes certain restrictions on registered investment companies, none of which will be applicable to the Issuer or its investors.

Redemption of some Instruments may be made by delivery or transfer of securities or instrument(s) in a company or fund (e.g., shares of a company or fund shares of an exchange traded fund). The shares of underlying entities which may be delivered or transferred (as the case may be) upon redemption of Physical Delivery Instruments (as defined in the Conditions) are not shares in the Issuer.

As a result of the implementation of the BRRD (as defined herein) into Norwegian law, Holders of the Instruments may be subject to write-down or conversion into equity on any application of the general bail-in tool, which may result in such holders losing some or all of their investment. See "*Risk Factors – Risks Relating to the Issuer – Implementation of the Bank Recovery and Resolution Directive in Norway", "Risk Factors – Risks Relating to the Instruments – Under the terms of the Instruments, investors will agree to be bound by and consent to the exercise of any Norwegian bail-in power by the Norwegian resolution authority*" and Condition 20 in the Conditions.

Except for Conditions 3.2 and 20 (which are governed by the laws of the Kingdom of Norway), the Instruments, all related contractual documentation (except for the VPS Agreement and the VPS Trustee Agreement, which are governed by Norwegian law) and any non-contractual obligations arising out of or in connection with them (except as aforesaid) are governed by English law. No assurance can be given as to the impact of any possible judicial decision or change to the laws of the Kingdom of Norway or England or administrative practice after the date of this Base Prospectus.

The Kingdom of Norway does not guarantee any of the Issuer's obligations. As at the date of this Base Prospectus, the Issuer is owned entirely by the Norwegian State as represented by the Ministry of Local Government and Regional Development. However, the Norwegian State does not guarantee any of the Issuer's obligations including the Instruments and payment to Holders of Instruments is therefore solely dependent on the creditworthiness of the Issuer.

The Issuer confirms that any information from third party sources has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such third party source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

**IMPORTANT – EEA RETAIL INVESTORS**

If the relevant Final Terms in respect of any Instruments includes a legend entitled "*Prohibition of Sales to EEA Retail Investors*", the Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

**IMPORTANT – UK RETAIL INVESTORS**

If the relevant Final Terms in respect of any Instruments includes a legend entitled "*Prohibition of Sales to UK Retail Investors*", the Instruments 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 UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA which were relied on immediately before exit day to implement the EU Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA. Consequently no key information document required by the EU PRIIPs Regulation as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available

to retail investors in the UK has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II PRODUCT GOVERNANCE / TARGET MARKET**

The relevant Final Terms in respect of any Instruments may include a legend entitled "*MiFID II Product Governance*" which will outline the target market assessment in respect of the Instruments and which channels for distribution of the Instruments are appropriate. Any person subsequently offering, selling or recommending the Instruments (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

**UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET**

The relevant Final Terms in respect of any Instruments may include a legend entitled "*UK MiFIR Product Governance*" which will outline the target market assessment in respect of the Instruments and which channels for distribution of the Instruments are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") of the UK Financial Conduct Authority (the "**FCA**") is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Instruments is a manufacturer in respect of such Instruments, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**IMPORTANT – INDEX LINKED INSTRUMENTS**

By purchasing an Index Linked Instrument (as defined herein) referencing an index with one or more underlying U.S. securities, an investor will be deemed to represent that it has not taken, and will not take, any short position with respect to any of the underlying components of the relevant index that would cause it to cease to be a Qualified Index (as defined herein) with respect to such investor, see "*Risk Factors – Risks Relating to the Instruments – U.S. withholding tax may apply to Instruments with payments linked to dividends paid by U.S. issuers*".

No Index Linked Instruments will be issued referencing an index composed by the Issuer.

**PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE**

The Final Terms in respect of any Instruments may include a legend entitled "*Singapore Securities and Futures Act Product Classification*" which will state the product classification of the Instruments pursuant to Section 309B(1) of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the "**SFA**"). The Issuer will make a determination in relation to each relevant issue about the classification of Instruments being offered for the purposes of Section 309B(1)(a). Any such legend included on the relevant Final Terms will constitute notice to the "relevant persons" for the purposes of Section 309B(1)(c) of the SFA.

**BENCHMARK REGULATION**

Interest and/or other amounts payable under the Instruments may be calculated by reference to certain indices and reference rates, including BBSW, BKBM, €STR, EURIBOR, EONIA, NIBOR, SOFR, SONIA,

STIBOR and the U.S. Federal Funds Rate (each as defined herein). Any such reference rate or index may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

As at the date of this Base Prospectus, the European Money Markets Institute, the administrator of EONIA and EURIBOR and ASX Benchmarks Limited, the administrator of BBSW and Norske Finansielle Referanser AS are included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") under the Benchmark Regulation. As at the date of this Base Prospectus, none of the New Zealand Financial Markets Association, the administrator of BKBM, the European Central Bank, the administrator of €STR, the administrator of NIBOR, the Federal Reserve Bank of New York, the administrator of SOFR and the U.S. Federal Funds Rate, the Bank of England, the administrator of SONIA, and Financial Benchmarks Sweden AB, the administrator of STIBOR are included in ESMA's register of administrators and benchmarks under the Benchmark Regulation.

However, Article 51 (*Transitional provisions*) of the Benchmark Regulation provides that providers of benchmarks that qualify as critical benchmarks or as third country benchmarks already providing a benchmark on 30 June 2016 have until 31 December 2023 to apply for authorisation or registration in accordance with Article 34 (*Authorisation and registration of an administrator*) of the Benchmark Regulation and may continue to provide such an existing critical benchmark until 31 December 2023 or, where the provider submits an application for authorisation or registration, unless and until such authorisation or registration is refused. Similarly, third country benchmarks already used in the EU prior to 31 December 2023 can continue to be used. Additionally, benchmarks administered by a central bank or by a public authority, where it contributes data to, provides, or has control over the provision of, benchmarks for public policy purposes, including measures of employment, economic activity, and inflation do not fall within the scope of the Benchmark Regulation. Such transitional provisions and exemptions may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

## DEFINITIONS

In this Base Prospectus, unless otherwise specified, references to the "**EEA**" are references to the European Economic Area, references to a "**Member State**" are references to a Member State of the EEA, references to the "**UK**" are references to the United Kingdom, the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129, references to "**EUR**", "**€**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended, references to "**U.S.$**", "**USD**" and "**U.S. dollars**" are to the lawful currency of the United States, references to "**£**", "**Sterling**" and "**Pound Sterling**" are to the lawful currency of the UK, references to "**JPY**" and "**Japanese Yen**" are to the lawful currency of Japan, references to "**NOK**" and "**Norwegian krone**" are to the lawful currency of the Kingdom of Norway, references to "**Renminbi**" and "**CNY**" are to the lawful currency of the People's Republic of China (excluding the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan) (the "**PRC**"), references to "**S$**" are to the lawful currency of Singapore, references to "**Moody's**" are to Moody's Investors Service (Nordics) AB and references to "**S&P**" are references to S&P Global Ratings UK Limited.

Any reference in this Base Prospectus to any legislation (whether primary legislation or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended, superseded or re-enacted.

## ENFORCEMENT OF FOREIGN JUDGMENTS

The Issuer is a government funding agency incorporated under the laws of the Kingdom of Norway. All of the officers and directors named herein reside outside of the United States and all or a substantial portion of the assets of the Issuer and its officers and directors are located outside the United States. As a result, prospective investors may have difficulties effecting service of process in the United States upon the Issuer or such persons in connection with any lawsuits related to the Instruments, including actions arising under the federal securities laws of the United States. In addition, investors may have difficulties in enforcing in

original actions brought in courts in jurisdictions outside the United States, liabilities predicated upon U.S. securities laws.

## AVAILABLE INFORMATION

The Issuer has agreed that, for so long as any Instruments are "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, it will during any period that it is neither subject to Section 13 or 15(d) of the U.S. Securities and Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder furnish, upon request, to any Holder or beneficial owner of Instruments or any prospective purchaser designated by any such Holder (as defined herein) or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

## STABILISATION

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF INSTRUMENTS, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) IN THE RELEVANT FINAL TERMS (THE "**STABILISING MANAGER(S)**") (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) MAY OVERALLOT INSTRUMENTS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE INSTRUMENTS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL.

HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF INSTRUMENTS IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF INSTRUMENTS AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF INSTRUMENTS. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

## FORWARD-LOOKING STATEMENTS

This Base Prospectus includes "forward-looking statements". All statements other than statements of historical fact included in this Base Prospectus, including, without limitation, those regarding the Issuer's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. These forward-looking statements are identified by their use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases, including references to assumptions.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or industry results.

If one or more of the risks or uncertainties described under "*Risk Factors*" or elsewhere in this Base Prospectus materialise, or if underlying assumptions prove incorrect, the Issuer's actual results, performance or achievements or industry results may be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. These forward-looking statements speak only as of the date of this Base Prospectus or as of such earlier date at which such statements are expressed to be given. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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## OVERVIEW

***The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Instruments, the relevant Final Terms. The Issuer and any relevant Dealer may agree that Instruments shall be issued in a form other than that contemplated in the Conditions, in which event, in the case of listed Instruments only and if appropriate, a Drawdown Prospectus will be published.***

*Words and expressions defined in the Conditions or elsewhere in this Base Prospectus have the same meanings in this overview.*

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No. 2019/980.

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|---|---|
| **Issuer:** | Kommunalbanken AS |
| **Arranger:** | Morgan Stanley & Co. International plc |
| **Dealers:** | Bank of Montreal, London Branch, Barclays Bank Ireland PLC, BNP Paribas, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Daiwa Capital Markets Europe Limited, Deutsche Bank Aktiengesellschaft, Goldman Sachs International, HSBC Continental Europe, J.P. Morgan SE, Kommunalbanken AS, Mizuho Securities Europe GmbH, MUFG Securities (Europe) N.V., Morgan Stanley & Co. International plc, Nomura International plc, RBC Europe Limited, Skandinaviska Enskilda Banken AB (publ), SMBC Nikko Capital Markets Europe GmbH, SMBC Nikko Capital Markets Limited, TD Global Finance unlimited company, Tokai Tokyo Securities Europe Limited, UBS Europe SE and any other dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Instruments. |
| **Issue and Paying Agent:** | Deutsche Bank AG, London Branch |
| **U.S. Paying Agent, U.S. Registrar and U.S. Transfer Agent:** | Deutsche Bank Trust Company Americas |
| **Non-U.S. Paying Agent, Non-U.S. Registrar and Non-U.S. Transfer Agent:** | Deutsche Bank Luxembourg S.A. |
| **VPS Account Operator:** | Nordea Bank Abp |
| **Luxembourg Listing Agent:** | Deutsche Bank Luxembourg S.A. |
| **Programme Size:** | The Programme has an unlimited programme amount. |
| **Issuance in Series:** | Instruments will be issued in series (each, a "**Series**"). Each Series may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") issued on different issue dates. The Instruments of each Series will all be subject to identical terms, except that the issue date, issue price and the amount of the first payment of interest may be different in respect of different Tranches. The Instruments of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Instruments of different denominations. |

**Form of Instruments:**

Instruments may be issued in bearer form ("**Bearer Instruments**"), in registered form ("**Registered Instruments**"), or in uncertificated book entry form registered in accordance with section 3-1 of the Norwegian Securities Depository Act of 15 March 2019 no. 6 in a Securities Depository approved or acknowledged under the EU central securities depositories (CSD) regulation (Regulation (EU) No 909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012), which unless otherwise specified in the Final Terms will be *Verdipapirsentralen ASA* ("**VPS Instruments**" and the "**VPS**" respectively).

*Bearer Instruments:*

Bearer Instruments will be sold outside the United States to non-U.S. persons in "offshore transactions" within the meaning of Regulation S.

In respect of each Tranche of Bearer Instruments, the Issuer will deliver a temporary global Instrument (each, a "**Temporary Global Instrument**") or (if TEFRA is specified as non-applicable or if the TEFRA C Rules are specified as applicable) a permanent global instrument (each, a "**Permanent Global Instrument**" and, together with the Temporary Global Instruments, the "**Bearer Global Instrument**").

Each Bearer Global Instrument which is intended to be issued in new global instrument ("**NGI**" or "**New Global Instrument**") form, as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and each Bearer Global Instrument which is not intended to be issued in NGI form (a "**Classic Global Instrument**" or "**CGI**"), as specified in the relevant Final Terms, will be deposited on or before the relevant issue date therefore with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. The NGI form has been introduced to allow for the possibility of Instruments being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the "**Eurosystem**") and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However in any particular case such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time.

Each Temporary Global Instrument will be exchangeable for a Permanent Global Instrument or, if so specified in the relevant Final Terms, for Instruments in definitive bearer form ("**Definitive Bearer Instruments**") and/or (if so specified in the relevant Final Terms) Registered Instruments in accordance with its terms. Each Permanent Global Instrument will be exchangeable for Definitive Bearer Instruments and/or (if so specified in the relevant Final Terms) Registered Instruments in accordance with its terms in certain limited circumstances (see further under "*Provisions Relating to the*

*Instruments whilst in Global Form*" below). Definitive Bearer Instruments will, if interest-bearing, either have interest coupons ("**Coupons**") attached and, if appropriate, a talon ("**Talon**") for further Coupons and will, if the principal thereof is repayable by instalments, have payment receipts ("**Receipts**") attached.

*Registered Instruments:*

Registered Instruments may be sold (i) outside the United States to non-U.S. persons in "offshore transactions" within the meaning of Regulation S ("**Regulation S Instruments**") and/or (ii) in the United States to QIBs that are also QPs within the meaning of Rule 144A ("**Rule 144A Instruments**").

Regulation S Instruments will be represented on issue by an Instrument in registered form, without interest coupons (each, a "**Regulation S Global Instrument**"), and Rule 144A Instruments will be represented on issue by an Instrument in registered form, without interest coupons (each, a "**Rule 144A Global Instrument**" and, together with the Regulation S Global Instrument, the "**Global Registered Instruments**" and, together with the Bearer Global Instruments, the "**Global Instruments**"). The provisions governing the exchange of interests in the Global Registered Instruments for definitive Instruments in registered form (each, a "**Definitive Registered Instrument**" and together with the Definitive Bearer Instruments, the "**Definitive Instruments**") in certain limited circumstances are described in "*Provisions Relating to the Instruments Whilst in Global Form — Form and Exchange — Global Registered Instruments*".

On the relevant issue date, Global Registered Instruments will be (i) registered in the name of, and deposited with, a common depositary on behalf of Euroclear and Clearstream, Luxembourg; and/or (ii) registered in the name of Cede & Co. as nominee for, and deposited with a custodian for, The Depository Trust Company ("**DTC**"); and/or (iii) registered and deposited with any other agreed clearing system, as specified in the relevant Final Terms. Registered Instruments may not be exchanged for Bearer Instruments and are subject to certain restrictions on transfer. See "*Subscription and Sale*" and "*Transfer Restrictions*".

*VPS Instruments:*

VPS Instruments will be sold outside the United States to non-U.S. persons in "offshore transactions" within the meaning of Regulation S.

VPS Instruments are issued in uncertificated and dematerialised book entry form, with the legal title thereto being evidenced by book entries in the register for such VPS Instruments kept by the VPS on behalf of the Issuer. Title to VPS Instruments will not be evidenced by any physical note or document of title.

For the avoidance of doubt, the TEFRA C and TEFRA D Rules will not be applicable to VPS Instruments and VPS

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| | Instruments will not be exchangeable for Bearer Instruments or Registered Instruments. |
| **Currencies:** | Instruments may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Instruments may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Instruments are denominated. |
| **Denominations:** | The Instruments will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that, in the case of any Instruments which are to be admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Regulation, or which are offered to the public in the UK in circumstances which require the publication of a prospectus under the Prospectus Regulation as it forms part of domestic law of the UK by virtue of the EUWA, the minimum specified denomination shall be EUR100,000 (or equivalent in another currency as at the date of the issue of the Instruments) and, in the case of Rule 144A Instruments and any Instruments issued as part of a Tranche of Instruments that contain both Regulation S Instruments and Rule 144A Instruments, U.S.$100,000 (or equivalent in another currency).<br><br>Any Instruments which have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the UK or (b) the activity of issuing the Instruments is carried on from an establishment maintained by the Issuer in the UK, such Instruments must: (a) have a minimum denomination of £100,000 (or equivalent in another currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (b) be issued in other circumstances which do not constitute a contravention of Section 19 of the FSMA by the Issuer. |
| **Status:** | Instruments may be issued as Senior Instruments or Senior Non-Preferred Instruments, as specified in the relevant Final Terms. |
| **Issue Price:** | Instruments may be issued at any price and either on a fully or partly paid basis, as specified in the relevant Final Terms. |
| **Maturities:** | Any maturity subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements. |
| **Redemption:** | Instruments may be redeemable at par or at such other redemption amount (detailed in a formula or otherwise) as may be provided for in the Conditions, as specified in the relevant Final Terms.<br><br>Certain Instruments will be redeemable at an amount linked to an index or indices; the price of, or changes in the price of, shares of a company or a basket of shares; an exchange rate between certain currencies; the price of, or changes in the price of, a fund or a basket of funds; or the price of, or changes in the price of a specified commodity. The underlying may |

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| | constitute an index, a basket of indices, shares of a company, a basket of shares, an exchange rate, a fund, a basket of funds, or a relevant commodity |
| **Early Redemption for Taxation Reasons:** | Early redemption of Instruments is permitted for taxation reasons, as mentioned in Condition 6.2. |
| **Automatic Early Redemption:** | In the case of Index Linked Redemption Instruments, Share Linked Redemption Instruments, FX Linked Redemption Instruments and Fund Linked Redemption Instruments, if specified in the relevant Final Terms and if the Calculation Agent determines that an automatic early redemption event occurs, the Instruments shall be redeemed at the automatic early redemption amount as specified in the relevant Final Terms, as further described in Condition 6.8. |
| **Optional Redemption:** | Instruments may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Holder of the Instruments to the extent (if at all) specified in the relevant Final Terms, as further described in Conditions 6.3 and 6.6. |
| **MREL Disqualification Early Redemption:** | In relation to Senior Non-Preferred Instruments only, early redemption in whole (but not in part) is permitted upon the occurrence of an MREL Disqualification Event, if "MREL Disqualification Option" is specified as applicable in the relevant Final Terms, as mentioned in Condition 6.7. |
| **Consent to Redemption:** | Any early redemption of Senior Non-Preferred Instruments is subject to the prior written permission of the Relevant Regulator (if, and to the extent, then required by the Relevant Regulator and by the Applicable MREL Regulations). |
| **Interest:** | Instruments may be interest-bearing or non-interest bearing.<br><br>Interest (if any) may accrue at a fixed rate, or a floating rate based upon BBSW, BKBM, €STR**,** EONIA, EURIBOR, NIBOR, SOFR, SONIA, STIBOR, the U.S. Federal Funds Rate, as further described in Condition 5. The Conditions provide for certain fallback arrangements in the event that a published reference rate becomes unavailable, unlawful or unrepresentative, including the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative reference rate may be adjusted (if required).<br><br>Interest may also be linked to: an index or indices; the price of, or changes in the price of, shares of a company or a basket of shares; an exchange rate between certain currencies; the price of, or changes in the price of, a fund or a basket of funds, as further described in the Conditions.<br><br>In respect of each Tranche of Instruments, the date from which interest becomes payable and the due dates for payment of interest, the maturity date, the arrangements for the amortisation or redemption of the Instruments, including the repayment procedures and, in the case of Fixed Rate Instruments, an indication of yield, will be specified in the relevant Final Terms. |

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| **Zero Coupon Instruments:** | Zero Coupon Instruments will be offered and sold at a discount to their nominal amount and are not interest bearing and do not pay interest. |
| **ERISA:** | Instruments may generally not be held by a Benefit Plan Investor, unless the particular issuance of the Instruments becoming considered as an investment by a Benefit Plan Investor will be treated as an ERISA-Permitted Issuance. See "*Certain ERISA and Related Considerations*". |
| **Taxation:** | Payments in respect of Instruments will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Kingdom of Norway or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer will (subject to certain exceptions) pay such additional amounts as will result in the holders of Instruments, Receipts and Coupons receiving such amounts as they would have received in respect of such Instruments, Receipts and Coupons had no such withholding or deduction been required. |
| **Negative Pledge:** | The terms of the Senior Instruments (but not the Senior Non-Preferred Instruments) will contain a negative pledge provision as further described in Condition 4. |
| **Cross Default:** | The Senior Instruments (but not the Senior Non-Preferred Instruments) will have the benefit of a cross default subject to a threshold of EUR20,000,000 (or its equivalent in any other currency or currencies), as described in Condition 7.1. |
| **Events of Default:** | The terms of the Senior Instruments contain the events of default described in Condition 7.1.<br><br>The terms of the Senior Non-Preferred Instruments contain limited events of default, as further described in Condition 7.2. The remedies under the Senior Non-Preferred Instruments are more limited than those typically available to the Issuer's unsubordinated creditors. |
| **Governing Law:** | The Instruments (except for Conditions 3.2 and 20, which are governed by Norwegian law), all related contractual documentation (except for the VPS Agreement dated 6 February 2019 (the "**VPS Agreement**") and the VPS Trustee Agreement dated 6 April 2018 (the "**VPS Trustee Agreement**"), which are governed by Norwegian law), and any non-contractual obligations arising out of or in connection with them will be governed by English law.<br><br>VPS Instruments must comply with the Norwegian Securities Depository Act of 15 March 2019 no. 6, as amended from time to time, and the Holders of VPS Instruments will be entitled to the rights and are subject to the obligations and liabilities which arise under this Act and any related regulations and legislation. |
| **Listing and Admission to Trading:** | Application has been made for Instruments to be admitted during the period of twelve months after the date hereof to |

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| | listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange.<br><br>The Programme also permits Instruments to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.<br><br>The relevant Final Terms will state whether or not the relevant Instruments are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.<br><br>Each Series of VPS Instruments may be admitted to listing on the Oslo Stock Exchange and/or any other stock exchange as may be agreed between the Issuer and the relevant Dealer(s) and specified in the relevant Final Terms or may be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authorities, stock exchanges, regulated markets and/or quotation systems.<br><br>Each Final Terms in respect of Instruments to be admitted to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange will be delivered to the Luxembourg Stock Exchange on or before the date of issue of such Instruments and each Final Terms in respect of VPS Instruments to be admitted to trading on the Oslo Stock Exchange will be delivered to the Oslo Stock Exchange on or before the date of issue of such VPS Instruments. |
| **Terms and Conditions:** | The terms and conditions applicable to each Tranche will be those set out herein under "*Terms and Conditions of the Instruments*", as completed by the relevant Final Terms.<br><br>The price and amount of Instruments to be issued under the Programme will be determined by the Issuer and the Dealer(s) at the time of issue in accordance with prevailing market conditions.<br><br>The terms and conditions applicable to any particular Tranche of Instruments which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. See "*Final Terms and Drawdown Prospectus*". |
| **Risk Factors:** | There are certain risks related to any issue of the Instruments under the Programme. Investors should consider carefully whether an investment in the Instruments is suitable for them in light of the information in this Base Prospectus and their personal circumstances. See "*Risk Factors*". |
| **Enforcement of Instruments in Global Form:** | In the case of Instruments in global form, the rights of investors will be supported by a Deed of Covenant dated 17 March 2022. |
| **Clearing Systems:** | Euroclear Bank SA/NV and/or Clearstream Banking, S.A., The Depositary Trust Company and/or, in relation to any Instruments, any other clearing system as may be specified in the relevant Final Terms. |

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| **Ratings:** | The Issuer's long-term credit ratings are Aaa from Moody's and AAA from S&P. See "*Ratings*". |
| **Selling Restrictions:** | For a description of certain restrictions on offers, sales, deliveries and transfers of Instruments and on the distribution of offering material in the United States of America, the European Economic Area, the UK, Japan and the Kingdom of Norway, see under "*Subscription and Sale*" and "*Transfer Restrictions*".<br><br>The Issuer may compel any beneficial owner of an interest in the Rule 144A Instruments to sell its interest in such Instruments, or may sell such interest on behalf of such holder, if such Holder is a U.S. person (as defined in Regulation S) that is not both a QIB and a QP. |
| **Acknowledgement of Bail-in and Loss Absorption Powers:** | Notwithstanding and to the exclusion of any other term of the Instruments or any other agreements, arrangements or understanding between the Issuer and any Holder of Instruments, by its acquisition of an Instrument, each Holder of Instruments will acknowledge and accept that any liability arising under the Instruments may be subject to the exercise of Bail-in and Loss Absorption Powers by the Relevant Resolution Authority and will acknowledge, accept, consent to and agree to be bound by the effects and consequences thereof, as set out in in Condition 20. |
| **Green Bonds:** | Instruments may be issued under the Programme as Green Bonds, with an amount equal to the net proceeds of each issue of a Green Bond allocated for investments in eligible projects satisfying relevant eligibility criteria, pursuant to the Issuer's then-current green bond framework and related documentation. |
| **Use of Proceeds:** | The net proceeds from each issue of Instruments will be used for the general financing purposes of the Issuer. If, in respect of any particular issue, there is a particular identified use of proceeds or the Instruments are being issued as Green Bonds, this will be stated in the relevant Final Terms. |

## RISK FACTORS

*Any investment in the Instruments is subject to a number of risks. Prior to investing in the Instruments, prospective investors should carefully consider risk factors associated with any investment in the Instruments (including, in particular, the risk factors described below), together with all other information contained in this Base Prospectus, and reach their own view about whether an investment in the Instruments is suitable for them in light of the information in this Base Prospectus and their personal circumstances.*

*The Issuer believes that the following factors represent the principal risks inherent in an investment in Instruments issued under the Programme. These factors are contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. It is not possible to identify all factors which may affect the Issuer's ability to fulfil its obligations under Instruments issued under the Programme, as additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer, or that it 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 and, if any such risk should occur, the price of the Instruments may decline and investors could lose all or part of their investment if the Issuer becomes unable to make all payments due in respect of the Instruments.*

*The risk factors are organised in the following categories:*

(i) *Factors which may affect the Issuer's ability to fulfil its obligations under Instruments issued under the Programme;*

(ii) *Risks Related to the Market Generally;*

(iii) *Risks Relating to the Instruments Generally;*

(iv) *Risks Relating to a Particular Structure of Instruments; and*

(v) *Risks Relating to Renminbi-denominated Instruments.*

*Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor. The most material risk factor in a category is presented first under that category, where the materiality has been determined based on the probability of occurrence and expected magnitude of negative impact of the risk. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence.*

*Words and expressions defined in the Conditions or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated.*

### Factors which may affect the Issuer's ability to fulfil its obligations under Instruments issued under the Programme

***Risks relating to disruptions in the global credit markets and economy***

Since 2007, international capital markets have been affected by periods of turbulence, particularly following the bankruptcy filing by Lehman Brothers in September 2008. Although conditions in the international capital and credit markets have subsequently improved, the markets have suffered from prolonged periods of volatility and disruption. Since 2010, a number of countries in the Eurozone have encountered liquidity constraints and significant increases in borrowing costs as a result of the increased market distrust in these countries' abilities to solve their relatively large debt and budget deficit levels on their own.

Adverse developments through 2021 have led to a downward revision of growth forecasts for 2022[1] and the financial markets and global economy have subsequently been adversely affected by geopolitical events such as the resurgence of the coronavirus known as Covid-19 as well as current events involving Ukraine and Russia. The outbreak of Covid-19, coupled with the measures implemented by relevant government authorities to contain it, such as closing of public services, travel restrictions, border controls and other measures to discourage or prohibit the movement of people, is expected to continue to have a material and

[1] World Economic Outlook, International Monetary Fund, January 2022.

adverse impact on the Norwegian and global financial markets and on the level of economic activity in Norway and the world economy. The emergence of the Omicron variant of Covid-19 in late 2021 has prolonged mobility restrictions and labour shortages and caused supply chain disruptions. At the date of this Base Prospectus, uncertainty remains about the effectiveness of vaccine programmes and the risks of further adverse effects if new variants of Covid-19 should emerge. Even if vaccine programmes and other measures are successful in significantly reducing the prevalence of Covid-19 cases in the short- to medium-term, the lasting impact of Covid-19 on the economies and financial markets is uncertain; if the impact is severe or prolonged, this may result in greater volatility but also in reduced liquidity, widening of credit spreads and lack of price transparency in credit markets. This may have a materially adverse impact on the Issuer's financial performance and position in future. In addition, the conflict between Russia and Ukraine could lead to disruption, instability and volatility in global markets and industries. The U.S. government and other governments in jurisdictions have imposed severe economic sanctions and export controls against Russia and Russian interests, have removed Russia from the SWIFT system, and have threatened additional sanctions and controls. The impact of these measures, as well as potential responses to them by Russia, is unknown.

Major economies, including the United States, the Eurozone and the UK, have responded to turbulence following 2007 with a variety of stimulus measures such as sustained periods of historically low and even negative interest rates, quantitative easing and outright asset purchases, intended to ease monetary conditions, and many of these measures have continued through the corona pandemic. The International Monetary Fund, the European Central Bank and the European Union have intervened and assisted with large liquidity injections, guarantees and financial support, although the longer term economic outlook remains uncertain. Due to the high public debt levels in a number of Western economies, it might take a substantial period of time before these problems are resolved and for the markets to return to their pre-global economic and financial crisis levels.

With tightening monetary conditions, driven to some extent by labour shortages, supply chain disruptions and sharp increases in energy prices, several major economies have signalled that tapering of asset purchases may accelerate through 2022, and that key policy rates may be increased to check inflationary pressures. There is a risk that less accommodative monetary policy in major economies, especially the United States, will create tighter global financial conditions, that may affect borrowing costs and exchange rates. There is also uncertainty about the pace of tapering of asset purchases and the timing of decisions to change key policy rates. There is a risk that such measures or communication about such measures might result in volatility in financial markets or result in further negative effects to the real economy, which might have a materially adverse impact on the Issuer's financial performance.

Market conditions may impact the Issuer's ability to raise debt in a similar manner, and at a similar cost, to the funding raised in the past. The Issuer's business and results of operations are affected by conditions in the global financial markets and by global economic conditions, particularly in Norway. Challenging market conditions may result in greater volatility but also in reduced liquidity, widening of credit spreads and lack of price transparency in credit markets. Changes in financial markets, including changes in interest rates, exchange rates and the value of other investments, may also affect the financial performance of the Issuer.

***Credit and counterparty risk***

A counterparty to any of the Issuer's agreements or lending customer may be unable to honour its commitments in the future. There is no guarantee that the Issuer's policy in monitoring credit and counterparty risk will be effective and a lending customer or counterparty's default, non-compliance or delayed payment may adversely affect the Issuer's business, results of operations and/or financial condition.

***Liquidity risk***

The Issuer may be unable to meet its obligations on the agreed date of settlement as a result of market-related factors (such as spread, interest rate, credit spread and currency risk). A downturn in the market could result in the Issuer's net cash position being insufficient to meet its obligations on the agreed date.

***Interest rate risk***

Interest rate risk occurs in connection with the Issuer's lending and funding activities and arises from the different interest rate periods for the Issuer's assets and liabilities and the fact that incoming and outgoing payments are due at different times.

There is no guarantee that the Issuer will be able to match interest rate periods for its funding and lending activities (e.g., entering into derivative contracts, and purchase and sale of securities issued by governments and financial institutions) to manage interest rate risk on assets and liabilities. This, in turn, may adversely affect the Issuer's business, results of operations and/or financial condition.

***Credit rating downgrades and other credit rating actions could have an adverse impact on the Issuer's operations and financial condition***

Credit ratings are important to the Issuer's business for a number of reasons, including because they may affect the Issuer's continued access to the capital markets and the cost of accessing such markets. The Issuer has credit ratings from S&P and Moody's (see "*Ratings*"). Each of the credit rating agencies reviews its credit ratings and credit rating methodologies on a recurring basis and may decide to downgrade the Issuer at any time.

In June 2021, S&P affirmed the AAA long-term credit rating of the Issuer and its 'stable' outlook and, in October 2021, Moody's affirmed its Aaa long-term credit rating and 'stable' outlook.

Notwithstanding S&P's view, which is shared by Moody's, that the Issuer is a 'government-related entity', and hence is 'extremely likely' to receive government support, investors should note that the Issuer is not a government entity and its debt (including the Instruments) are not direct or indirect obligations of the Kingdom of Norway or guaranteed in any way by the Kingdom of Norway. Any credit rating action taken by S&P or Moody's with respect to the Kingdom of Norway would be expected to impact the Issuer's credit ratings, and any adverse credit rating action could adversely affect the Issuer. In the event of a downgrade or negative outlook with respect to the Issuer, or if the Issuer is placed on credit watch, the Issuer's cost of issuing debt instruments might increase, having an adverse effect on net profit and potentially impacting the Issuer's competitive position with its clients in the public sector and its financial condition.

***Regulatory developments***

The Issuer operates in a highly regulated industry. The Issuer's business operations and results are affected by new and existing legislation, as amended, ordinances and other laws adopted by various standard-setting bodies in Norway and the European Union, and, to a certain extent, the standard-setting bodies and governmental authorities in foreign states. Financial services laws, regulations and policies currently governing the Issuer may change at any time in ways which can have an adverse effect on the Issuer's business, and it is difficult to predict the timing or form of any future regulatory or enforcement initiatives thereof. Amendments to rules and regulations, including amended accounting standards and amended capital requirements, may adversely affect the Issuer's operations, its financial results and the pricing of its bonds. As a relatively small organisation, the Issuer is burdened financially and operationally by the pressure of increasing regulation and the heightened duty to provide reports to its regulators. In the event that the Issuer cannot fulfil its obligations pursuant to the applicable rules and regulations, there is a risk of incurring sanctions imposed by supervisory authorities and courts of law, which may adversely affect the Issuer's operations.

A comprehensive package of reforms to further strengthen the resilience of EU banks, amending many of the existing provisions set forth in the BRRD, CRR and CRD IV, entered into force on 27 June 2019 (with certain provisions applying from that date and other provisions gradually being phased in and/or being subject to national implementation). It consists of Regulation (EU) No. 2019/876, Directive (EU) No. 2019/878, Directive (EU) No. 2019/879 and Regulation (EU) No. 2019/877 (the "**EU Banking Reform Legislation**"). The EU Banking Reform Legislation covers multiple areas, including the Pillar 2 framework, the leverage ratio (already implemented in Norway), mandatory restrictions on distributions, permission for reducing own funds and eligible liabilities, macroprudential tools, the MREL framework and the integration of the Financial Stability Board's proposed minimum total loss-absorbing capacity into EU legislation. As at the date of this Base Prospectus, the EU Banking Reform Legislation has not yet been implemented in the Agreement on the European Economic Area (the "**EEA Agreement**"). Implementing legislation was adopted by the Norwegian Parliament on 18 June 2021 but is not yet in force. While the EU

Banking Reform Legislation is not in force and has not been applied by the relevant authorities, it is not yet possible to assess the full impact of such legislation on the Issuer, but it is possible that some of the requirements may entail new burdens financially and operationally and may have an adverse effect on the Issuer's business.

A further banking legislation package was adopted by the European Commission on 27 October 2021 (the "**2021 Banking Legislation Package**"). The package finalises the implementation of the Basel III agreement in the EU, amending many provisions set forth in the BRRD, CRR and CRD IV. Trilogue negotiations between the Commission, the European Parliament and the European Council are underway. It is expected that the final legislation to be adopted in the EU will enter into force in the EU from 2025. It is further expected that the legislation will be implemented into the EEA Agreement and enter into force in Norway around the time of entry into force in the EU. While the 2021 Banking Legislation Package is not yet adopted and there is uncertainty regarding the final substance of any new or amended provisions, it is not yet possible to assess the full impact of such legislation on the Issuer, but it is possible that some of the requirements may entail new burdens financially and operationally and may have an adverse effect on the Issuer's business.

The Issuer is designated as a systemically important institution in Norway by the Ministry of Finance. The Norwegian Financial Supervisory Authority (the "**NFSA**") has expressed that the Issuer will be treated similar to other systemically important institutions, and further that the largest institutions are expected to be subject to a minimum requirements for own funds and eligible liabilities ("**MREL**") requirement corresponding to a loss absorption amount in line with applicable capital requirements and a recapitalisation amount to meet the capital requirements after recapitalisation, subject to any individual adjustments that may apply based on institution-specific considerations. Implementation of an MREL requirement for the Issuer is subject to the approval of the Ministry of Finance. Such approval is still pending, and no information has been given on when final approval may be expected. It is difficult to predict the effect MREL may have on the Issuer until the new MREL requirements have been fully implemented. There is a risk that the MREL requirements within the framework for MREL applicable to the Issuer could require the Issuer to issue additional MREL eligible liabilities in order to meet the new requirements within the required timeframes.

*Risks related to bribery, money laundering activities and sanctions violations, and compliance with anti-money laundering and anti-terrorism financing rules involves significant cost and effort*

The Issuer is subject to rules and regulations regarding anti-bribery, anti-money laundering, anti-terrorist financing and economic sanctions. In general, the risk that banks will be subjected to or used for money laundering has increased worldwide. Monitoring compliance with anti-money laundering and anti-terrorism financing rules can put a significant burden on the Issuer and pose significant technical problems. There can be no assurance that the Issuer will at all times meet regulatory expectations in the implementation of its anti-money laundering policies and procedures and otherwise comply with relevant law and regulation.

Any violation of anti-money laundering or anti-terrorism financing rules, or even the suggestion of violations, may have severe legal and reputational consequences for the Issuer and could, as a result, have a material adverse effect on the Issuer's financial condition and results of operations

*Risks relating to information technology systems and outsourcing*

The Issuer is increasingly dependent on information technology systems which may fail, may not be adequate to the tasks at hand or may no longer be available.

Financial institutions and their activities are increasingly dependent on highly sophisticated information and communication technology ("**ICT**") systems. ICT systems are vulnerable to a number of problems, such as software or hardware malfunctions, interruptions in network availability, cyber attacks, human error and physical damage to vital ICT data centres, including services from public cloud providers. Major incidents of instability or unavailability could have an adverse effect on the Issuer's business.

ICT systems need regular upgrades and replacements to meet the needs of changes in the business, regulatory requirements and the increased needs of building resilience against cyber threats. The Issuer may not be able to implement upgrades in a timely manner, and upgrades may fail to perform as planned. In addition to costs that may be incurred as a result of any failure of its ICT systems or related technical issues, as well as the general cost of upgrading its ICT systems, the Issuer could face fines from regulators if its

ICT systems fail to enable it to comply with applicable regulations, including data protection regulations and regulations on outsourcing of ICT services.

The Issuer maintains back-up systems for its operations. However, there are certain worst-case scenarios, for example in the event of a major catastrophe resulting in the failure of its information systems, where the Issuer could lose significant portions of data with regard to its operations.

The Issuer is reliant on its outsourcing contracts for the maintenance and operation of its ICT systems. Should these companies become unwilling or unable to fulfil their obligations under the relevant outsourcing contracts, the Issuer could find the effective functioning of its ICT systems compromised. In particular, the Issuer and its customers may be affected by connectivity problems, which relate to third-party suppliers and public cloud providers, and which might lead to service interruptions and adverse media coverage. A major disruption to the Issuer's ICT systems, whether under the scenarios outlined above or under other scenarios, could have a material adverse effect on the normal operation of the Issuer's business and thus on its financial condition and results of operations.

*Risks relating to cybercrime*

Similar to other financial institutions, the Issuer's activities are under increasing threats from cyber criminals, mainly related to financial crime. Cyber risks are foremost related to the Issuer's core business applications and interfaces to other financial institutions servicing the Issuer by exploiting potential vulnerabilities in technological security barriers and human behaviour (social engineering). The Issuer makes continuous improvements to address threats from cyber criminals, including thorough due diligence of major providers; however, there can be no assurance that these investments and improvements will be successful in part or in full, or without significant additional expenditures. The Issuer may experience security incidents or unexpected disruptions to its systems and services, which in turn may result in liabilities or losses to the Issuer and have an adverse effect on the Issuer's business, operations and reputation.

**Risks Related to the Market Generally**

*Liquidity risks*

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

*Exchange rate risks and exchange controls*

The Issuer will generally pay principal and interest on the Instruments in the currency specified in the applicable Final Terms (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Instruments, (ii) the Investor's Currency-equivalent value of the principal payable on the Instruments and (iii) the Investor's Currency-equivalent market value of the Instruments. Additionally, conversion provisions may apply to payments of amounts due under the Instruments in certain circumstances, in which case payments will be converted from, or into, the Specified Currency in accordance with provisions set out in the Conditions. In any such case, the exchange rate and exchange control risks set out above may apply.

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

*Interest rate risk*

Investment in Fixed Rate Instruments involves the risk that if market interest rates subsequently increase above the interest rate paid on the Fixed Rate Instruments, this may adversely affect the value of the Fixed Rate Instruments.

*Credit rating risk*

Credit or corporate ratings may not reflect all risks. One or more independent rating agencies may assign ratings to the Instruments and/or the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Instruments or the standing of the Issuer.

A credit rating and/or a corporate rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In the event a rating assigned to the Instruments and/or the Issuer is lowered for any reason, the market value of the Instruments may be adversely affected, but no person or entity is obliged to provide any additional support or credit enhancement with respect to the Instruments.

Additionally, if the status of a rating agency rating the Instruments changes, certain regulated investors may no longer be able to use the rating for regulatory purposes and the Instruments may have a different regulatory treatment. This may result in such regulated investors selling the Instruments, which may impact the value of the Instruments and any secondary market.

**Risks Relating to the Instruments Generally**

*LCR eligibility*

According to the CRR and Commission Delegated Regulation (EU) 2015/61 (the "**LCR Regulation**"), certain investors that are authorised as banks or credit institutions in the EEA may be required to satisfy a minimum liquidity coverage ratio ("**LCR**"). For this purpose, certain assets may qualify as high quality liquid assets ("**HQLA**"), and may be recognised as level 1, level 2A or level 2B assets according to certain eligibility criteria. The Issuer has obtained a legal opinion from a Norwegian law firm that concludes that assets issued by the Issuer will generally fulfill the eligibility criteria for level 1 assets set out in Article 10(1)(e) of the LCR Regulation as implemented in Norwegian domestic legislation. The Issuer has submitted a request to the NFSA to receive a confirmation that they agree with the conclusion of the legal opinion, and clarify the LCR status, but the response of the NFSA is still pending as at the date of this Base Prospectus, and no assurance is or can be given that a positive confirmation will be received, and if received, how long time it may take before that happens.

Pending confirmation from the NFSA, prospective investors should have regards to the information about the Issuer and the Instruments in this Base Prospectus and/or in the relevant Final Terms, and must determine for themselves if the Instruments or any Tranche of any Instruments fulfill the eligibility criteria for level 1 assets set out in Article 10(1)(e) of the LCR Regulation as implemented and applied under Norwegian domestic legislation, and must in any case determine for themselves the relevance of the status of assets issued by the Issuer under the criteria of Norwegian domestic legislation for the determination of eligibility or qualification as liquid assets under the regulatory or supervisory requirements in their own jurisdictions.

No assurance or representation is given as to the suitability or reliability of any information or opinion of any third party (whether or not solicited by the Issuer) on whether the Instruments may be eligible for treatment as HQLA or any similar designation under the eligibility criteria of any jurisdiction. Prospective investors must determine for themselves the relevance of any such information or opinion.

The failure of any Tranche of Instruments to qualify under the eligibility criteria for treatment as HQLA or any similar designation in any jurisdiction or to meet investor expectations that they may be suitable for such use will not constitute an Event of Default or breach of contract with respect to any Instruments, but may adversely affect the market value and/or liquidity of the Instruments.

*The European recovery and resolution regime is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of the Instruments and/or the rights of Holders*

On 2 July 2014, Directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**") entered into force in the EU. The BRRD is designed to provide authorities with resolution tools, intended to be used prior to the point at which any insolvency proceedings with respect to the relevant financial institution could have been initiated, with which to intervene so as to ensure the continuity of an institution's critical financial and economic functions, while minimising the impact of the failure of an institution on the economy and financial system.

The BRRD applies in Norway in line with the EU legislation, through the Norwegian implementing legislation (the "**Norwegian Implementing Legislation**"). The NFSA is currently the Relevant Resolution Authority under the Norwegian Implementing Legislation.

Substantial powers are granted to the Relevant Resolution Authority under the Norwegian Implementing Legislation. These powers enable the Relevant Resolution Authority to implement various resolution measures (including, but not limited to, the bail-in tool) with respect to a Norwegian bank or investment firm and certain of its affiliates (including, the Issuer) (each a "**relevant entity**") in circumstances in which the Relevant Resolution Authority is satisfied that the relevant resolution conditions are met. These powers 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 Norwegian Implementing Legislation also provides for an additional insolvency procedure for relevant entities (liquidation of institutions under public administration) and for certain ancillary powers, such as the power to modify contractual arrangements in certain circumstances (which could include a variation of the terms of the Instruments), powers to impose temporary suspension of payments, powers to suspend enforcement or termination rights that might be invoked as a result of the exercise of the resolution powers.

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

Since the Issuer and the Instruments fall within the scope of the Norwegian Implementing Legislation, the Instruments may, amongst other resolution powers, be subject to bail-in powers and could be written down or converted into equity as part of a resolution process which may result in loss to the Holders, or their rights in respect of the Instruments and/or the value of their investment may otherwise be materially adversely affected.

The exercise of any power under the BRRD (as implemented in Norwegian law) or any suggestion of, or perception of there being an increased likelihood of, such exercise could materially adversely affect the rights of Holders, the price or value of the Instruments and/or the ability of the Issuer to satisfy its obligations under the Instruments and could lead to Holders losing some or all of the value of their investment in such Instruments. Prospective investors in the Instruments should consult their own advisers as to the possible consequences of the BRRD (as implemented in Norwegian law).

*Under the terms of the Instruments, investors will agree to be bound by and consent to the exercise of any Norwegian bail-in power by the Norwegian resolution authority*

By acquiring Instruments, each Holder and each beneficial owner acknowledges, accepts, consents and agrees to be bound by (a) the effect of the exercise of any Norwegian bail-in power by the Norwegian resolution authority that may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount of, or any interest on, the Instruments or any other outstanding amounts due under, or in respect of, the Instruments; (ii) the conversion of all, or a portion, of the principal amount of, or any interest on, the Instruments or any other outstanding amounts due under, or

in respect of, the Instruments into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the Holder of Instruments of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Instruments; (iii) the cancellation of the Instruments; (iv) the amendment or alteration of the maturity of the Instruments or amendment of the amount of interest payable on the Instruments, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (b) the variation of the terms of the Instruments, if necessary, to give effect to the exercise of any Norwegian bail-in power by the Norwegian resolution authority. The exercise of any such powers or any suggestion of, or perception of there being an increased likelihood of, such exercise could materially adversely affect the rights of Holders, the price or value of the Instruments and/or the ability of the Issuer to satisfy its obligations under the Instruments and could lead to Holders losing some or all of the value of their investment in such Instruments. See Condition 20 in the Conditions.

*The Instruments may be redeemed prior to maturity*

Unless in the case of any particular Tranche of Instruments the relevant Final Terms specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Instruments due to any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Norway or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Instruments in accordance with the Conditions (and, in the case of the Senior Non-Preferred Instruments, subject to the prior written permission of the Relevant Regulator (if then required)).

In addition, if in the case of any particular Tranche of Instruments the relevant Final Terms specifies that the Instruments are redeemable at the Issuer's option in certain other circumstances, subject, in the case of the Senior Non-Preferred Instruments, to the prior written permission of the Relevant Regulator (if then required), the Issuer may choose to redeem the Instruments at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Instruments and may only be able to do so at a significantly lower rate.

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Instruments, the market value of the Instruments generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. Furthermore, during periods of perceived increased likelihood that the Instruments would be redeemed early, the market value of the Notes may be adversely affected.

Any decision by the Issuer as to whether it will exercise its option to redeem the Instruments will be made at the absolute discretion of the Issuer taking into account factors such as, but not limited to, the economic impact of exercising such option to redeem the Instruments, any tax consequences, the regulatory requirements and the prevailing market conditions. Holders of the Instruments should be aware that they may be required to bear the financial risks of an investment in the Instruments until maturity.

*Modification and waiver*

The Conditions and the Issue and Paying Agency Agreement contain provisions for calling meetings of Holders of Instruments (other than VPS Instruments) to consider matters affecting their interests and for the passing of resolutions by way of an Extraordinary Resolution, Written Resolution or Electronic Consent (each as defined in the Issue and Paying Agency Agreement). The VPS Trustee Agreement contains provisions for calling meetings of Holders of VPS Instruments to consider matters affecting their interests. These provisions permit defined majorities to bind all Holders of relevant Instruments including Holders that did not attend and vote at the relevant meeting (or did not participate in the process for obtaining the Written Resolution or Electronic Consent) and Holders that voted in a manner contrary to the majority.

The Conditions provide that the Issuer may, with the consent of the Issue and Paying Agent, or the VPS Account Operator or the VPS Trustee, as the case may be, but without the consent of the Holders of the relevant Instruments of any Series, amend the Conditions and the Deed of Covenant in so far as they may apply to such Instruments to correct a manifest error. The VPS Trustee Agreement provides that the Issuer and the VPS Trustee may agree to amend the VPS Trustee Agreement or the Conditions applicable to the VPS Instruments without prior approval of Holders of the VPS Instruments. In addition, certain changes

may be made pursuant to Conditions 5.7B, 5.19 and 6.18 without the requirement for consent of Holders of Instruments. No assurance can be given as to the impact of any such modification or amendment on the affected Instruments, Holders' rights and the market value of any affected Instruments.

*Partly paid Instruments*

The Issuer may issue Instruments where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of their investment.

*Instruments issued at a substantial discount or premium*

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

*Conflicts of Interest – Calculation Agent*

The Issuer may appoint a Dealer as Calculation Agent in respect of an issuance of Instruments under the Programme. In such a case the Calculation Agent is likely to be a member of an international financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. Whilst such a Calculation Agent will, where relevant, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Holders during the term and on the maturity of the Instruments or the market price, liquidity or value of the Instruments and which could be deemed to be adverse to the interests of the Holders.

*Minimum Specified Denomination and higher integral multiples*

In relation to an issue of Instruments which have a denomination consisting of minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Instruments may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such Specified Denomination. In such case a Holder who, as a result of trading such amount, holds a principal amount of less than the minimum Specified Denomination may not receive an Instrument in definitive form in respect of such holding (should definitive Instruments be printed) and would need to purchase a principal amount such that its holding amounts to a Specified Denomination.

*Where Instruments are held by or on behalf of a clearing system, investors will have to rely on its procedures for transfer, payment and communication with the Issuer*

Instruments issued under the Programme may be represented by one or more Global Instruments. Such Global Instruments will be deposited with (in the case of a Classic Global Instrument (a "**CGI**") or a Registered Instrument not held under the New Safekeeping Structure (the "**NSS**" or "**New Safekeeping Structure**")) a common depositary (in the case of a New Global Instrument (an "**NGI**") or a Registered Instrument to be held under the NSS), a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or with a custodian for The Depository Trust Company ("**DTC**"). Except in the circumstances described in the relevant Global Instrument, investors will not be entitled to receive Definitive Instruments. Euroclear, Clearstream, Luxembourg and/or DTC (as the case may be) will maintain records of the beneficial interests in the Global Instruments. While the Instruments are represented by one or more Global Instruments, investors will be able to trade their beneficial interests only through Euroclear, Clearstream, Luxembourg and/or DTC (as the case may be). See "*Clearing and Settlement*".

While the Instruments are represented by one or more Global Instruments the Issuer will discharge its payment obligations under the Instruments by making payments to or to the order of a common depositary, common safekeeper (or a nominee for a common depositary or common safekeeper) or custodian (as applicable) for Euroclear, Clearstream, Luxembourg and/or DTC (as the case may be) for distribution to their accountholders. A Holder of a beneficial interest in a Global Instrument must rely on the procedures of Euroclear, Clearstream, Luxembourg and/or DTC to receive payments under the relevant Instrument. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Instruments.

Holders of beneficial interests in the Global Instruments will not have a direct right to vote in respect of the relevant Instruments. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear, Clearstream, Luxembourg and/or DTC (as the case may be) to appoint appropriate proxies.

Similarly, VPS Instruments will be issued in uncertificated and dematerialised book-entry form registered in the VPS. The VPS will maintain records of the ownership of the VPS Instruments. VPS Instruments will not be evidenced by any physical note or document of title other than statements of account made by the VPS. Ownership of VPS Instruments will be recorded and transfer effected only through the book-entry system and register maintained by the VPS.

The Issuer will discharge its payment obligations under VPS Instruments by making payments through the VPS and Holders of VPS Instruments must therefore rely on the procedures of the VPS to receive payments under VPS Instruments. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in VPS Instruments. Investors with accounts in Euroclear and Clearstream, Luxembourg may hold VPS Instruments in their accounts with such clearing systems and the relevant clearing system will be shown in the records of the VPS as the Holder of the relevant amount of VPS Instruments.

*Nominee arrangements*

Where, in the case of an issue of Instruments a nominee service provider is used by an investor to hold the relevant Instruments or such investor holds interests in any Series of Instruments through accounts with a clearing system (such as Euroclear, Clearstream, Luxembourg and/or DTC), such investor will receive payments in respect of principal, interest (if any) or any other amounts due, as applicable, solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider or clearing system, as the case may be. Furthermore, such investor must rely on the relevant nominee service provider or clearing system to distribute all payments attributable to the relevant Instruments which are received from the Issuer. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or clearing system, as well as the Issuer.

For the purposes of (a) distributing any notices to Holders, and (b) recognising Holders for the purposes of attending and/or voting at any meetings of Holders, the Issuer will recognise as Holders only those persons who are at any time shown as accountholders in the records of Euroclear, Clearstream, Luxembourg and/or DTC as persons holding a principal amount of the relevant Series of Instruments. Accordingly, an investor must rely upon the nominee service provider which is the accountholder with the relevant clearing system through which the investor made arrangements to invest in the Instruments (and, if applicable, the domestic clearing system through which the Instruments are held), to forward notices received by it from Euroclear, Clearstream, Luxembourg and/or DTC and to return the investor's voting instructions or voting certificate application to Euroclear, Clearstream, Luxembourg and/or DTC. Accordingly, such an investor will be exposed to the risk that the relevant nominee service provider or clearing system may fail to pass on the relevant notice to, or fail to take relevant instructions from, the investor.

In addition, such a Holder will only be able to sell any Instrument held by it prior to its stated maturity date with the assistance of the relevant nominee service provider.

None of the Issuer, the Arranger, any Dealer to be appointed under the Programme or the Issue and Paying Agent or any Paying Agent shall be responsible for the acts or omissions of any relevant nominee service provider or clearing system nor makes any representation or warranty, express or implied, as to the services provided by any relevant nominee service provider or clearing system.

**Risks Relating to a Particular Structure of Instruments**

*The ranking of the Instruments may affect the amount of recovery (if any) a Holder may expect to receive in a winding-up or resolution of the Issuer*

The Senior Instruments will constitute direct, unsecured and unsubordinated obligations of the Issuer. On a liquidation, dissolution or winding-up by way of public administration of the Issuer, all claims in respect of the Senior Instruments will rank *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for certain mandatory exceptions provided by law ("**Preferred Claims**"), as set out in more detail in Condition 3.1.

The Senior Non-Preferred Instruments will constitute unsecured and unsubordinated obligations of the Issuer. On a liquidation, dissolution or winding-up by way of public administration of the Issuer, all claims in respect of the Senior Non-Preferred Instruments will rank *pari passu* without preference among themselves and *pari passu* with claims in respect of Non-Preferred Parity Securities and Statutory Non-Preferred Claims (if any) and junior the claims of Senior Creditors, as set out in more detail in Condition 3.2.

If, on a liquidation, dissolution or winding-up by way of public administration of the Issuer, the assets of the Issuer are insufficient to enable the Issuer to repay in full the claims of more senior-ranking creditors, Holders will lose their entire investment in the Instruments. If there are sufficient assets to enable the Issuer to pay the claims of senior-ranking creditors in full but insufficient assets to enable it to pay claims in respect of its obligations in respect of the Instruments and all other claims that rank *pari passu* with the Instruments , Holders will lose some (which may be substantially all) of their investment in the Instruments. Accordingly, Holders of Senior Non-Preferred Instruments would lose their entire investment before losses are imposed on Holders of Senior Instruments and Holders of Senior Instruments would lose their entire investment before losses are imposed on creditors in respect of Preferred Claims.

In addition, the ranking of Instruments on a liquidation, dissolution or winding-up by way of public administration of the Issuer is also expected to impact on the losses imposed on Holders if resolution powers are exercised in respect of the Issuer, as such resolution powers are required to be applied in a manner that respects the hierarchy of capital instruments under CRD and otherwise respects the hierarchy of claims in an ordinary insolvency. Accordingly, the actual or anticipated exercise of any of these resolution actions in relation to the Issuer or any Instruments could materially adversely affect the value of any Instruments and/or the rights of Holders. See also "*The European recovery and resolution regime is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of the Instruments and/or the rights of Holders*" above.

*There are limited events of default in relation to Senior Non-Preferred Instruments*

The only event of default in relation to Senior Non-Preferred Instruments is the Issuer going into liquidation through public administration, as described in Condition 7. This is the only circumstance in which payment of principal and accrued but unpaid interest on any Instrument may be accelerated by the Holder thereof.

There is no right of acceleration in the case of non-payment of principal or interest on the Instruments or in the case of the Issuer's failure to perform any of its other obligations under or in respect of the Notes.

The remedies under the Senior Non-Preferred Instruments are more limited than those typically available to the Issuer's unsubordinated creditors.

*There is no right of set-off or counterclaim in relation to Senior Non-Preferred Instruments*

Holders of the Senior Non-Preferred Instruments will waive any right of set-off or counterclaim in relation to such Instruments. As a result, Holders will not be entitled to set-off the Issuer's obligations under such Instruments against obligations owed by them to the Issuer. Holders may therefore be required to initiate separate proceedings to recover amounts in respect of any counterclaim and may receive a lower recovery in the event of a liquidation, dissolution or winding-up of the Issuer than if set-off or counterclaim were permitted.

*Call options are, in the case of the Senior Non-Preferred Instruments, subject to the prior consent of the Relevant Regulator and the Issuer may decide not to exercise an option to redeem the Instruments*

Any early redemption by the Issuer of Senior Non-Preferred Instruments is subject to the prior written permission of the Relevant Regulator (if, and to the extent, then required by the Relevant Regulator and by the Applicable MREL Regulations).

Holders of such Instruments should not invest in Senior Non-Preferred Instruments in the expectation that any applicable call option will be exercised by the Issuer. The Relevant Regulator must agree to permit such a call, based upon its evaluation of the regulatory capital position of the Issuer and certain other factors at the relevant time. There can be no assurance that the Relevant Regulator will permit such a call. Holders of such Instruments should be aware that they may be required to bear the financial risks of an investment in such Instruments for a period of time in excess of the minimum period (if applicable). There can be no

assurance that Holders of such Instruments will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in such Instruments, as the case may be.

*Senior Non-Preferred Instruments: MREL Disqualification Event Redemption*

Where the relevant Final Terms specifies that MREL Disqualification Event Option applies, if a MREL Disqualification Event occurs, the Issuer may, at its option, but subject to obtaining the prior written permission of the Relevant Regulator (if applicable), on giving not less than 30 nor more than 60 days' notice to the Issue and Paying Agent and (in the case of VPS Instruments) the VPS Trustee and the VPS Account Operator and the Agent and, in accordance with Condition 14, the Holders (which notice shall be irrevocable), as further provided in Condition 6.7, redeem all (but not some only) of the outstanding Instruments comprising the relevant Series at the amount specified in the relevant Final Terms together (if appropriate) with interest accrued to (but excluding) the date of redemption.

There can be no assurance that Holders of such Instruments will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in such Instruments.

*Senior Non-Preferred Instruments: Substitution and Variation*

Where the relevant Final Terms specifies that Condition 6.18 applies, if at any time an MREL Disqualification Event occurs, the Issuer may, subject to obtaining the prior written permission of the Relevant Regulator (if applicable), and without any requirement for the consent or approval of the relevant Holders, either substitute all (but not some only) of the relevant Instruments, as the case may be, for, or vary the terms of the relevant Instruments, as the case may be, and/or the terms of any other document relating to the Instruments so that they remain or, as appropriate, become, Qualifying MREL Securities, as further provided in Condition 6.18. The Conditions of such substituted or varied Instruments may have terms and conditions that contain one or more provisions that are substantially different from the terms and conditions of the original Instruments, *provided that* the relevant Instruments remain or, as appropriate, become, Qualifying MREL Securities, as the case may be, in accordance with the Conditions.

No assurance can be given as to whether any of these changes will negatively affect any particular Holder. In addition, the tax and stamp duty consequences of holding such substituted or varied Instruments could be different for some categories of Holders from the tax and stamp duty consequences for them of holding the Instruments prior to such substitution or variation.

*The gross-up obligation in relation to Senior Non-Preferred Instruments is limited to payments of interest only*

The Issuer's obligation under Condition 8 to pay additional amounts in the event of any withholding or deduction in respect of taxes on any payments under the terms of Senior Non-Preferred Instruments applies only to payments of interest and not to payments of principal. As such, the Issuer would not be required to pay any additional amounts under the terms of such Instruments to the extent any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under any such Instruments, Holders may receive less than the full amount of principal due under such Instruments upon redemption, and the market value of such Instruments may be adversely affected.

*The qualification of the Senior Non-Preferred Instruments as "eligible liabilities" is subject to uncertainty*

The Senior Non-Preferred Instruments are intended to be MREL Eligible Liabilities which are available to meet any MREL Requirement (however called or defined by the Applicable MREL Regulations then applicable) of the Issuer. However, there is uncertainty regarding the final substance of the Applicable MREL Regulations and how those regulations, once enacted, are to be interpreted and applied and the Issuer cannot provide any assurance that such Instruments will be (or thereafter remain) MREL Eligible Liabilities. There is therefore a risk that a MREL Disqualification Event may occur.

Upon the occurrence of a MREL Disqualification Event, the Issuer may, at its option but subject to Condition 6.17 (if applicable), (i) where the relevant Final Terms specifies MREL Disqualification Event Option, redeem all (but not some only) of such Series of Instruments and (ii) where the relevant Final Terms specifies Condition 6.18 to be applicable, either substitute all (but not some only) of such Series of Instruments for, or vary the terms of such Series of Instruments and/or the terms of any other document

relating to the Instruments so that they remain or, as appropriate, become Qualifying MREL Securities. See "*Senior Non-Preferred Instruments: MREL Disqualification Event Redemption*" and "*Senior Non-Preferred Instruments: Substitution and Variation*" above for a description of the risks related to an early redemption of Instruments or the substitution or variation, as the case may be, of Instruments.

*Discontinuation or replacement of, or changes to, Benchmarks*

Reference rates and indices, including interest rate benchmarks such as LIBOR and EURIBOR, which are used to determine the amounts payable under financial instruments or the value of such financial instruments ("**Benchmarks**") have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform, changes to existing Benchmarks (with further changes anticipated) and the introduction of, and transition to, new Benchmarks such as SONIA, SOFR and €STR. Any such reforms or other changes to a Benchmark could affect the level of the published rate, including causing it to be lower and/or more volatile than it would otherwise be.

The Programme provides for the issuance of Instruments with a floating rate of interest determined on the basis of various Benchmarks. No assurance may be provided that relevant changes will not occur with respect to any such Benchmarks and/or that they will continue to exist. Indeed, transition to new reference rates across different currencies and products is expected or under consideration as of the date of this Base Prospectus. Even prior to the implementation of any changes to a Benchmark, uncertainty as to the nature of alternative reference rates and potential changes to the Benchmark may adversely affect it during the term of the relevant Instruments, as well as the return on the relevant Instruments and the trading market for securities based on the same Benchmark.

In certain circumstances, the Conditions provide for fallback arrangements in the event that a relevant Benchmark (including any page on which such benchmark may be published (or any successor service)) becomes unavailable, unlawful or unrepresentative, including the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative reference rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Instruments may not achieve this objective. The relevant fallback arrangements differ depending on the type of Instruments. Any such changes may result in the Instruments performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. In certain circumstances the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used.

This may result in the effective application of a fixed rate for Floating Rate Instruments based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser (as defined in the Conditions), the relevant fallback provisions may not operate as intended at the relevant time.

The consequences described above could have a material adverse effect on the return on any such Floating Rate Instruments, as well as the value or liquidity of, and the amount payable under, the Floating Rate Instruments. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by reforms or changes to Benchmarks or possible cessation or reform of certain reference rates in making any investment decision with respect to any Floating Rate Instruments.

*The market continues to develop in relation to SONIA, SOFR and €STR as reference rates for Floating Rate Instruments*

The Programme provides for the issuance of Floating Rate Instruments with interest determined on the basis of SONIA, SOFR and €STR as reference rates. SONIA, SOFR and €STR differ from the reference rates they are intended to replace in a number of material respects, including that Compounded Daily SONIA, SONIA Index, Compounded SOFR, SOFR Index and Compounded €STR are backwards-looking, compounded, risk-free overnight rates. As such, investors should be aware that they may behave materially differently as interest reference rates for the Instruments. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to

LIBOR which is an unsecured rate. For example, since publication of SOFR began, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Investors should be aware that the calculation methodology of SONIA Index and SOFR Index included in this Base Prospectus differ from the formulae included for calculating Compounded SOFR or Compounded Daily SONIA (as applicable) and so investors should carefully read and make sure they fully understand the terms of the relevant Instruments before making any investment decision.

Investors should be aware that the market continues to develop in relation to these reference rates in the capital markets and their adoption as alternatives to Sterling LIBOR, U.S. Dollar LIBOR and EONIA (Euro Overnight Index Average), respectively. In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA, SOFR and €STR including term reference rates (which seek to measure the market's forward expectation of an average rate over a designated term). The nascent development of SONIA, SOFR and €STR as interest reference rates for the Eurobond markets, as well as continued development of SONIA-, SOFR- and €STR-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Instruments.

The use of risk-free rates such as SONIA, SOFR and €STR in the Eurobond market continues to develop both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing SONIA, SOFR and €STR. In particular, investors should be aware that several different methodologies have been used in SONIA-, SOFR- and €STR-linked notes issued to date and no assurance can be given that any particular methodology, including the compounding formulae in the Conditions, will gain widespread market acceptance. The market or a significant part thereof may adopt an application of SONIA, SOFR or €STR that differs significantly from that set out in the Conditions. Furthermore, the Issuer may in future issue Instruments referencing SONIA, SOFR and/or €STR that differ materially in terms of interest determination when compared with the Instruments. In addition, the manner of adoption or application of SONIA, SOFR or €STR reference rates in the Eurobond markets may differ materially compared with the application and adoption of SONIA, SOFR or €STR in other markets, such as the derivatives and loan markets.

Potential investors should carefully consider how any mismatch between the adoption of SONIA, SOFR and €STR reference 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 Instruments referencing these reference rates.

*SONIA, SOFR and €STR have a limited history*

Publication of SONIA/SOFR and €STR began in April 2018 and October 2019, respectively, and they therefore have a limited history. The future performance of SONIA, SOFR and €STR may therefore be difficult to predict based on their limited historical performance. The level of SONIA, SOFR and €STR during the term of the Instruments may bear little or no relation to the historical level of SONIA, SOFR and €STR. Prior observed patterns, if any, in the behaviour of market variables and their relation to SONIA, SOFR and €STR such as correlations, may change in the future.

Furthermore, the rate of interest is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for Holders to estimate reliably the amount of interest which will be payable on the Instruments, and some investors may be unable or unwilling to trade such Instruments without changes to their IT systems, both of which factors could adversely impact the liquidity of the Instruments. Further, in contrast to LIBOR-based Instruments, if the Instruments become due and payable as a result of an Event of Default under Condition 7, or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Interest Rate payable in respect of the Instruments shall be determined by reference to a shortened period ending immediately prior to the date on which the Instruments become due and payable.

*The administrators of SONIA, SOFR and €STR may make changes that could change the value of these reference rates or discontinue any of these reference rates*

The Bank of England, the New York Federal Reserve or the European Money Markets Institute (or a successor), as administrators of SONIA, SOFR and €STR, respectively, may make methodological or other changes that could change the value of the relevant reference rate, including changes related to the method

by which the relevant reference rate is calculated, eligibility criteria applicable to the transactions used to calculate the relevant reference rate, or timing related to the publication of the relevant reference rate. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR (in which case a fallback method of determining the interest rate on the Instruments will apply). The administrator has no obligation to consider the interests of Holders when calculating, adjusting, converting, revising or discontinuing SONIA, SOFR or €STR.

*The value of Index Linked Instruments is subject to fluctuations and volatility in the underlying index or basket of indices*

The Issuer may issue Index Linked Instruments where the Maturity Redemption Amount, automatic early redemption or interest payable is dependent upon the level of an index or indices. The index or indices may comprise reference equities, bonds, other securities, property, currency exchange rate or other assets or bases of reference, and may be a well-known and widely published index or indices or an index or indices established by an entity which may not be widely published or available. An investment in Index Linked Instruments will entail significant risks not associated with a conventional fixed rate or floating rate debt security.

Index Linked Redemption Instruments may be redeemable by the Issuer by payment of the par value amount and/or by payment of an amount determined by reference to the value of the index/indices. Interest payable on Index Linked Interest Instruments may be calculated by reference to the value of one or more indices.

Potential investors in Index Linked Instruments should be aware that depending on the terms of the Index Linked Instruments (i) they may receive no or a limited amount of interest, (ii) payments may occur at a different time than expected and (iii) except in the case of principally protected Instruments, they may lose all or a substantial portion of their investment if the value of the index/indices does not move in the anticipated direction.

In addition, the movements in the level of the index or indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the index or indices may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the level of an index or result of a formula, the greater the effect on yield.

If the Maturity Redemption Amount or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the index or the indices on the Maturity Redemption Amount or interest payable will be magnified.

If the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred at any relevant time, such determination may have an effect on the timing of valuation and consequently the value of the Instruments and/or may delay settlement in respect of the Instruments.

Prospective purchasers should review the Conditions relating to Index Linked Instruments and the relevant Final Terms to ascertain whether and how such provisions apply to the Instruments.

The market price of Index Linked Instruments may be volatile and may depend on the time remaining to the redemption date and the volatility of the level of the index or indices. The level of the index or indices may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices may be traded.

Also, certain indices may be subject to regulation which may affect the performance of the relevant indices or restrict them from being used for certain purposes, including in connection with any Index Linked Instruments. Prospective investors should be aware that the consequences of the regulation of any indices relevant to the Index Linked Instruments may have a material adverse effect on the value of such Instruments and, in certain circumstances, the Issuer may be required to redeem such Instruments early.

*The value of Share Linked Instruments is subject to fluctuations and volatility in the underlying shares or basket of shares*

The Issuer may issue Share Linked Instruments where the Maturity Redemption Amount, automatic early redemption or interest payable are dependent upon the price of or changes in the price of shares or a basket of shares or where, depending on the price or change in the price of the shares or basket of shares, the Issuer has an obligation to deliver specified assets. Accordingly, an investment in Share Linked Instruments may bear similar market risks to a direct equity investment and investors should take advice accordingly. An investment in Share Linked Instruments will entail significant risks not associated with a conventional debt security.

Share Linked Redemption Instruments may be redeemable by the Issuer by payment of the par value amount and/or by the physical delivery of a given number of share(s) and/or by payment of an amount determined by reference to the value of the share(s). Note no Instruments that are exchangeable or convertible into share(s) will be issued by the Issuer pursuant to the Programme.

Potential investors in Share Linked Instruments should be aware that depending on the terms of the Share Linked Instruments (i) they may receive no or a limited amount of interest, (ii) payments or delivery of any specified assets may occur at a different time than expected and (iii) except in the case of principally protected Instruments, they may lose all or a substantial portion of their investment if the value of the share(s) does not move in the anticipated direction.

In addition, the movements in the price of the share or basket of shares may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the share or shares may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price of the share or shares, the greater the effect on yield.

If the Maturity Redemption Amount or interest payable, or Entitlement deliverable, is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the share or shares on the Maturity Redemption Amount or interest payable, or Entitlement deliverable, will be magnified.

If the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred at any relevant time, any such determination may have an effect on the timing of valuation and consequently the value of the Instruments and/or may delay settlement in respect of the Instruments. Prospective purchasers should review the Conditions relating to Share Linked Instruments and the relevant Final Terms to ascertain whether and how such provisions apply to the Instruments.

In the case of Share Linked Instruments following the declaration by the issuer of the relevant shares (the "**Share Company**") of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (i) make the corresponding adjustment, if any, to any of the terms of the relevant Conditions and/or the relevant Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (*provided that* no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (ii) determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Share Linked Instruments. In certain circumstances where it is impossible or impractical to make such adjustments, the Calculation Agent may instruct the Issuer to redeem the affected Share Linked Instruments.

In addition, in the case of Share Linked Instruments, if a Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency occurs in relation to any Share, the Calculation Agent in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the relevant Conditions and/or the relevant Final Terms to account for the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency and determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Share Linked Instruments; and

(ii) redeem all, but not some only, of the Instruments.

Following such redemption or cancellation 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 relevant Instruments being redeemed or cancelled and may only be able to do so at a significantly lower rate. Prospective investors should consider reinvestment risk in light of other investments available at that time.

The market price of Share Linked Instruments may be volatile and may be affected by the time remaining to the redemption date, the volatility of the share or shares, the dividend rate (if any) and the financial results and prospects of the Share Company or Share Companies as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such shares may be traded.

No Share Company will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Share Linked Instruments and neither the Issuer nor any Dealer will make any investigation or enquiry in connection with such offering with respect to any information concerning any such Share Company contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms) that would affect the trading price of the share will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such Share Company could affect the trading price of the share and therefore the trading price of the Instruments.

Except as provided in the relevant Conditions in relation to Physical Delivery Instruments, holders of Share Linked Instruments will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant shares to which such Instruments relate.

*U.S. withholding tax may apply to Instruments with payments linked to dividends paid by U.S. issuers*

The U.S. Treasury Department has released regulations under Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), which require withholding of up to 30 per cent. (depending on whether an income tax treaty or other exemption applies) on payments or deemed payments made to non-U.S. persons on certain financial instruments to the extent that such payments are contingent upon or determined by reference to U.S. source dividends. Significant aspects of the application of these regulations to the Instruments are uncertain. Payments on Instruments that are treated by the applicable Treasury regulations as being contingent upon, or adjusted to reflect, any U.S. source dividends may be subject to this withholding. In addition, the regulations could impose withholding tax on non-U.S. persons to the extent U.S. source dividends are paid on the underlying equity securities, even if no corresponding payment is made on the Instruments to the non-U.S. persons. The Issuer will not be required to pay any additional amounts or otherwise indemnify any person with respect to amounts so withheld.

The regulations under Section 871(m) contain exceptions for certain securities with payments linked to certain broad-based indices that meet various requirements (a "**Qualified Index**"). Payments on a security linked to a Qualified Index generally are not subject to withholding under Section 871(m); however, if an investor in such an instrument enters into certain offsetting positions with respect to a portion of the underlying components of the index, that could cause the index to cease being treated as a Qualified Index with respect to that investor. The Issuer intends that any Index Linked Instruments issued under the Programme that relate to an index with one or more underlying U.S. components will reference a Qualified Index.

*The value of FX Linked Instruments is subject to fluctuations and volatility in the underlying exchange rates*

The Issuer may issue FX Linked Instruments where the Maturity Redemption Amount, automatic early redemption or interest payable are dependent upon movements in currency exchange rates or are payable in one or more currencies which may be different from the currency in which the Instruments are denominated. Accordingly, an investment in FX Linked Instruments may bear similar market risks to a direct foreign exchange investment and investors should take advice accordingly. An investment in FX Linked Instruments will entail significant risks not associated with a conventional debt security. FX Linked Redemption Instruments may be redeemable by the Issuer by payment of the par value amount and/or by the physical delivery of a specified amount of one or more currencies and/or by payment of an amount

determined by reference to the value of the currency/currencies. Interest payable on FX Linked Interest Instruments may be calculated by reference to the value of one or more currencies.

Potential investors in any FX Linked Instruments should be aware that depending on the terms of the FX Linked Instruments (i) they may receive no or a limited amount of interest, (ii) payments or delivery of any specified assets may occur at a different time than expected and (iii) except in the case of principally protected Instruments, they may lose all or a substantial portion of their investment if the currency exchange rates do not move in the anticipated direction. In addition, the movements in currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations. If the Maturity Redemption Amount or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the currency exchange rates on the Maturity Redemption Amount or interest payable will be magnified. Fluctuations in exchange rates of the relevant currency will affect the value of FX Linked Instruments. Furthermore, investors who intend to convert gains or losses from the redemption or sale of FX Linked Instruments into their home currency may be affected by fluctuations in exchange rates between their home currency and the specified currency of the Instruments. Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value of a currency, regardless of other market forces.

*The value of Fund Linked Instruments is subject to fluctuations and volatility in the underlying fund or basket of funds*

The Issuer may issue Fund Linked Instruments where the Maturity Redemption Amount, automatic early redemption or interest payable are dependent upon the price or changes in the price of fund share(s) or unit(s) or where, depending on the price or changes in the price of fund share(s) or unit(s), the Issuer has an obligation to deliver specified assets. Accordingly, an investment in Fund Linked Instruments may bear similar market risks to a direct fund investment and investors should take advice accordingly. An investment in Fund Linked Instruments will entail significant risks not associated with a conventional debt security.

Fund Linked Redemption Instruments may be redeemable by the Issuer by payment of the par value amount and/or by the physical delivery of specified amount of one or more fund shares or units and/or by payment of an amount determined by reference to the value of the fund share(s) or unit(s). Interest payable on Fund Linked Interest Instruments may be calculated by reference to the value of one or more fund shares or units.

Potential investors in Fund Linked Instruments should be aware that depending on the terms of the Fund Linked Instruments (i) they may receive no or a limited amount of interest (ii) payments or delivery of any specified assets may occur at a different time than expected and (iii) except in the case of principally protected Instruments, they may lose all or a substantial portion of their investment if the value of the fund share(s) or unit(s) does not move in the anticipated direction.

In addition, the movements in the price of fund share(s) or unit(s) may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the fund share(s) or unit(s) may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price or prices of the fund share(s) or unit(s), the greater the effect on yield.

If the Maturity Redemption Amount or interest payable, or Entitlement deliverable, is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the fund share(s) or unit(s) on the Maturity Redemption Amount or interest payable, or Entitlement deliverable, will be magnified.

The price of unit(s) or fund share(s) may be affected by the performance of the fund service providers, and in particular the investment adviser.

In the case of Fund Linked Instruments linked to exchange traded funds ("**ETFs**"), if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred at any relevant time, any such determination may have an effect on the timing of valuation and consequently the value of the Instruments and/or may delay settlement in respect of the Instruments. Prospective purchasers should review the

Conditions relating to Fund Linked Instruments and the relevant Final Terms to ascertain whether and how such provisions apply to the Instruments.

In the case of Fund Linked Instruments linked to ETFs, following the declaration by the ETF of the occurrence of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical relevant Fund Shares and, if so, will (i) make the corresponding adjustment, if any, to any of the terms of the relevant Conditions and/or the relevant Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect and (ii) determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Fund Linked Instruments. In certain circumstances where it is impossible or impractical to make such adjustments, the Calculation Agent may instruct the Issuer to redeem the affected Fund Linked Instruments.

In addition, in the case of Fund Linked Instruments linked to ETFs, if a Merger Event, Tender Offer, De-listing, Material Underlying Event, Nationalisation or Insolvency Event occurs in relation to any Fund Share, the Calculation Agent in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the relevant Conditions and/or the relevant Final Terms to account for the Merger Event, Tender Offer, De-listing, Material Underlying Event, Nationalisation or Insolvency Event and determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Fund Linked Instruments; and

(ii) require the Issuer to redeem or cancel, as applicable, all of the Instruments. Following such redemption or cancellation 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 relevant Instruments being redeemed or cancelled and may only be able to do so at a significantly lower rate. Prospective investors should consider reinvestment risk in light of other investments available at that time.

The market price of Fund Linked Instruments may be volatile and may depend on the time remaining to the redemption date or settlement date (as applicable) and the volatility of the price of fund share(s) or unit(s). The price of fund share(s) or unit(s) may be affected by the economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any units in the fund or funds may be traded.

*The value of Commodity Linked Redemption Instruments is subject to fluctuations and volatility in the underlying commodity*

The Issuer may issue Commodity Linked Redemption Instruments where the Maturity Redemption Amount is dependent on an underlying commodity price. An investment in Commodity Linked Redemption Instruments will entail significant risks not associated with a conventional debt security. Potential investors in Commodity Linked Redemption Instruments should be aware that, depending on the terms of the Commodity Linked Redemption Instruments, the value of such Instruments may fluctuate in value significantly over short periods of time for a variety of factors, including: changes in the supply and demand of the underlying commodity; an ability to substitute or an inability to substitute the relevant underlying commodity; national and international governmental actions; changes in national or international economies relating to the underlying commodity; the general economic environment, including interest and foreign exchange rates; trading activities in commodities and related contracts which may include speculative trading; environmental events and pestilence; changes in technology and labour supply; and the regulation of production, trade and distribution of the underlying commodity. As a result of such risks or other unanticipated risks, commodity prices may be volatile.

The timing of changes in the relevant price of the underlying commodity or commodities may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price of the underlying commodity or commodities, the greater the effect on yield.

If the Maturity Redemption Amount is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the underlying commodity or commodities on the Maturity Redemption Amount will be magnified.

Potential investors in Commodity Linked Redemption Instruments should be aware that depending on the terms of the Commodity Linked Redemption Instruments (i) they may receive no or a limited amount of interest, (ii) payments or delivery of any specified assets may occur at a different time than expected and (iii) except in the case of principally protected Instruments, they may lose all or a substantial portion of their investment if the value of the commodity(ies) does not move in the anticipated direction. In the case of such Instruments there is a risk that any investor may lose the value of their entire investment or part of it. In addition, the movements in the price of the commodity or basket of commodities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices.

*Physical Delivery Instruments*

Redemption of some Instruments may be made by delivery or transfer of share(s) of a company or fund share(s) of an exchange traded fund. Potential investors should be aware that:

- occurrence of delivery or transfer of such share(s) or fund share(s) may be substantially delayed from the maturity date of the Instruments or any other date on which such delivery or transfer is expected to occur;

- in some events, no delivery or transfer of such share(s) or fund share(s) may be able to occur; and/or

- for such period of time after the maturity date and/or any other date on which such delivery or transfer is expected to occur as any person other than the relevant Holder shall continue to be the legal owner of the securities or the interests in the company or fund, the Holder may not be able to receive any payment or exercise any right which, if the Holder were the legal owner of the securities or the interests during such period, the Holder would have been entitled to.

*Additional Disruption Events and Administrator/Benchmark Events*

If specified in the relevant Final Terms in relation to a Series of Index Linked Instruments, Share Linked Instruments, FX Linked Instruments, Fund Linked Instruments, Commodity Linked Redemption Instruments or Physical Delivery Instruments, if the Calculation Agent determines that an event giving rise to an Additional Disruption Event or an Administrator/Benchmark Event (as applicable) has occurred at any relevant time, the Issuer may either (i) require the Calculation Agent to, at its sole discretion, make such adjustments to the Conditions to account for the Additional Disruption Event or the Administrator/Benchmark Event (as applicable) or (ii) redeem the Instruments by giving notice to the Holders of Instruments in accordance with Condition 14. Prospective purchasers should review the Conditions relating to such Instruments and the relevant Final Terms to ascertain whether and how such provisions apply to the Instruments.

*Limitation of rights of action of Holders of VPS Instruments*

No Holder of VPS Instruments is entitled to take any action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the VPS Note Conditions (as set out in the VPS Trustee Agreement) or the VPS Trustee Agreement, other than through the VPS Trustee and in accordance with the VPS Note Conditions and the VPS Trustee Agreement.

*Eurosystem eligible collateral*

The NGI form for bearer instruments and the New Safekeeping Structure for registered instruments have been introduced to allow for the possibility of debt instruments being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the "**Eurosystem**") and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. The Final Terms for each Series of Global Instruments to be issued in NGI form (in the case of Bearer Instruments) or to be held under the NSS (in the case of Registered Instruments) will specify whether such Instruments are intended to be held in a manner which will permit them to be recognised as Eurosystem eligible collateral. However, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time. Investors should note that, as of the date of this Base Prospectus, unsecured debt instruments issued by non-EU credit institutions do not meet the current Eurosystem eligibility requirements and therefore Instruments issued by the Issuer under

this Programme cannot presently be recognised as eligible collateral for Eurosystem credit operation purposes.

*In respect of any Instruments issued with a specific use of proceeds, such as a Green Bond, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor*

The Final Terms relating to any specific Tranche of Instruments may provide that it will be the Issuer's intention to apply an amount equal to the net proceeds from an offer of those Instruments, whether directly or indirectly, for projects and activities that satisfy certain eligibility requirements that purport to promote climate-friendly and other environmental purposes ("**Green Projects**") in accordance with the Issuer's Green Bond Framework. For more information, see the section "*Use of Proceeds*".

If the use of the proceeds of Instruments issued as Green Bonds is a factor in a prospective investor's decision to invest in such Instruments, such investor should (i) have regard to the information in this Base Prospectus and/or in the relevant Final Terms regarding such use of proceeds to determine for themselves the relevance of such information for the purpose of an investment in such Instruments, together with any other investigation they deem necessary, and (ii) seek advice from their independent financial adviser or other professional adviser regarding their purchase of any such Instruments before deciding to invest.

No assurance is or can be given by the Issuer or any other person to investors that the use of such proceeds for any Green Project(s) will satisfy, 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 is or are required, or intends, 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, sustainability or social impact of any projects or uses the subject of, or related to, the relevant Green Project(s). No assurance is or can be given to investors by the Issuer, the Dealers or any other person that any projects or uses the subject of, or related to, any Green Project(s) will meet or continue to meet on an ongoing basis any or all investor expectations regarding "green", "sustainable", "social" or similar labels (including Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the so-called "EU Taxonomy") or Regulation (EU) 2020/852 as it forms part of domestic law in the United Kingdom by virtue of the EUWA) or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Project(s).

No assurance or representation is given by the Issuer, the Dealers or any other person as to the suitability or reliability for any purpose whatsoever of any opinion (including the Second Opinion (as defined in the section "*Use of Proceeds*" below)), certification or ESG rating of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Instruments and in particular with any Green Project(s) to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion, certification or ESG rating is not, nor should it be deemed to be or construed as, a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold any Instrument(s) issued as Green Bonds. Additionally, any such opinion or certification is only current as of the date on which it was initially issued and the criteria and/or considerations that formed the basis of such opinion or certification may change at any time, and only provides an opinion or certification on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in the Instruments including, without limitation, market price, marketability, investor preference or suitability of any security. The Second Opinion and any other opinion provided in relation to the Green Bonds is a statement of opinion, not a statement of fact. Currently, the providers of such opinion, and certification are not subject to any specific regulatory or other regime or oversight. Prospective investors in any Instruments issued as Green Bonds must determine for themselves the relevance of any such opinion, certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Instruments.

In the event that any such Instruments are listed or admitted to trading or otherwise displayed on any dedicated "green", "environmental", "sustainable" 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, the Dealers or any other person that such listing, admission or display 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, or intend, to comply. Furthermore, it should be noted that the criteria for any such listings or admission to trading or display may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the

Issuer, the Dealers or any other person that any such listing or admission to trading or display will be obtained in respect of any such Instruments or, if obtained, that any such listing or admission to trading or display will be maintained during the life of the Instruments.

The performance of the Green Bonds is not linked to, or dependent on, the performance of the relevant Green Projects or the performance of the Issuer in respect of any ESG or similar targets. There will be no segregation of assets and liabilities in respect of the Green Bonds and the Green Projects. Consequently, neither payments of principal and/or interest on the Green Bonds nor any rights of Holders shall depend on the performance of the relevant Green Projects or the performance of the Issuer in respect of any such environmental or similar targets. Holders of any Green Bonds shall have no preferential rights or priority against the assets of any Green Project nor benefit from any arrangements to enhance the performance of the Instruments. There is no arrangement in place that enhances the performance of any Instruments issued as Green Bonds.

While it is the intention of the Issuer to apply an amount equal to the net proceeds of the issue of any Instruments issued as Green Bonds in, or substantially in, the manner described in the section "*Use of Proceeds*" below and/or the relevant Final Terms, there is no contractual or regulatory obligation to do so and the Green Bond Framework, the Criteria Document and other documentation relating to the Issuer's Green Bonds are 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 the description given in this Base Prospectus. Additionally, no assurance is or can be given by the Issuer, the Dealers or any other person to investors that, at any time, (i) any project or type(s) of project qualifying as Green Projects will be available or meet the relevant eligibility criteria or be allocated to the Green Project Register (as described in the Green Bond Framework), or (ii) any Green Project will continue to meet the relevant Eligibility Criteria, or that the Issuer will be able to replace any Green Projects removed from the Green Project Register, or (iii) any Green Project will be, or will be capable of being, implemented or completed in, or substantially in, the intended manner and/or in accordance with any timing schedule or specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer and that, accordingly, any proceeds of such Instruments will be used as intended. There may also be periods when the total outstanding net proceeds of Green Bonds exceed the value of the Green Projects in the Green Project Register. Additionally, the maturity of any Green Project may not match the minimum duration of any Instrument issued as a Green Bond.

For the avoidance of doubt, there is no direct or contractual link between Instruments issued as Green Bonds and the Green Projects (or any other ESG or similar targets set by the Issuer), Holders of Instruments will have no direct or indirect interest in, or recourse to, or preferred right against, any Green Project, and Green Projects are not collateral for the Issuer's obligations under the Instruments. Additionally, none of:

- the occurrence of any or all of the factors described in the preceding paragraph (commencing "*While it is the intention of the Issuer to apply…*");

- a failure by the Issuer (either totally or partially) to apply or reapply an amount equal to the net proceeds of the issuance of any Instruments issued as Green Bonds to finance, or refinance, in whole or in part, Green Projects as described in the relevant Final Terms, "*Use of Proceeds*" below and the Green Bond Framework (as defined in the section "*Use of Proceeds*" below) and the Criteria Document (as defined in the section "*Use of Proceeds*" below);

- a failure of the Issuer (either totally or partially) to evaluate, select and report on Green Projects, or to manage the proceeds from each Green Bond, or procure any external or internal review, assessment and/or verification, each as described in "*Use of Proceeds*" below, the Green Bond Framework and/or the Criteria Document;

- a failure of a third party to provide (or the withdrawal by a third party of, or amendment of) an opinion or certification in connection with the Green Bond Framework or any Instruments issued as Green Bonds (whether or not solicited by the Issuer), and/or any such third party opinion or certification stating that the Issuer is not complying or fulfilling relevant criteria, in whole or in part, with respect to any matters for which such opinion or certification is opining, certifying or rating, and/or the amendment of any criteria on which such opinion or certification was given;

- a failure of the Issuer to obtain or publish any report, assessment, opinion, certification and/or label relating to the Green Bonds;

- the failure of any Instrument issued as a Green Bond to meet investors' expectations or requirements regarding any "green", "ESG" or similar label(s) or characteristic(s);

- any change in the performance of any Green project (including the loss of any "green", "sustainable", "social" or equivalent characteristics); or

- a failure of any Instrument issued as a Green Bond to be or continue to be listed or admitted to trading on any dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market as aforesaid,

will (i) constitute an event of default under the Instruments, or (ii) be a breach of contract with respect to any of the Instruments issued as Green Bonds, or (iii) give rise to any other claim or right (including, for the avoidance of doubt, any redemption option or right to accelerate the Instruments) of a Holder of such Green Bonds against the Issuer, or (iv) lead to an obligation of the Issuer to redeem such Instruments or be a relevant factor for the Issuer in determining whether or not to exercise any optional redemption rights in respect of any Instruments, or (v) affect the regulatory treatment of such Instruments as MREL Eligible Liabilities.

Prospective investors should note that Green Bonds will have the same general terms as other Instruments of the same status (as indicated in the relevant Final Terms and Condition 3 (*Status*) of the Conditions) issued under the Programme and, in particular, that there are only limited events of default in relation to Senior Non-Preferred Instruments (including any Senior Non-Preferred Instrument issued as a Green Bond). See "*Terms and Conditions of the Instruments – Condition 7 (Events of Default)*" and "*– Risks Relating to a Particular Structure of Instruments – There are limited events of default in relation to Senior Non-Preferred Instruments*" above.

Likewise, Green Bonds, the same as any other Instruments, will be fully subject to the application of CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments and, as such, proceeds from Green Bonds qualifying as own funds or eligible liabilities will be fully available to cover any and all losses arising on the balance sheet of the Issuer (in the same way and to the same extent as the Issuer's other instruments not classified as Green Bonds) regardless of their "green", "ESG" or similar label or characteristics and of whether the losses stem from the "green", "ESG" or other label assets or other assets of the Issuer without such label. Their labelling as Green Bonds will not affect the regulatory treatment of such Instruments as MREL Eligible Liabilities and will not have any impact on their status and ranking as indicated in the relevant Final Terms and Condition 3 (*Status*) of the Conditions. Furthermore, as further explained under "*– Risk Relating to the Instruments Generally – Under the terms of the Instruments, investors will agree to be bound by and consent to the exercise of any Norwegian bail-in power by the Norwegian resolution authority*" above, Green Bonds will be subject to exercise of the relevant Norwegian resolution authority's bail-in power, to the same extent and with the same ranking as any other Instrument which is not a Green Bond.

The occurrence of any of the above factors may cause damage to the Issuer's reputation and may have a material adverse effect on the value of such Instruments and also potentially the value of any other Instruments which are intended to finance Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose (which consequences may include the need to sell such Instruments as a result of such Instruments not falling within the investor's investment criteria or mandate).

**Risks Relating to Renminbi-denominated Instruments**

A description of risks which may be relevant to an investor in Instruments denominated in Renminbi ("**Renminbi Instruments**") is set out below.

*Renminbi is not freely convertible and there are significant restrictions on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of Renminbi Instruments*

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

However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

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

Although the People's Bank of China (the "**PBoC**") has implemented policies improving accessibility to Renminbi to settle cross-border transactions in the past, there is no assurance that the PRC Government will liberalise control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. Despite the Renminbi internationalisation pilot programme and efforts in recent years to internationalise the currency, there can be no assurance that the PRC Government will not impose interim or long-term restrictions on the cross-border remittance of Renminbi. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under Instruments denominated in Renminbi.

*There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Renminbi Instruments and the Issuer's ability to source Renminbi outside the PRC to service Renminbi Instruments*

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the PBoC has entered into agreements (the "**Settlement Arrangements**") on the clearing of Renminbi business with financial institutions (the "**Renminbi Clearing Banks**") in a number of financial centres and cities, including but not limited to Hong Kong, has established the Cross-Border Inter-Bank Payments System (CIPS) to facilitate cross-border Renminbi settlement, and is further in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by the PBoC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBoC, although the PBoC has gradually allowed participating banks to access the PRC's onshore inter-bank market for the purchase and sale of Renminbi. The Renminbi Clearing Banks only have limited access to onshore liquidity support from the PBoC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In cases where the participating banks cannot source sufficient Renminbi through the above channels, they will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Instruments. To the extent the Issuer is required to source Renminbi in the offshore market to service its Renminbi Instruments, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

*Investment in Renminbi Instruments is subject to exchange rate risks*

The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The PBoC has in recent years implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point.

These changes, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made in Renminbi with respect to Renminbi Instruments unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a Holder of the Renminbi Instruments in that foreign currency will decline.

*Investment in Renminbi Instruments is subject to currency risk*

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the Renminbi Instruments as a result of Inconvertibility, Non-transferability or Illiquidity (each as defined in the Conditions), the Issuer shall be entitled, on giving notice in accordance with the Conditions, to settle any such payment in U.S. Dollars on the due date at the U.S. Dollar Equivalent (as defined in the Conditions) of any such interest or principal, as the case may be.

*Investment in Renminbi Instruments is subject to interest rate risks*

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

As Renminbi Instruments may carry a fixed interest rate, the trading price of the Renminbi Instruments will consequently vary with the fluctuations in the Renminbi interest rates. If holders of the Renminbi Instruments propose to sell their Renminbi Instruments before their maturity, they may receive an offer lower than the amount they have invested.

*Payments with respect to Renminbi Instruments may be made only in the manner designated in the terms and conditions of the relevant Renminbi Instruments*

All payments to investors in respect of Renminbi Instruments will be made solely (i) for so long as the Renminbi Instruments are represented by Global Instruments held with the common depositary or common safekeeper (or a nominee for a common depositary or a common safekeeper), as the case may be, for Euroclear and Clearstream, Luxembourg or any alternative clearing system, by transfer to a Renminbi bank account maintained in Hong Kong, or (ii) for so long as the Renminbi Instruments are represented by Instruments in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

*Gains on the transfer of Renminbi Instruments may become subject to income taxes under PRC tax laws*

Under the *PRC Enterprise Income Tax Law*, the *PRC Individual Income Tax Law* and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Instruments by non-PRC resident enterprises or individual Holders may be subject to PRC enterprise income tax ("**EIT**") or PRC individual income tax ("**IIT**") if such gain is regarded as income derived from sources within the PRC. The *PRC Enterprise Income Tax Law* levies EIT at the rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident enterprises from the transfer of the Renminbi Instruments, but its implementation rules have reduced the EIT rate to 10 per cent. The *PRC Individual Income Tax Law* levies IIT at a rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident individual Holders from the transfer of Renminbi Instruments.

However, uncertainty remains as to whether the gain realised from the transfer of Renminbi Instruments by non-PRC resident enterprises or individual Holders would be treated as income derived from sources within the PRC and thus become subject to EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the *PRC Enterprise Income Tax Law*, the *PRC Individual Income Tax Law* and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, Holders who are residents of Hong Kong, including enterprise Holders and individual Holders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of the Instruments.

Therefore, if enterprise or individual resident Holders which are non-PRC residents are required to pay PRC income tax on gains derived from the transfer of Renminbi Instruments, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprises or individual Holders of

Renminbi Instruments reside that reduces or exempts the relevant EIT or IIT, the value of their investment in Renminbi Instruments may be materially and adversely affected.

## INFORMATION INCORPORATED BY REFERENCE

The following documents, which have been or are published simultaneously with this Base Prospectus and have been submitted to and filed with the CSSF and which are available on the Issuer's website, at https://www.kbn.com/en/about-us/company-information, contain the following information that shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus:

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| **(1) Audited financial statements of the Issuer in respect of the year ended 31 December 2021 prepared in accordance with International Financial Reporting Standards and as endorsed by the European Union ("IFRS") (as set out on the following pages of the 2021 Annual Report of the Issuer)**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/finansielle-rapporter/arsrapport/kbn-annual-report-2021.pdf | |
| 1. Income Statement | p. 104 |
| 2. Statement of Comprehensive Income | p. 104 |
| 3. Statement of Financial Position | p. 105 |
| 4. Statement of Changes in Equity | p. 106 |
| 5. Statement of Cash Flows | p. 107 |
| 6. Accounting Policies | p. 108-110 |
| 7. Notes to the Financial Statements | p. 111-147 |
| 8. Auditor's Report | p. 149-152 |
| **(2) Audited financial statements of the Issuer in respect of the year ended 31 December 2020 prepared in accordance with IFRS (as set out on the following pages of the 2020 Annual Report of the Issuer)**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/finansielle-rapporter/arsrapport/kbn-annual-report-2020.pdf | |
| 1. Income Statement | p. 90 |
| 2. Statement of Comprehensive Income | p. 90 |
| 3. Statement of Financial Position | p. 91 |
| 4. Statement of Changes in Equity | p. 92 |
| 5. Statement of Cash Flows | p. 93 |
| 6. Accounting Policies | p. 94-96 |
| 7. Notes to the Financial Statements | p. 97-131 |
| 8. Auditor's Report | p. 133-136 |
| **(3) Audited financial statements of the Issuer in respect of the year ended 31 December 2019 prepared in accordance with IFRS (as set out on the following pages of the 2019 Annual Report of the Issuer)**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/finansielle-rapporter/arsrapport/kbn-annual-report-2019.pdf | |
| 1. Income Statement | p. 59 |
| 2. Statement of Comprehensive Income | p. 59 |
| 3. Statement of Financial Position | p. 60 |

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| 4. Statement of Changes in Equity | p. 61 |
| 5. Statement of Cash Flows | p. 62 |
| 6. Accounting Policies | p. 63-65 |
| 7. Notes to the Financial Statements | p. 66-96 |
| 8. Auditor's Report | p. 97-100 |
| **(4) 2021 Terms and Conditions of the Instruments set out in the Base Prospectus dated 19 March 2021**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/kbn-emtn-u21---base-prospectus-19-march.pdf | p. 36-176 |
| **(5) 2020 Terms and Conditions of the Instruments set out in the Base Prospectus dated 20 March 2020**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/1.-kbn-emtn-u20---base-prospectus.pdf | p. 35-180 |
| **(6) 2019 Terms and Conditions of the Instruments set out in the Base Prospectus dated 22 March 2019**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/kbn-emtn-u19---base-prospectus.pdf | p. 49-177 |
| **(7) 2018 Terms and Conditions of the Instruments set out in the Base Prospectus dated 6 April 2018**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2018-base-prospectus.pdf | p. 45-170 |
| **(8) 2017 Terms and Conditions of the Instruments set out in the Base Prospectus dated 7 April 2017**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2017-base-prospectus.pdf | p. 42-168 |
| **(9) 2016 Terms and Conditions of the Instruments set out in the Base Prospectus dated 8 April 2016**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2016-base-prospectus.pdf | p. 41-167 |
| **(10) 2015 Terms and Conditions of the Instruments set out in the Base Prospectus dated 10 April 2015**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2015-base-prospectus.pdf | p. 39-164 |
| **(11) 2014 Terms and Conditions of the Instruments set out in the Base Prospectus dated 17 April 2014**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2014-base-prospectus.pdf | p. 40-162 |
| **(12) 2013 Terms and Conditions of the Instruments set out in the Base Prospectus dated 18 April 2013**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2013-base-prospectus.pdf | p. 40-158 |

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| **Supplement to the Base Prospectus dated 13 August 2013**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/supplement-to-the-2013-base-prospectus-dated-13-august-2013.pdf | p. 1-3 |
| **(13) 2012 Terms and Conditions of the Instruments set out in the Base Prospectus dated 18 April 2012**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2012-base-prospectus.pdf | p. 18-51 |
| **(14) 2011 Terms and Conditions of the Instruments set out in the Base Prospectus dated 19 April 2011**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2011-base-prospectus.pdf | p. 17-50 |
| **(15) 2010 Terms and Conditions of the Instruments set out in the Base Prospectus dated 20 April 2010**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2010-base-prospectus.pdf | p. 17-50 |
| **(16) 2009 Terms and Conditions of the Instruments set out in the Base Prospectus dated 22 April 2009**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2009-base-prospectus.pdf | p. 15-45 |
| **(17) 2008 Terms and Conditions of the Instruments set out in the Base Prospectus dated 24 April 2008**<br><br>Available at: https://www.kbn.com/globalassets/dokumenter/funding/emtn-documents/2008-base-prospectus.pdf | p. 22-50 |

Any information contained in or incorporated by reference in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus and, 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.

Any statement contained herein or any of the documents incorporated by reference in, and forming part of, this Base Prospectus 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 modifies or supersedes such statement, *provided that* such modifying or superseding statement is made by way of a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the written or oral request of such person, a copy of any or all of the information which is incorporated herein by reference. Written or oral requests for such information should be directed to the specified office of any Paying Agent or the specified office of the Listing Agent in Luxembourg. In addition, the Base Prospectus, any or all of the information which is incorporated herein by reference and the Final Terms of any Instruments admitted to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Issuer will, in connection with the admission of the Instruments to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange, so long as any Instrument remains outstanding and admitted to trading on such exchange(s), in the event of a material adverse change in the financial condition of the Issuer which is not reflected in this Base Prospectus or any change in the information set out under "*Terms and Conditions of the Instruments*", prepare a supplement to this Base Prospectus for use in connection with any subsequent issue of Instruments

to be admitted to trading on the exchange(s). If the terms of the Programme are modified or amended in a manner which would make this Base Prospectus inaccurate or misleading, a new Base Prospectus will be prepared.

## FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression "necessary information" means, in relation to any Tranche of Instruments, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Instruments. In relation to the different types of Instruments which may be issued under the Programme the Issuer has included in this Base Prospectus all of the necessary information except for information relating to the Instruments which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Instruments.

Any information relating to the Instruments which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Instruments will be contained either in the relevant Final Terms or in a Drawdown Prospectus.

For a Tranche of Instruments which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Instruments which is the subject of Final Terms are the Conditions as completed by the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Instruments which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Instruments which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to (1) information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus and (2) terms being completed by the relevant Final Terms shall be read and construed as a reference to such terms being supplemented, amended and/or replaced by the relevant Drawdown Prospectus, unless the context requires otherwise.

## RATINGS

As of the date of this Base Prospectus, the following credit ratings have been assigned to the Issuer:

**Moody's:**

| *Issuer Rating* | *Instruments issued under the Programme* | | |
|---|---|---|---|
| | *Senior unsecured* | *Subordinated* | *Short-term* |
| Aaa | Aaa | Aa3 | P-1 |

**S&P:**

| *Issuer Credit Rating* | *Instruments issued under the Programme* | |
|---|---|---|
| | *Senior unsecured with maturity of one year or more* | *Senior unsecured with maturity of less than one year* |
| AAA | AAA | A-1+ |

The information relating to credit rating systems below has been extracted from the websites of Moody's and S&P, as applicable. The Issuer confirms that such information has been accurately reproduced and that, so far as the Issuer is aware, and is able to ascertain from information published by Moody's and S&P, no facts have been omitted which would render the reproduced information inaccurate or misleading.

According to Moody's rating system, obligations rated "Aaa" are judged to be of the highest quality with minimal credit risk, obligations rated "Aa" are judged to be of high quality and are subject to very low credit risk and issuers rated "P-1" have a superior ability to repay short-term debt obligations. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from "Aa" through "Caa". The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

According to S&P's rating system, an obligor rated "AAA" has extremely strong capacity to meet its financial commitments. "AAA" is the highest issuer credit rating assigned by S&P. The addition of pluses and minuses provides further distinctions within ratings range from "AA" (very strong capacity to meet financial commitments) to "CCC" (currently vulnerable and dependent on favourable business, financial and economic conditions to meet financial commitments). S&P short-term ratings scale ranges from "A-1+", representing extremely strong ability to meet obligations, to "D", which indicates payment default. Since there are fewer short-term rating grades, each short-term rating corresponds to a band of long-term ratings and S&P "A-1+" short-term rating generally corresponds to the long-term ratings of "AAA", "AA+", "AA" and "AA-".

Moody's is established in the EEA and registered under Regulation (EU) No 1060/2009 on credit rating agencies (the "**EU CRA Regulation**") and, as of the date of this Base Prospectus, appears on the list of registered credit rating agencies published by ESMA on its website in accordance with the EU CRA Regulation. Ratings assigned by Moody's are endorsed by Moody's Investors Service Limited, which is established in the UK and registered under Regulation (EU) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK CRA Regulation**") and, as of the date of this Base Prospectus, appears on the list of registered credit rating agencies published by the Financial Conduct Authority (the "**FCA**") on its website in accordance with the UK CRA Regulation.

S&P is established in the UK, is registered under the UK CRA Regulation and, as of the date of this Base Prospectus, appears on the above-mentioned FCA list. Ratings assigned by S&P are endorsed by S&P Global Ratings Europe Limited, which is established in the EEA, registered under the EU CRA Regulation and, as of the date of this Base Prospectus, appears on the above-mentioned ESMA list.

Tranches of Instruments issued under the Programme will be rated or unrated. Where a Tranche of Instruments is rated, such rating will not necessarily be the same as the rating(s) described above or the

rating(s) assigned to Instruments already issued. Where a Tranche of Instruments is rated, the applicable rating(s) will be specified in the relevant Final Terms, and the relevant Final Terms will also disclose whether the credit rating agencies issuing or endorsing such rating(s) are established in the EEA or the UK and whether they are registered under the EU CRA Regulation or the UK CRA Regulation.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA is certified under the EU CRA Regulation.

Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

See "*Risk Factors – Credit rating downgrades and other credit rating actions could have an adverse impact on the Issuer's operations and financial condition*".

## TERMS AND CONDITIONS OF THE INSTRUMENTS

*The following are the Terms and Conditions of the Instruments which, as completed in relation to any Instruments by the relevant Final Terms, will be applicable to each Series of Instruments:*

The Instruments (except, in certain circumstances, for VPS Instruments (as defined herein)) are issued pursuant to and in accordance with an amended and restated issue and paying agency agreement dated 17 March 2022 (as supplemented, amended or replaced from time to time, the "**Issue and Paying Agency Agreement**") and made between Kommunalbanken AS (the "**Issuer**"), Deutsche Bank AG, London Branch in its capacities as issue and paying agent (the "**Issue and Paying Agent**", which expression shall include any successor or other person appointed as such) and foreign exchange agent (the "**Foreign Exchange Agent**", which expression shall include any successor or other person appointed as such), Deutsche Bank Trust Company Americas in its capacities as U.S. paying agent (the "**U.S. Paying Agent**", which expression shall include any successor or other person appointed as such, and together with the Issue and Paying Agent, the "**Paying Agents**"), U.S. registrar (the "**U.S. Registrar**", which expression shall include any successor or other person appointed as such) and U.S. transfer agent (the "**U.S. Transfer Agent**", which expression shall include any successor or other person appointed as such) and Deutsche Bank Luxembourg S.A. in its capacities as non-U.S. registrar (the "**non-U.S. Registrar**", which expression shall include any successor or other person appointed as such, and together with the U.S. Registrar, the "**Registrars**") and non-U.S. transfer agent (the "**non-U.S. Transfer Agent**", which expression shall include any successor or other person appointed as such, and together with the US Transfer Agent, the "**Transfer Agents**"). The Instruments have the benefit of a deed of covenant dated 17 March 2022 (as supplemented, amended or replaced from time to time, the "**Deed of Covenant**") executed by the Issuer.

Instruments which are in uncertificated book entry form cleared through the Norwegian Central Securities Depositary, the *Verdipapirsentralen ASA* (the "**VPS Instruments**" and the "**VPS**", respectively) are also issued in accordance with an agreement dated as of 9 February 2019 (as supplemented, amended or replaced from time to time, the "**VPS Agreement**") and made between the Issuer and Nordea Bank Abp, in its capacity as VPS account operator (the "**VPS Account Operator**", which expression shall include any successor or other person appointed as such). The Issuer has entered into a VPS trustee agreement dated 6 April 2018 (as supplemented, amended or replaced from time to time, the "**VPS Trustee Agreement**") with Nordic Trustee AS (the "**VPS Trustee**", which expression shall include any successor or other person appointed as such) pursuant to which the VPS Trustee is appointed to act for the benefit of the Holders for the time being of the VPS Instruments, in accordance with the provisions of the VPS Trustee Agreement and these Conditions.

Copies of the Issue and Paying Agency Agreement, the Deed of Covenant, the VPS Agreement and the VPS Trustee Agreement may be inspected during normal business hours at the specified offices of the Issue and Paying Agent and the Registrar. Copies of the VPS Trustee Agreement are also available for inspection during normal business hours at the specified office of the VPS Trustee. All persons from time to time entitled to the benefit of obligations under any Instruments (other than VPS Instruments) shall be deemed to have notice of, and shall be bound by, all the provisions of the Issue and Paying Agency Agreement and the Deed of Covenant in so far as they relate to the relevant Instruments. All persons from time to time entitled to the benefit of obligations under any VPS Instruments shall be deemed to have notice of, and shall be bound by, all the provisions of the Deed of Covenant, the VPS Agreement and the VPS Trustee Agreement and the provisions of Schedule 10 (*Calculation Agent Appointment Letter*) of the Issue and Paying Agency Agreement in so far as they relate to the relevant VPS Instruments.

The Instruments are issued in series (each, a "**Series**"), and each Series may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") of Instruments. Each Tranche will be the subject of a final terms (each, a "**Final Terms**") or a separate prospectus specific to that Tranche (each, a "**Drawdown Prospectus**"), a copy of which will be available free of charge during normal business hours at the specified office of the Issue and Paying Agent and/or, as the case may be, the Registrar and, in the case of an Instrument admitted to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange, the Transfer Agent in Luxembourg and, in the case of a VPS Instrument admitted to trading on the Oslo Stock Exchange, the VPS Account Operator. In the case of a Tranche of Instruments in relation to which application has not been made for listing on any stock exchange, or which are admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system, copies of the Final Terms will only be available for inspection by a Holder of or, as the case may be, a Relevant Accountholder (as defined in the Deed of Covenant) in respect of, such Instruments.

The price and amount of Instruments 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.

For the purposes of making determinations or calculations of interest rates, interest amounts, redemption amounts or any other matters requiring determination or calculation in accordance with the conditions of any Series of Instruments, the Issuer may appoint a calculation agent (the "**Calculation Agent**") for the purposes of such Instruments, in accordance with the provisions of the Issue and Paying Agency Agreement, and such Calculation Agent shall be specified in the relevant Final Terms.

Unless otherwise expressly provided in the relevant Final Terms, no amendment of the Issue and Paying Agency Agreement, Deed of Covenant or the "*Terms and Conditions of the Instruments*" effective as of 17 March 2022 shall be applicable to Instruments (other than VPS Instruments) issued under the Programme on or before 1 May 2022 for which the relevant Final Terms provide that secondary offerings (*uridashi*) of such Instruments will be made in Japan where (i) the relevant Securities Registration Statements or (ii) Supplemental Documents to Shelf Registration Statements (and Amendments to Shelf Registration Statements, if applicable) under Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) in respect of such Instruments were filed prior to 17 March 2022.

1A. **Interpretation**

1A.1 References herein to "**Conditions**" or "**Terms and Conditions**" are to these Terms and Conditions, or a correspondingly numbered provision hereof.

1A.2 References in these Conditions to:

(a) Instruments are to Instruments of the relevant Series and any references to Coupons (as defined in Condition 1.2) and Receipts (as defined in Condition 1.3) are to Coupons and Receipts relating to Instruments of the relevant Series;

(b) Final Terms are to the Final Terms or, as the case may be, the Drawdown Prospectus, prepared in relation to the Instruments of the relevant Tranche or Series;

(c) the "**Holders**" of Bearer Instruments or of Receipts or Coupons are to the bearers of such Bearer Instruments or such Receipts or Coupons;

(d) the "**Holders**" of Registered Instruments are to the persons in whose names such Registered Instruments are so registered in the relevant register;

(e) the "**Holders**" of VPS Instruments are to the persons in whose names such VPS Instruments are so registered in the relevant register;

(f) a "**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

(g) any legislation (whether primary legislation or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended, superseded or re-enacted; and

(h) Euroclear, and/or Clearstream, Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the relevant Final Terms, in which case references in these Conditions to "Euroclear", "Clearstream, Luxembourg" and/or "DTC" shall be construed as including references such additional or alternative clearing system.

1A.3 In respect of any Instruments, references herein to these Conditions are to these terms and conditions as completed by the relevant Final Terms or, as the case may be, supplemented, amended and/or replaced by the relevant Drawdown Prospectus.

1. **Form and Denomination**

***Form of Instruments***

1.1 Instruments are issued in bearer form ("**Bearer Instruments**") or in registered form ("**Registered Instruments**"), or, in the case of VPS Instruments, in uncertificated and dematerialised book entry form as specified in the relevant Final Terms and are serially numbered. Registered Instruments are not exchangeable for Bearer Instruments. VPS Instruments may not be exchanged for Bearer Instruments or Registered Instruments.

1.2 Interest-bearing Bearer Instruments have attached thereto at the time of their initial delivery coupons ("**Coupons**"), presentation of which will be a prerequisite to the payment of interest save in certain circumstances specified herein. In addition, if so specified in the relevant Final Terms, such Instruments have attached thereto at the time of their initial delivery, a talon ("**Talon**") for further coupons and the expression "**Coupons**" shall, where the context so requires, include Talons.

1.3 Bearer Instruments, the principal amount of which is repayable by instalments ("**Instalment Instruments**") have attached thereto at the time of their initial delivery, payment receipts ("**Receipts**") in respect of the instalments of principal.

1.4 For so long as any of the Instruments is represented by an Instrument in global form (each, a "**Global Instrument**") held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the Holder of a particular nominal amount of such Instruments (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Instruments standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and any Paying Agent as the Holder of such nominal amount of such Instruments for all purposes other than with respect to the payment of principal or interest on the Instruments, for which purpose the bearer of the relevant Global Instrument shall be treated by the Issuer and any Paying Agent as the Holder of such Instruments in accordance with and subject to the terms of the relevant Global Instrument (and the expressions "**Holders**" and related expressions shall be construed accordingly).

For so long as The Depository Trust Company ("**DTC**") or its nominee is the person in whose name a Registered Instrument in global form (each, a "**Global Registered Instrument**") is registered in the relevant register, DTC or such nominee, as the case may be, will be considered the sole owner or Holder of the Instruments represented by such Global Registered Instrument for all purposes under the Issue and Paying Agency Agreement and the Instruments except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

For so long as a common depositary or common safekeeper (or a nominee for a common depositary or common safekeeper) for Euroclear and/or Clearstream is the person in whose name a Global Registered Instrument is registered in the relevant register, such common depositary or common safekeeper (or nominee) will be considered the sole owner or Holder of the Instruments represented by such Global Registered Instrument for all purposes under the Issue and Paying Agency Agreement and the Instruments except to the extent that in accordance with Euroclear and/or Clearstream's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Instruments which are represented by a Global Instrument held by a common depositary or common safekeeper (or a nominee for a common depositary or common safekeeper) for Euroclear or Clearstream, Luxembourg or held by a custodian for DTC will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or DTC as the case may be.

*The Conditions are modified by certain provisions contained in the Global Instruments.*

***Denomination of Instruments***

1.5 Bearer Instruments are in the denomination or denominations (each of which denomination is integrally divisible by each smaller denomination) specified in the relevant Final Terms. Bearer Instruments of one denomination may not be exchanged for Bearer Instruments of any other denomination.

1.6 Registered Instruments and VPS Instruments are in the minimum denomination specified in the relevant Final Terms or integral multiples thereof.

***Currency of Instruments***

1.7 The Instruments are denominated in such currency or currencies as may be specified in the relevant Final Terms. Any currency or currencies may be so specified, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

***Partly Paid Instruments***

1.8 Senior Instruments may be issued on a partly paid basis ("**Partly Paid Instruments**") if so specified in the relevant Final Terms. The subscription moneys therefore shall be paid in such number of instalments ("**Partly Paid Instalments**") in such amounts, on such dates and in such manner as may be specified in the relevant Final Terms. The first such instalment shall be due and payable on the date of issue of the Senior Instruments. For the purposes of these Conditions, in respect of any Partly Paid Instrument, "**Paid Up Amount**" means the aggregate amount of all Partly Paid Instalments in respect thereof as shall have fallen due and been paid up in full in accordance with the Conditions.

Not less than 14 days nor more than 30 days prior to the due date for payment of any Partly Paid Instalment (other than the first such instalment) the Issuer shall publish a notice in accordance with Condition 14 stating the due date for payment thereof and stating that failure to pay any such Partly Paid Instalment on or prior to such date will entitle the Issuer to forfeit the Senior Instruments with effect from such date ("**Forfeiture Date**") as may be specified in such notice (not being less than 14 days after the due date for payment of such Partly Paid Instalment), unless payment of the relevant Partly Paid Instalment together with any interest accrued thereon is paid prior to the Forfeiture Date. The Issuer shall procure that any Partly Paid Instalments paid in respect of any Instruments subsequent to the Forfeiture Date in respect thereof shall be returned promptly to the persons entitled thereto. The Issuer shall not be liable for any interest on any Partly Paid Instalment so returned.

Interest shall accrue on any Partly Paid Instalment which is not paid on or prior to the due date for payment thereof at the Interest Rate (in the case of non-interest bearing Senior Instruments, including Senior Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, at the rate applicable to overdue payments) and shall be calculated in the same manner and on the same basis as if it were interest accruing on the Senior Instruments for the period from and including the due date for payment of the relevant Partly Paid Instalment up to but excluding the Forfeiture Date. For the purpose of the accrual of interest, any payment of any Partly Paid Instalment made after the due date for payment shall be treated as having been made on the day preceding the Forfeiture Date (whether or not a Business Day as defined in Condition 5.15).

Unless an Event of Default (or an event which with the giving of notice, the lapse of time or the making or giving of any determination or certification would constitute an Event of Default) shall have occurred and be continuing, on the Forfeiture Date, the Issuer shall forfeit all of the Senior Instruments in respect of which any Partly Paid Instalment shall not have been duly paid, whereupon the Issuer shall be entitled to retain all Partly Paid Instalments previously paid in respect of such Senior Instruments and shall be discharged from any obligation to repay such amount or to pay interest thereon.

## 2. Title and Transfer

2.1 Title to Bearer Instruments, Receipts and Coupons passes by delivery.

2.2 Title to Registered Instruments passes by registration in the register which the Issuer shall procure to be kept by the Registrars. The Registrars will maintain separate registers in respect of each of the Regulation S Instruments and the Rule 144A Instruments.

2.3 Title to VPS Instruments passes by registration between the direct or indirect accountholders at the VPS in accordance with the rules and procedures of the VPS.

2.4 The Holder of any Bearer Instrument, Coupon, Registered Instrument or VPS Instrument will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

***Transfer of Registered Instruments and exchange of Bearer Instruments for Registered Instruments***

2.5 A Registered Instrument may, upon the terms and subject to the conditions set forth in the Issue and Paying Agency Agreement, be transferred in whole or in part only (*provided that* such part is, or is an integral multiple of, the minimum denomination specified in the relevant Final Terms) upon the surrender of the Registered Instrument to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the relevant Registrar or any of the Transfer Agents. A new Registered Instrument will be issued to the transferee and, in the case of a transfer of part only of a Registered Instrument, a new Registered Instrument in respect of the balance not transferred will be issued to the transferor.

2.6 Transfers of beneficial interests in Global Registered Instruments will be effected by Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, and in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Global Registered Instrument will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Definitive Registered Instruments or for a beneficial interest in another Global Registered Instrument only in the authorised denominations set out in the relevant Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Issue and Paying Agency Agreement.

2.7 Upon the terms and subject to the conditions set forth in the Issue and Paying Agency Agreement, a Definitive Registered Instrument may be transferred in whole or in part (in the authorised denominations set out in the relevant Final Terms). In order to effect any such transfer (i) the Holder or Holders must (A) surrender the Definitive Registered Instrument for registration of the transfer of the Definitive Registered Instrument (or the relevant part of the Definitive Registered Instrument) at the specified office of the relevant Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the Holder or Holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the relevant Registrar or, as the case may be, the relevant Transfer Agent and (ii) the relevant Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request.

Subject as provided above, the relevant Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Definitive Registered Instrument of a like aggregate nominal amount to the Definitive Registered Instrument (or the relevant part of the Definitive Registered Instrument) transferred. In the case of the transfer of only part of a Definitive Registered Instrument, a new Definitive Registered Instrument in respect of the balance of the Definitive Registered Instrument not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

2.8 If so specified in the relevant Final Terms, the Holder of Bearer Instruments may exchange the same for the same aggregate principal amount of Registered Instruments upon the terms and subject to the conditions set forth in the Issue and Paying Agency Agreement. In order to exchange a Bearer Instrument for a Registered Instrument, the Holder thereof shall surrender such Bearer Instrument at the specified office outside the United States of the Issue and Paying Agent, the Registrar or the Transfer Agent together with a written request for the exchange. Each Bearer Instrument so surrendered must be accompanied by all unmatured Receipts and Coupons appertaining thereto other than the Coupon in respect of the next payment of interest falling due after the exchange date (as defined in Condition 2.9(b)) where the exchange date would, but for the provisions of Condition 2.9, occur between the Record Date (as defined in Condition 9.2(c)) for such payment of interest and the date on which such payment of interest falls due.

2.9 Each new Registered Instrument to be issued upon the transfer of a Registered Instrument or the exchange of a Bearer Instrument for a Registered Instrument will, within three Relevant Banking Days of the transfer date or, as the case may be, the exchange date be available for collection by each relevant Holder at the specified office of the relevant Registrar or any of the Transfer Agents 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. For these purposes, a form of transfer or request for exchange received by the relevant Registrar or the any of Transfer Agents after the Record Date in respect of any payment due in respect of Registered Instruments shall be deemed not to be effectively received by the relevant Registrar or any of the Transfer Agents until the day following the due date for such payment. For the purposes of these Conditions:

(a) "**Relevant Banking Day**" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the relevant Registrar or, as the case may be, the relevant Transfer Agent is located and, in the case only of an exchange of a Bearer Instrument for a Registered Instrument where such request for exchange is made to the Issue and Paying Agent, in the place where the specified office of the Issue and Paying Agent is located;

(b) the "**exchange date**" shall be the Relevant Banking Day following the day on which the relevant Bearer Instrument shall have been surrendered for exchange in accordance with Condition 2.8; and

(c) the "**transfer date**" shall be the Relevant Banking Day following the day on which the relevant Registered Instrument shall have been surrendered for transfer in accordance with Condition 2.5,

2.10 The issue of new Registered Instruments on transfer or on the exchange of Bearer Instruments for Registered Instruments will be effected without charge by or on behalf of the Issuer, the Issue and Paying Agent, the relevant Registrar or any of the Transfer Agents but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Issuer, the Issue and Paying Agent, the relevant Registrar or any of the Transfer Agents may require in respect of) any tax, duty or other governmental charges which may be imposed in relation thereto.

2.11 Upon the transfer, exchange or replacement of Registered Instruments bearing the private placement legend (the "**Private Placement Legend**") set forth in the form of Registered Instrument scheduled to the Issue and Paying Agency Agreement, the relevant Registrar or, as the case may be, the relevant Transfer Agent shall deliver only Registered Instruments that also bear such legend unless either (i) such transfer, exchange or replacement occurs two or more years after the later of (1) the original issue date of such Instruments or (2) the last date on which the Issuer or any affiliates (as defined below) of the Issuer as notified to the relevant Registrar and the relevant Transfer Agent by the Issuer as provided in the following sentence, was the beneficial owner of such Instrument (or any predecessor of such Instrument) or (ii) there is delivered to the relevant Registrar and the relevant Transfer Agent an opinion reasonably satisfactory to the Issuer of counsel experienced in giving opinions with respect to questions arising under the securities laws of the United States to the effect that neither such legend nor the restrictions on transfer set forth therein are required in order to maintain compliance with the provisions of such laws. The Issuer covenants and agrees that it will not acquire any beneficial interest, and will cause its "affiliates" (as defined in paragraph (a)(1) of Rule 144 under the Securities Act) not to acquire any beneficial

interest, in any Registered Instrument bearing the Private Placement Legend unless it notifies the Registrar of such acquisition. The relevant Registrar, the relevant Transfer Agent and all Holders shall be entitled to rely without further investigation on any such notification (or lack thereof).

2.12 For so long as any of the Registered Instruments remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer covenants and agrees that it shall, during any period in which it is not subject to either Section 13 or 15(d) under the United States Securities Exchange Act of 1934 nor exempt from reporting pursuant to Rule 12g3-2(b) under such Act, make available to any Holder in connection with any sale thereof and any prospective purchaser of such Instruments from such Holder, in each case upon request, the information specified in, and meeting the requirements of, Rule 144(d)(4) under the Securities Act.

2.13 The transfer of a Registered Instrument will be effected without charge by or on behalf of the Issuer or the relevant Registrar or any Transfer Agent but against such indemnity as the relevant Registrar (or the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

2.14 All transfers of Registered Instruments and entries on the register are subject to the detailed regulations concerning the transfer of Registered Instruments scheduled to the Issue and Paying Agency Agreement. The regulations may be changed by the Issuer without the prior approval of the Registrars or any Transfer Agent. A copy of the current regulations will be mailed (free of charge) by the relevant Registrar to any Holder who requests a copy of such regulations.

***Compulsory Sale***

2.15 The Issuer may compel any beneficial owner of an interest in the Rule 144A Instruments to sell its interest in such Instruments, or may sell such interest on behalf of such Holder, if such Holder is a U.S. person (as defined in Regulation S) that is not both a QIB and a QP.

***Definitions***

2.16 In these Conditions:

"**QIB**" means a "qualified institutional buyer" within the meaning of Rule 144A;

"**QP**" means a "qualified purchaser" within the meaning of Section 2(a)(51)(A) of the U.S. Investment Company Act of 1940, as amended, and the rules and regulations thereunder;

"**Regulation S**" means Regulation S under the Securities Act;

"**Regulation S Instruments**" means those Instruments which are offered and sold outside the United States in "offshore transactions" within the meaning of Regulation S;

"**Rule 144A Instruments**" means those Instruments which are offered and sold within the United States in reliance on Rule 144A under the Securities Act ("**Rule 144A**") only to persons that are both QIBs and QPs, acting for their own account or for the account of one or more QIBs that are also QPs; and

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

## 3. Status of the Instruments

### 3.1 *Status — Senior Instruments*

(a) This Condition 3.1 is applicable in relation to Instruments specified in the relevant Final Terms as "Senior" ("**Senior Instruments**").

(b) The Senior Instruments constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations of the Issuer, present and future (save for certain mandatory exceptions provided by law).

3.2 ***Status – Senior Non-Preferred Instruments***

(a) This Condition 3.2 is applicable in relation to Instruments specified in the relevant Final Terms as "Senior Non-Preferred" ("**Senior Non-Preferred Instruments**").

(b) The Senior Non-Preferred Instruments constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer, and will at all times rank *pari passu* without any preference among themselves.

(c) In the event of a liquidation, dissolution or winding-up of the Issuer by way of public administration, claims of the Holders against the Issuer in respect of or arising under the Senior Non-Preferred Instruments (including any amounts attributable to the Senior Non-Preferred Instruments and any damages awarded for breach of any obligations thereunder) shall rank:

(i) *pari passu* without any preference among themselves;

(ii) *pari passu* with claims in respect of Non-Preferred Parity Securities and Statutory Non-Preferred Claims, if any;

(iii) in priority to claims in respect of Non-Preferred Junior Securities; and

(iv) junior to any present or future claims of Senior Creditors.

(d) *Definitions*

In these Conditions:

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council on resolution and recovery of credit institutions and investment firms dated 15 May 2014 and published in the Official Journal of the European Union on 12 June 2014 (or, as the case may be, any provision of Norwegian law transposing or implementing such Directive), as amended or replaced from time to time (including, without limitation, by the Creditor Hierarchy Directive and by Directive (EU) 2019/879 of the European Parliament and of the Council dated 20 May 2019 and published in the Official Journal of the European Union on 7 June 2019).

"**Creditor Hierarchy Directive**" means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending Directive 2014/59/EU as regards the ranking of unsecured debt instruments in insolvency hierarchy, or any equivalent legislation.

"**Non-Preferred Parity Securities**" means any unsecured obligations of the Issuer which rank, or are expressed to rank, *pari passu* with the Instruments.

"**Senior Creditors**" means all unsubordinated creditors of the Issuer (including, *inter alios*, Holders of Senior Instruments) other than creditors in respect of any Senior Non-Preferred Instruments, Non-Preferred Parity Securities and any Statutory Non-Preferred Claims, if any.

"**Statutory Non-Preferred Claims**" means, pursuant to Article 108(2) of BRRD is implemented in section 20-32, no. 4, of the Financial Institutions Act of 10 April 2015, no. 17, unsecured claims resulting from debt instruments that meet the following conditions:

(i) the original contractual maturity of the debt instruments is at least one year;

(ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; and

(iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking under this paragraph.

(e) *No right of set-off or counterclaim*

Claims in respect of any Instruments or related Coupons may not be set-off, or be the subject of a counterclaim, by the Holder against or in respect of any of its obligations to the Issuer or any other person and every Holder waives, and shall be treated for all purposes as if it had waived, any right that it might otherwise have to set-off, or to raise by way of counterclaim any of its claims in respect of any Instruments or related Coupons, against or in respect of any of its obligations to the Issuer or any other person. If, notwithstanding the preceding sentence, any Holder receives or recovers any sum or the benefit of any sum in respect of any Instrument or related Coupon by virtue of any such set-off or counterclaim, it shall hold the same on trust for the Issuer and shall pay the amount thereof to the Issuer or, in the event of the winding up of the Issuer, to the administration board of the Issuer.

4. **Negative Pledge**

This Condition 4 is applicable only in relation to Senior Instruments. So long as any Instrument remains outstanding (as defined in the Issue and Paying Agency Agreement), the Issuer shall not create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Instruments equally and rateably therewith or (b) providing such other security for the Instruments as may be approved by an Extraordinary Resolution (as defined in the Issue and Paying Agency Agreement) of the Holders.

In these Conditions:

"**Guarantee**" means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness.

"**Indebtedness**" means any indebtedness of any Person for money borrowed or raised.

"**Relevant Indebtedness**" means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market).

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

5. **Interest**

***Interest***

5.1 Instruments may be interest-bearing or non-interest-bearing, as specified in the relevant Final Terms. Words and expressions appearing in this Condition 5 and not otherwise defined herein or in the Final Terms shall have the meanings given to them in Condition 5.15.

***Interest-bearing Instruments***

5.2 Instruments which are specified in the relevant Final Terms as being interest-bearing shall bear interest from their Interest Commencement Date at the Interest Rate payable in arrears on each Interest Payment Date.

***Provisions relating to Fixed Rate Instruments only***

5.3 If the relevant Final Terms specifies the Interest Rate applicable to the Instruments as being Fixed Rate, the amount of interest payable in respect of each Instrument for any Interest Period shall be the relevant Fixed Coupon Amount.

5.4 This Condition 5.4 shall apply to Fixed Rate Instruments denominated in Renminbi (the "**Renminbi Instruments**") only where the Final Terms for the relevant Renminbi Instruments specify that the Interest Payment Dates are subject to adjustment. The relevant Fixed Coupon

Amount for such Instruments shall be calculated by the Calculation Agent by multiplying the product of the Interest Rate and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, with CNY0.005 being rounded upwards. The Calculation Agent shall cause the relevant Fixed Coupon Amount and the relevant Interest Payment Date to be notified to the Issue and Paying Agent, the Issuer and the Holders in accordance with Condition 14 and, if the Instruments are listed on a stock exchange and the rules of such stock exchange so requires, such stock exchange as soon as possible after their determination or calculation but in no event later than the fourth London Banking Day thereafter or, if earlier in the case of notification to the stock exchange, the time required by the rules of the relevant stock exchange.

***Provisions relating to Floating Rate Instruments only (other than Floating Rate Instruments which reference Compounded Daily SONIA, SONIA Index, Compounded SOFR, SOFR Index or Compounded Daily €STR)***

5.5 If the relevant Final Terms specifies the Interest Basis applicable to the Instruments as being Floating Rate and Screen Rate Determination is specified as the manner in which the Interest Rate is to be determined, if the Reference Rate specified in the Final Terms is not Compounded Daily SONIA, SONIA Index, Compounded SOFR, SOFR Index or Compounded Daily €STR, the Interest Rate applicable to the relevant Instruments for each Interest Accrual Period shall be determined, subject to Condition 5.19, by the Calculation Agent on the following basis:

(a) the Calculation Agent will determine the offered rate for deposits (or, as the case may require, the arithmetic mean (rounded, if necessary, to the nearest ten thousandth of a percentage point, 0.00005 being rounded upwards) of the rates for deposits) in the relevant currency for a period of the duration of the relevant Interest Accrual Period on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(b) if, on any Interest Determination Date, no such rate for deposits so appears (or, as the case may be, if fewer than two such rates for deposits so appear) or if the Relevant Screen Page is unavailable, the Issuer will request appropriate quotations and provide them to the Calculation Agent and the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates at which deposits in the relevant currency are offered by four major banks in the Relevant Financial Centre interbank market (or, in the case of Instruments denominated or payable in euro, in the euro-zone interbank market), reasonably selected by the Issuer, at approximately the Relevant Time on the Interest Determination Date for a period of the duration of the relevant Interest Accrual Period and in an amount that is representative for a single transaction in the relevant market at the relevant time;

(c) if, on any Interest Determination Date, only two or three rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates so quoted; or

(d) if fewer than two rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates quoted by four major banks in the Relevant Financial Centre (or, in the case of Instruments denominated in euro, in such financial centre or centres in the euro-zone as the Issuer may select) selected by the Issuer and provided to the Calculation Agent, at approximately 11.00 a.m. (Relevant Financial Centre time (or local time at such other financial centre or centres as aforesaid)) on the first day of the relevant Interest Accrual Period for loans in the relevant currency to leading European banks for a period of the duration of the relevant Interest Accrual Period and in an amount that is representative for a single transaction in the relevant market at the relevant time; and

(e) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Interest Rate for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:

(i) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and

(ii) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;

*provided, however, that* if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate,

and the Interest Rate applicable to such Instruments during each Interest Accrual Period will be the sum of the relevant margin (for the purposes of this Condition 5.5, the "**Relevant Margin**") (if any) specified in the relevant Final Terms and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates) so determined *provided, however, that*, if the Calculation Agent is unable to determine a rate (or, as the case may be, an arithmetic mean of rates) in accordance with the above provisions in relation to any Interest Accrual Period, or if the Issuer is unable to select any major banks in accordance with sub-paragraph (b) above or otherwise unable to determine a rate when it is provided for that the Issuer should do so, the Interest Rate applicable to such Instruments during such Interest Accrual Period will be the sum of the Relevant Margin and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates) determined in relation to such Instruments in respect of the last preceding Interest Accrual Period.

Notwithstanding anything contained in this Condition 5.5 above, if the relevant Final Terms specifies the U.S. Federal Fund Rates as the applicable Reference Rate: (i) if the U.S. Federal Funds Rate does not appear on the FEDFUNDS1 Page or is not so published by 5:00 p.m., New York City time, on the related Interest Determination Date, the Interest Rate applicable for each Interest Accrual Period shall be the rate with respect to the particular Interest Determination Date for U.S. dollar federal funds as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying the applicable rate, under the caption "Federal funds (effective)", or (ii) if the rate referred to in (i) above is not so published by 5:00 p.m., New York City time on the related Interest Determination Date, the Interest Rate applicable for each Interest Accrual Period shall be the rate for the first preceding day for which such rate is set forth in H.15(519) opposite the caption "Federal funds (effective)", as such rate is displayed on the FEDFUNDS1 Page.

If a Variable Rate is specified in the relevant Final Terms, the rate of interest applicable to each relevant Interest Accrual Period will be the specified Variable Rate(s) plus or minus the Interest Rate determined pursuant to this Condition 5.5, as may be specified in the relevant Final Terms.

If "**Weighted Average Reference Rate**" is specified in the relevant Final Terms, the rate of interest applicable to each relevant Interest Accrual Period will be D1/D2, where "**D1**" means the sum of the Reference Rates applicable for each Interest Determination Date in the relevant Interest Period, *provided, however, that* the rate applicable for any calendar day that is not a Banking Day in respect of the relevant city as specified in the relevant Final Terms shall be the Reference Rate applicable on the immediately preceding Banking Day of such city, and "**D2**" means the number of calendar days in the Interest Period. If Weighted Average Reference Rate applies, each Interest Determination Date shall be one Business Day prior to each Interest Reset Date and, in respect of the last two Business Days of each Interest Period, the date which is one Business Day prior to such two Business Days. For the purposes of the foregoing "**Interest Reset Date**" shall mean, for each Interest Period, each Business Day within such Interest Period, up to and including the Interest Rate Cut Off Date, where "**Interest Rate Cut Off Date**" shall mean two Business Days prior to each Interest Payment Date in relation to such Interest Period.

***Provisions relating to Floating Rate Instruments which reference Compounded Daily SONIA or SONIA Index***

5.6A If the relevant Final Terms specifies the Interest Basis applicable to the Instruments as being Floating Rate, and the Reference Rate specified in the relevant Final Terms is Compounded Daily

SONIA, the Interest Rate applicable to the relevant Instruments for the relevant Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus the applicable relevant margin (for the purposes of this Condition 5.6A, the "**Relevant Margin**") (if any) specified in the relevant Final Terms, all as determined by the Calculation Agent.

For the purposes of this Condition 5.6A:

"**Compounded Daily SONIA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent, as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-pI.BD}\ \text{x}\ n_i}{365}\right)-1\right]\text{x}\ \frac{365}{d}$$

"**d**" means, for any Interest Period, the number of calendar days in such Interest Period;

"**$d_o$**" means, for any Interest Period, the number of London Banking Days in such Interest Period;

"**i**" means, for any Interest Period, a series of whole numbers from one to $d_o$, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in such Interest Period to, and including, the last London Banking Day in such Interest Period;

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**$n_i$**" means, for any London Banking Day "i", the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date which is "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding the date which is "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Instruments become due and payable);

"**p**" means the number specified as "p" in the relevant Final Terms, which shall not be less than five London Banking Days without the prior agreement of the Calculation Agent;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day;

"**$SONIA_i$**" means, in respect of any London Banking Day, "i", a reference rate equal to the daily SONIA Reference Rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page on the London Banking Day immediately following such London Banking Day; and

"**$SONIA_{i\text{-}pLBD}$**" means, in respect of any London Banking Day falling in the relevant Interest Period, the SONIA Reference Rate for the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i".

Subject to Condition 5.19, if, in respect of any London Banking Day in the relevant Observation Period, the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the

relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions, the Interest Rate shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Relevant Margin relating to such Interest Period, in place of the Relevant Margin relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Series of Instruments for the first Interest Period had the Instruments 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 Relevant Margin applicable to the first Interest Period).

If the relevant Series of Instruments become due and payable in accordance with Condition 7 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Instruments became due and payable and the Interest Rate on such Instruments shall, for so long as any such Instrument remains outstanding, be that determined on such date.

5.6B If the relevant Final Terms specifies the Interest Basis applicable to the Instruments as being Floating Rate and the Reference Rate specified in the relevant Final Terms is SONIA Index, the Interest Rate applicable to the relevant Instruments for the relevant Interest Period will, subject as provided below, be the rate computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the Relevant Decimal Place):

$$\left(\frac{SONIA\ Compounded\ Index_{End}}{SONIA\ Compounded\ Index\ _{Start}} - 1\right) X\ \frac{365}{d}$$

plus or minus the Margin (if any), all as determined and calculated by the Calculation Agent, where:

"**d**" is the number of calendar days from (and including) the day on which the SONIA Compounded $Index_{Start}$ is determined to (but excluding) the day on which the SONIA Compounded $Index_{End}$ is determined;

"**End**" means the relevant SONIA Compounded Index value on the day falling the "p" London Banking Days (as defined in Condition 5.6A) prior to the Interest Payment Date for such Interest Period, or such other date on which the payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"**Relevant Decimal Place**" shall be the fifth decimal place, rounded up or down if necessary (with 0.000005 being rounded upwards);

"**SONIA Compounded Index**" means the Compounded SONIA Index value as published at 12.30 p.m. (London time) by the administrator of SONIA via authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors); and

"**Start**" means the relevant SONIA Compounded Index value on the day falling the "p" London Banking Days (as defined in Condition 5.6A) prior to the first day of the Interest Period.

Subject to Condition 5.19, if, with respect to any Interest Period, the rate is not published for the SONIA Compounded Index either on the Start or End date, then the Interest Rate applicable to the relevant Instruments for the relevant Interest Period will, for such period as the SONIA Compounded Index is not available, be calculated by the Calculation Agent on the relevant Interest Determination Date as if SONIA Index was not specified as the Reference Rate in the relevant Final Terms and as if Compounded Daily SONIA was specified instead as the Reference Rate in

the relevant Final Terms and the applicable Interest Rate will be determined in accordance with Condition 5.6A.

***Provisions relating to Floating Rate Instruments which reference Compounded SOFR or SOFR Index***

5.7A If the relevant Final Terms specifies the Interest Basis applicable to the Instruments as being Floating Rate and the Reference Rate specified in the relevant Final Terms is Compounded SOFR, or this Condition 5.7A applies pursuant to the proviso in the last paragraph of Condition 5.7C, the Interest Rate applicable to the relevant Instruments for the relevant Interest Period will, subject as provided below, be Compounded SOFR plus or minus the applicable relevant margin (for the purposes of this Condition 5.7A, the "**Relevant Margin**") specified in the relevant Final Terms, all as determined by the Calculation Agent.

Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days in the Observation Period will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.

If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 5.7B below will apply.

For the purposes of this Condition 5.7A:

"**Business Day**" means any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each Applicable Financial Centre and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed;

"**Interest Payment Determination Dates**" means the date falling "p" U.S. Government Securities Business Days before each Interest Payment Date, where "p" has the value ascribed to it in the relevant Final Terms;

"**p**" means the whole number specified as "p" in the relevant Final Terms, such number representing a number of U.S. Government Securities Business Days Settlement Days, and which shall not be specified in the relevant Final Terms as less than five without the prior agreement of the Calculation Agent;

"**Observation Period**", in respect of each Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period;

"**SOFR**", with respect to any U.S. Government Securities Business Day, means:

(i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(ii) if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source; and

"**Compounded SOFR**", with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\mathrm{SOFR}_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

"$\mathbf{d_o}$" for any Observation Period, is the number of U.S. Government Securities Business Days in the relevant Observation Period;

"**i**" is a series of whole numbers from one to $d_o$, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

"$\mathbf{SOFR_i}$" for any U.S. Government Securities Business Day "i" in the relevant Observation Period, is equal to SOFR in respect of that day "i";

"$\mathbf{n_i}$" for any U.S. Government Securities Business Day "i" in the relevant Observation Period, is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1"); and

"**d**" is the number of calendar days in the relevant Observation Period.

5.7B If the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Instruments in respect of all determinations on such date and for all determinations on all subsequent dates.

Notwithstanding any other provision of this Condition 5.7B, no Benchmark Replacement, Benchmark Replacement Adjustment or Benchmark Replacement Conforming Changes will be adopted, nor will any other amendment to the terms and conditions of any Series of Senior Non-Preferred Instruments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to (i) prejudice the qualification of the relevant Series of Senior Non-Preferred Instruments as MREL Eligible Liabilities or (ii) result in the Relevant Regulator treating the next Interest Payment Date as the effective maturity of the Instruments, rather than the relevant Maturity Date.

For the purposes of this Condition 5.7B:

"**Benchmark**" means, initially, compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 5.7 (calculated as Compounded SOFR pursuant to Condition 5.7A or SOFR Index pursuant to Condition 5.7C); provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "**Benchmark**" shall mean the applicable Benchmark Replacement;

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

(i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;

(ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or

(iii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the issuer or its designee as of the Benchmark Replacement Date:

(i) 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 Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(i) in the case of paragraph (i) or (ii) of the definition of "Benchmark Transition Event", the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(ii) in the case of paragraph (iii) of the definition of "Benchmark 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 Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (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 Benchmark (or such component); or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (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 Benchmark (or such component); or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative and such statement or publication is being made in the awareness that it will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such regulatory supervisor (howsoever described) in contracts; or

(iv) the requirements of any applicable law or regulation would not permit any Issue and Paying Agent, Calculation Agent or the Issuer to calculate any payments due to be made to any Holder using the Benchmark;

"**ISDA Definitions**" means the 2006 ISDA Definitions published by ISDA, 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 Benchmark;

"**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 Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**", with respect to any determination of the Benchmark, means (i) if the Benchmark is compounded SOFR, the SOFR Determination Time (as defined in Condition 5.7A), and (ii) if the Benchmark is not compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

"**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; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

Consent of the Holders of the relevant Instruments shall not be required in connection with the implementation of a Benchmark Replacement, and the Issuer will have the right to make Benchmark Replacement Conforming Changes pursuant to this Condition 5.7B. Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 5.7B, will be notified promptly by the Issuer to the Calculation Agent, the Issue and Paying Agent, the Holders and (in

the case of VPS Instruments) the VPS Trustee and VPS Account Operator, which shall specify the effective date(s) for such replacement, substitution or change. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

Any determination, decision or election that may be made by the Issuer pursuant to this Condition 5.7B, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

(i) will be conclusive and binding absent manifest error;

(ii) will be made in the sole discretion of the Issuer; and

(iii) notwithstanding anything to the contrary in the documentation relating to the Instruments, shall become effective without consent from the Holders of the Instruments or any other party.

5.7C If the relevant Final Terms specifies the Interest Basis applicable to the Instruments as being Floating Rate and the Reference Rate specified in the relevant Final Terms is SOFR Index, the Interest Rate applicable to the relevant Instruments for the relevant Interest Period will, subject as provided below, be the rate computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the Relevant Decimal Place):

$$\left(\frac{SOFR\ Compounded\ Index_{End}}{SOFR\ Compounded\ Index_{Start}} - 1\right) X \frac{360}{d}$$

plus or minus the Margin (if any), all as determined and calculated by the Calculation Agent, where:

"**d**" is the number of calendar days from (and including) the day on which the SOFR Compounded $Index_{Start}$ is determined to (but excluding) the day on which the SOFR Compounded $Index_{End}$ is determined;

"**End**" means the relevant SOFR Compounded Index value on the day falling the "p" U.S. Government Securities Business Days (as defined in Condition 5.7A) prior to the Interest Payment Date for such Interest Period, or such other date on which the payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"**Relevant Decimal Place**" shall be the fifth decimal place, rounded up or down if necessary (with 0.000005 being rounded upwards);

"**SOFR Compounded Index**" means the Compounded SOFR Index value as published at 3.00 p.m. (New York time) by the SOFR Administrator (as defined in Condition 5.7A) on the SOFR Administrator's website (as defined in Condition 5.7A); and

"**Start**" means the relevant SOFR Compounded Index value on the day falling the "p" U.S. Government Securities Business Days (as defined in Condition 5.7A) prior to the first day of the Interest Period.

Subject to Condition 5.7B, if, with respect to any Interest Period, the rate is not published for the SOFR Compounded Index either on the Start or End date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, then the Interest Rate applicable to the relevant Instruments for the relevant Interest Period will, for such period as the SOFR Compounded Index is not available, be calculated by the Calculation Agent on the relevant Interest Determination Date as if SOFR Index was not specified as the Reference Rate in the relevant Final Terms and as if Compounded SOFR was specified instead as the Reference Rate in the relevant Final Terms and the applicable Interest Rate will be determined in accordance with Condition 5.7A and the provisions of Condition 5.7B shall also apply to such Instruments.

***Provisions relating to Floating Rate Instruments which reference Compounded Daily €STR***

5.8 If the relevant Final Terms specifies the Interest Basis applicable to the Instruments as being Floating Rate and the Reference Rate specified in the relevant Final Terms is Compounded Daily €STR, the Interest Rate applicable to the relevant Instruments for the relevant Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus the applicable relevant margin (for the purposes of this Condition 5.8, the "**Relevant Margin**") specified in the relevant Final Terms, all as determined by the Calculation Agent.

For the purposes of this Condition 5.8:

"**Compounded Daily €STR**" means the rate of return of a daily compound interest investment (with the daily euro short-term rate as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{€STR_{i-pTB}\ \text{X}\ n_i}{360}\right)-1\right]\text{x}\ \frac{360}{d}$$

where:

"**d**" means, for any interest period the number of calendar days in the relevant Interest Period;

"**$d_o$**", for any Interest Period, is the number of TARGET Settlement Days in the relevant Interest Period;

"**i**", for any Interest Period, is a series of whole numbers from one to $d_o$, each representing the relevant TARGET Settlement Days in chronological order from, and including, the first TARGET Settlement Day in the relevant Interest Period to, and including the last TARGET Settlement Day in such Interest Period;

"**TARGET Settlement Day**" means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system (known as TARGET2) or any successor thereto, is open;

"**$n_i$**" means, for any TARGET Settlement Day "i", the number of calendar days from, and including, such TARGET Settlement Day "i" up to, but excluding, the following TARGET Settlement Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date which is "p" TARGET Settlement Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding the date which is "p" TARGET Settlement Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" TARGET Settlement Days prior to such earlier date, if any, on which the Instruments become due and payable);

"**p**" means the whole number specified as "p" in the relevant Final Terms, such number representing a number of TARGET Settlement Days, and which shall not be specified in the relevant Final Terms as less than five without the prior agreement of the Calculation Agent;

"**€STR Reference Rate**" means, in respect of any TARGET Settlement Day, a reference rate equal to €STR for such TARGET Settlement Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank initially at http://www.ecb.europa.eu, or any successor website officially designated by the European Central Bank (the "**ECB's Website**") (in each case, on or before 9:00 a.m., Central European Time, on the TARGET Settlement Day immediately following such TARGET Settlement Day); and

"**€STR $_{i\text{-}pTBD}$**" means in respect of any TARGET Settlement Day the €STR Reference Rate for the TARGET Settlement Day falling "p" TARGET Settlement Days prior to the relevant TARGET Settlement Day "i".

If the €STR Reference Rate does not appear on a TARGET Settlement Day as specified above, unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date (each, as defined below) have occurred, the €STR Reference Rate shall, subject to Condition 5.19, be a rate equal to €STR in respect of the last TARGET Settlement Day for which such rate was published on the ECB's Website.

If the €STR Reference Rate does not appear on a TARGET Settlement Day as specified above, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, and are notified by the Issuer to the Calculation Agent, the rate for each TARGET Settlement Day in the relevant Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the rate (inclusive of any spreads or adjustments) that was recommended (and notified by the Issuer to the Calculation Agent(or such other party responsible for the calculation of the Interest Rate, as specified in the relevant Final Terms)) as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) (the "**ECB Recommended Rate**"), *provided that*, if no such rate has been recommended before the end of the first TARGET Settlement Day following the date on which the €STR Index Cessation Event occurs, then the rate for each TARGET Settlement Day in the relevant Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if, references to "€STR" were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, as published on the ECB's Website (the "**EDFR**") on such TARGET Settlement Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR for each of the 30 TARGET Settlement Days immediately preceding the date on which the €STR Index Cessation Event occurs (the "**EDFR Spread**").

*Provided further that*, if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur and are notified by the Issuer to the Calculation Agent, then the rate for each TARGET Settlement Day in the relevant Observation Period occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to "€STR" were references to the EDFR on such TARGET Settlement Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 TARGET Settlement Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions then, subject to Condition 5.19, (i) the Interest Rate shall be that determined at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the Interest Rate shall be determined as if references to €STR for each TARGET Settlement Day in the relevant Observation Period occurring on or after the €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if EDFR is published on a later date than the latest published ECB Recommended Rate, the latest published EDFR plus the EDFR Spread.

As used in this Condition 5.8:

"**€STR Index Cessation Event**" means the occurrence of one or more of the following events:

(1) a public statement or publication of information by or on behalf of the European Central Bank (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, *provided that*, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or

(2) a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has

ceased or will cease to provide €STR permanently or indefinitely, *provided that*, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;

"**€STR Index Cessation Effective Date**" means, in respect of an €STR Index Cessation Event, the first date on which €STR is no longer provided by the European Central Bank (or any successor administrator of €STR);

"**ECB Recommended Rate Index Cessation Event**" means the occurrence of one or more of the following events:

(1) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, *provided that*, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended 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 ECB Recommended Rate; and

"**ECB Recommended Rate Index Cessation Effective Date**" means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided.

***Provisions relating to ISDA Determination only***

5.9 If the relevant Final Terms specifies the Interest Rate applicable to the Instruments as being ISDA Determination, the Interest Rate applicable to the Instruments 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) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;

(B) the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the relevant Final Terms;

(C) the relevant Reset Date (as defined in the ISDA Definitions) unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions;

(D) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Interest Rate for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:

(1) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and

(2) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period,

*provided, however, that* if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall calculate such rate at such time and by reference to such sources as the Issuer or its appointee determines appropriate;

(E) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Compounding is specified to be applicable in the relevant Final Terms and:

(1) Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, which shall not be less than five (5) without the consent of the Calculation Agent;

(2) Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, which shall not be less than five (5) without the consent of the Calculation Agent, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or

(3) Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, which shall not be less than five (5) without the consent of the Calculation Agent, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;

(F) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Averaging is specified to be applicable in the relevant Final Terms and:

(1) Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) as specified in relevant Final Terms, which shall not be less than five (5) without the consent of the Calculation Agent;

(2) Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, which shall not be less than five (5) without the consent of the Calculation Agent, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or

(3) Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, which shall not be less than five (5) without the consent of the Calculation Agent, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;

(G) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the ISDA Definitions) and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift (as defined in the ISDA Definitions) shall be applicable and, (a) Observation Period Shift is the number of

Observation Period Shift Business Days (as defined in the ISDA Definitions) 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;

(H) 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 Maturity Date;

(4) "Effective Date" shall be references to the Interest Commencement Date;

(5) "Administrator/Benchmark Event" in the 2021 ISDA Definitions shall be disapplied; and

(I) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

If a Variable Rate is specified in the relevant Final Terms, the rate of interest applicable to each relevant Interest Accrual Period will be the specified Variable Rate(s) plus or minus the Interest Rate determined pursuant to this Condition 5.9, as may be specified in the relevant Final Terms.

***Maximum or Minimum Interest Rate***

5.10 If any Maximum or Minimum Interest Rate is specified in the relevant Final Terms, then the Interest Rate shall in no event be greater than the maximum or be less than the minimum so specified. Unless otherwise specified in the relevant Final Terms, the Minimum Interest Rate shall be deemed to be zero.

***Accrual of Interest***

5.11 Interest shall accrue on the Outstanding Principal Amount of each Instrument during each Interest Accrual Period from, and including, the Interest Commencement Date. Interest will cease to accrue as from the due date for redemption therefor (or, in the case of an Instalment Instrument, in respect of each instalment of principal, on the due date for payment of the relevant Instalment Amount) unless upon due presentation or surrender thereof (if required), payment in full of the Redemption Amount (as defined in Condition 6.14) or the relevant Instalment Amount is improperly withheld or refused or default is otherwise made in the payment thereof or the consent of the NFSA for such payment has not been given or, having been given, has been withdrawn and not replaced, in which case interest shall continue to accrue on the principal amount in respect of which payment has been improperly withheld or refused or default has been made (as well after as before any demand or judgment) at the Interest Rate then applicable until the date on which, upon due presentation or surrender of the relevant Instrument (if required), the relevant payment is made or, if earlier (except where presentation or surrender of the relevant Instrument is not required as a precondition of payment), the seventh day after the date on which, the Issue and Paying Agent or, as the case may be, the relevant Registrar having received the funds required to make such payment, notice is given to the Holders of the Instruments in accordance with Condition 14 that the Issue and Paying Agent or, as the case may be, the relevant Registrar has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder).

***Interest Amount(s) and Calculation Agent***

5.12 If a Calculation Agent is specified in the relevant Final Terms, the Calculation Agent, as soon as practicable after the Relevant Time on each Interest Determination Date (or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount or Instalment Amount, obtain any quote or make any determination or calculation) will determine the

Interest Rate and calculate the amount(s) of interest payable (the "**Interest Amount(s)**") in respect of the Calculation Amount and multiply such figure by a fraction equal to the Specified Denomination of the relevant Instrument divided by the Calculation Amount for the relevant Interest Accrual Period, calculate the Redemption Amount or Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date or, as the case may be, the Redemption Amount or any Instalment Amount to be notified to the Issue and Paying Agent, the relevant Registrar (in the case of Registered Instruments), the Issuer, the Holders in accordance with Condition 14, (in the case of VPS Instruments) the VPS and the VPS Account Operator and, if the Instruments are listed on a stock exchange and the rules of such stock exchange so requires, such stock exchange as soon as possible after their determination or calculation but in no event later than the fourth London Banking Day thereafter or, if earlier in the case of notification to the stock exchange, the time required by the rules of the relevant stock exchange. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of an Interest Accrual Period or the Interest Period. If the Instruments become due and payable under Condition 7, the Interest Rate and the accrued interest payable in respect of the Instruments shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of each Interest Rate, Interest Amount, Redemption Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon the Issuer and the Holders and the Calculation Agent shall have no liability to the Holders in respect of any determination, calculation, quote or rate made or provided by it.

If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Accrual Period or to calculate the Interest Amounts or any other requirements, the Issuer will (with the prior approval of the VPS Trustee in the case of VPS Instruments) appoint the London office of a leading bank engaged in the London interbank market to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

***Calculations and Adjustments***

5.13 The amount of interest payable in respect of any Instrument for any period shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount and multiply such figure by a fraction equal to the Outstanding Principal Amount of the relevant Instrument divided by the Calculation Amount and multiply the result by the Day Count Fraction, save that (i) if the relevant Final Terms specifies a specific amount in respect of such period, the amount of interest payable in respect of such Instrument for such period will be equal to such specified amount and (ii) where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

For the purposes of any calculations referred to in these Conditions, unless otherwise specified, (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States Dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded to the nearest whole Japanese Yen (with 0.5 Japanese Yen being rounded upwards) and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

5.14 Different Business Day Conventions may apply, or be specified in relation to, the Interest Payment Dates, Interest Period End Dates and any other date or dates in respect of any Instruments.

Where the Final Terms specifies "No Adjustment" in relation to any date, such date shall not be adjusted in accordance with the Applicable Business Day Convention(s).

Where the relevant Final Terms fails to specify an Applicable Business Day Convention or "No Adjustment" for the purposes of an Interest Period End Date and an Interest Payment Date, then:

(a) in the case of Instruments which bear interest at a fixed rate, or where the relevant Final Terms specify that the Instruments are Index Linked Interest Instruments, Share Linked Interest Instruments, FX Linked Interest Instruments or Fund Linked Interest Instruments, "No Adjustment" shall be deemed to have been so specified and the "Modified Following Business Day Convention" shall be deemed to have been so specified for payment purposes only; and

(b) in the case of Instruments which bear interest at a floating rate, the "Modified Following Business Day Convention" shall be deemed to have been so specified for both calculation of interest and payment purposes.

***Definitions***

5.15 In addition to terms defined elsewhere in these Conditions, the following definitions apply:

"**Applicable Business Day Convention**" means the Business Day Convention which may be specified in the relevant Final Terms as applicable to any date in respect of the Instruments.

"**Applicable Financial Centre**" means the financial centre(s) specified in the relevant Final Terms. If the Final Terms specify the TARGET System as an Applicable Financial Centre, it means a day on which the TARGET System is operating. If the Final Terms specify Brazil as an Applicable Financial Centre, it means any of Rio de Janeiro, Brasilia or São Paolo.

"**Banking Day**" means, in respect of any city, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in that city.

"**BBSW**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Bank Bill Swap reference rate.

"**BKBM**" means the interest rate benchmark known as the Bank Bill Market rate.

"**Business Day**" means, other than in respect of Instruments for which the Reference Rate is specified as Compounded SOFR or SOFR Index in the relevant Final Terms, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business and settle payments in each Applicable Financial Centre in respect of the relevant Instruments. If the Final Terms specify the TARGET System as an Applicable Financial Centre, it means a day on which the TARGET System is operating.

"**Business Day Convention**" means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the relevant Final Terms in relation to any date applicable to any Instruments, shall have the following meanings:

(a) "**Following Business Day Convention**" means that such date shall be postponed to the first following day that is a Business Day;

(b) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" means that such 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, save in respect of Instruments for which the Reference Rate is Compounded SOFR or SOFR Index, for which the final Interest Payment Date will not be postponed and interest on that payment will not accrue during the period from and after the scheduled final Interest Payment Date;

(c) "**Preceding Business Day Convention**" means that such date shall be brought forward to the first preceding day that is a Business Day; and

(d) "**FRN Convention**" or "**Eurodollar Convention**" means that each such 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 after the calendar month in which the preceding such date occurred *provided that*:

(i) 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;

(ii) 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

(iii) 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.

"**Calculation Agent**" means entity specified as such in the relevant Final Terms, which term shall include any successor thereto or any agent acting on behalf thereof, as the case may be. The Calculation Agent will act solely as agent of the Issuer and will not assume any obligations or relationships of agency or trust to or with the Holders of the Instruments.

"**Calculation Amount**" has the meaning given in the Final Terms.

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time ("**Calculation Period**"), such day count fraction as may be specified in the relevant Final Terms and:

(a) if "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(b) if "**Actual/Actual (ICMA)**" is so specified:

(i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(ii) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

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

where:

"**Determination Period**" means the period from and including an Interest Determination Date in any year to but excluding the next Interest Determination Date.

(c) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

(d) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

(e) if "**30/360**" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"**$Y_1$**" 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 a 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;

(f) if "**30E/360**" or "**Eurobond Basis**" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"**$Y_1$**" 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 a 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

(g) if "**30E/360 (ISDA)**" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"**$Y_1$**" 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 a 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.

"**EONIA**" means the Euro Overnight Index Average.

"**EURIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate.

"**euro-zone**" means the zone comprising the Member States of the European Union that participate or are participating in European Monetary Union and that adopt or have adopted the euro as their lawful currency.

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms.

"**Interest Accrual Period**" means, in respect of an Interest Period, each successive period beginning on and including an Interest Period End Date and ending on but excluding the next succeeding Interest Period End Date during that Interest Period *provided always that* the first Interest Accrual Period shall commence on and include the Interest Commencement Date and the final Interest Accrual Period shall end on but exclude the date of final maturity.

"**Interest Basis**" has the meaning given in the relevant Final Terms.

"**Interest Commencement Date**" means the date of issue of the Instruments (as specified in the relevant Final Terms) or such other date as may be specified as such in the relevant Final Terms.

"**Interest Determination Date**" means, in respect of any Interest Accrual Period, the date falling such number (if any) of Banking Days in such city(ies) as may be specified in the relevant Final Terms prior to the first day of such Interest Accrual Period, or if none is specified:

(a) in the case of Instruments denominated in Pounds Sterling, the first day of such Interest Accrual Period; or

(b) in any other case, the date falling two London Banking Days prior to the first day of such Interest Accrual Period,

*provided that* if the relevant Final Terms specifies the Interest Basis applicable to the Instruments as being Floating Rate and if a "Weighted Average Reference Rate" is specified in such Final Terms, the Interest Determination Date shall be determined in accordance with Condition 5.5.

"**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 an Applicable Business Day Convention is specified in the relevant Final Terms, as the same may be adjusted in accordance with the Applicable Business Day Convention or, if the Applicable Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the relevant Final Terms

as being the Interest Period, each of such dates as may occur in accordance with the FRN Convention at such specified period of calendar months following the date of issue of the Instruments (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

"**Interest Period**" means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date *provided always that* the first Interest Period shall commence on and include the Interest Commencement Date and the final Interest Period shall end on but exclude the date of final maturity.

"**Interest Period End Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if an Applicable Business Day Convention is specified in the relevant Final Terms, as the same may be adjusted in accordance with the Applicable Business Day Convention or, if the Applicable Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the relevant Final Terms as the Interest Accrual Period, such dates as may occur in accordance with the FRN Convention at such specified period of calendar months following the Interest Commencement Date (in the case of the first Interest Period End Date) or the previous Interest Period End Date (in any other case) or, if none of the foregoing is specified in the relevant Final Terms, means the date or each of the dates which correspond with the Interest Payment Date(s) in respect of the Instruments.

"**Interest Rate**" means the rate or rates (expressed as a percentage per annum) or amount or amounts (expressed as a price per unit of relevant currency) of interest payable in respect of the Instruments specified in the relevant Final Terms.

"**ISDA**" means the International Swaps and Derivatives Association, Inc. (or any successor).

"**ISDA Definitions**" means, in relation to any Series of Instruments, (i) the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Instruments of such Series (as specified in the relevant Final Terms)), as published by ISDA (copies of which may be obtained from ISDA at www.isda.org) or (ii) the latest version of the ISDA 2021 Interest Rate Derivatives Definitions, including each Matrix (as defined therein) (and any successor thereto), as specified in the relevant Final Terms, each as published by ISDA on its website (www.isda.org) on the date of issue of the first Tranche of the Instruments of such Series.

"**NIBOR**" means the interest rate benchmark known as the Norwegian interbank offered rate.

"**Optional Redemption Amount (Call)**" means, in respect of any Instrument, its Outstanding Principal Amount or, in the case of Instruments which are non-interest bearing, including Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, their Amortised Face Amount (as defined in Condition 6.15) or such other redemption amount as may be specified in the relevant Final Terms or, if all of the Instruments are to be redeemed on the Optional Redemption Date (Call) (if so specified in the Final Terms) their aggregate Outstanding Principal Amount or, in the case of Instruments which are non-interest bearing including Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, their aggregate Amortised Face Amount (as defined in Condition 6.15) or such other redemption amount as may be specified in the relevant Final Terms.

"**Optional Redemption Amount (Put)**" means, in respect of any Instrument, its Outstanding Principal Amount or, in the case of Instruments which are non-interest bearing, including Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, their Amortised Face Amount (as defined in Condition 6.15) or such other redemption amount as may be specified in the relevant Final Terms.

"**Optional Redemption Date (Call)**" has the meaning given in the relevant Final Terms.

"**Optional Redemption Date (Put)**" has the meaning given in the relevant Final Terms.

"**Outstanding Principal Amount**" means, in respect of an Instrument, its principal amount less, in respect of any Instalment Instrument, any principal amount on which interest shall have ceased to accrue in accordance with Condition 5.11 or, in the case of a Partly Paid Instrument, the Paid

Up Amount of such Instrument or otherwise as indicated in the relevant Final Terms except that the Paid Up Amount shall be deemed to be nil for Instruments which have been forfeited by the Issuer on or after the Forfeiture Date as provided for in Condition 1.8.

"**Reference Rate**" means BBSW, BKBM, €STR, EONIA, EURIBOR, NIBOR, SOFR, SONIA, STIBOR or the U.S. Federal Funds Rate as specified in the relevant Final Terms in respect of the currency and period specified in the relevant Final Terms.

"**Relevant Financial Centre**", for the purposes of Condition 5.5, means such financial centre or centres as may be specified in relation to the relevant currency for the purposes of the definition of "Business Day" in the ISDA Definitions.

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, without limitation, a Reuters Screen) specified as the Relevant Screen Page in the relevant Final Terms.

"**Relevant Time**" means the time as of which any rate is to be determined as specified in the relevant Final Terms or, if none is specified, at which it is customary to determine such rate.

"**Reuters Screen**" means, when used in connection with a designated page and any designated information, the display page so designated on the Reuter Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying such information).

"**Specified Denominations**" has the meaning given in the relevant Final Terms.

"**SONIA**" means the Sterling Overnight Index Average.

"**STIBOR**" means interest rate benchmark known as the Stockholm interbank offered rate.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto.

"**U.S. Federal Funds Rate**" means the rate with respect to the particular Interest Determination Date for U.S. dollar federal funds as published in H.15(519) under the caption "Federal funds (effective)" and displayed on Reuters (or any successor service) on page FEDFUNDS1 under the caption "EFFECT" (or any other page as may replace the specified page on that service) ("FEDFUNDS1 Page").

***Non-Interest Bearing Instruments***

5.16 If any Redemption Amount (as defined in Condition 6.14) or Instalment Amount in respect of any Instrument which is non-interest bearing, including an Instrument specified by the relevant Final Terms to be a Zero Coupon Instrument, is not paid when due, interest shall accrue on the overdue amount at a rate per annum (expressed as a percentage per annum) equal to the Amortisation Yield as may be specified for this purpose in the relevant Final Terms until the date on which, upon due presentation or surrender of the relevant Instrument (if required), the relevant payment is made or, if earlier (except where presentation or surrender of the relevant Instrument is not required as a precondition of payment), the seventh day after the date on which, the Issue and Paying Agent or, as the case may be, the relevant Registrar having received the funds required to make such payment, notice is given to the Holders of the Instruments in accordance with Condition 14 that the Issue and Paying Agent or, as the case may be, the relevant Registrar has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder). The amount of any such interest shall be calculated in accordance with the provisions of Condition 5.13 as if the Interest Rate was the Amortisation Yield, the Outstanding Principal Amount was the overdue sum and the Day Count Fraction was as specified for this purpose in the relevant Final Terms or, if not so specified, 30E/360 (as defined in Condition 5.15).

***Index Linked Interest Instruments, Share Linked Interest Instruments, FX Linked Interest Instruments, Fund Linked Interest Instruments and Fixed Interest Discounted Issue Instruments***

5.17 If the relevant Final Terms specify that the Instruments are Index Linked Interest Instruments, Share Linked Interest Instruments, FX Linked Interest Instruments or Fund Linked Interest Instruments, the Interest Rate and the Interest Amount with respect to the relevant Interest Period shall be determined by reference to a single index or basket of indices, a single share or basket of shares, the rate of exchange of a single currency or basket of currencies or units, interests or shares in a single fund or basket of funds, as the case may be, in a manner as specified in these Conditions, the relevant additional terms to these Conditions and the relevant Final Terms.

5.18 If the relevant Final Terms specify that the Instruments are Fixed Interest Discounted Issue Instruments, for the purpose of the calculation of interest to be accrued when payment has been improperly withheld or refused or default has been made (as well after as before any demand or judgment), the applicable Interest Rate shall be the sum of the Amortisation Yield and the fixed interest rate, each as specified in the relevant Final Terms.

***Benchmark replacement***

5.19 In addition, notwithstanding the foregoing provisions in Condition 5, if the Issuer (in consultation with the Calculation Agent) determines that a Benchmark Event has occurred in respect of a particular Reference Rate when any Interest Rate (or the relevant component part thereof) remains to be determined by such Reference Rate, then (unless otherwise specified in paragraph (f) below) the following provisions shall apply:

(a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner) no later than ten Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate for purposes of determining the Interest Rate (or the relevant component part thereof) applicable to the Instruments;

(b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (in consultation with the Calculation Agent and acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;

(c) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 5.19); *provided, however, that* if sub-paragraph (b) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate five Business Days prior to the relevant Interest Determination Date, the Interest Rate applicable to the next succeeding Interest Period shall be equal to the Interest Rate last determined in relation to the Instruments in respect of the preceding Interest Period (or alternatively, if there has not been a first Interest Payment Date, the rate of interest shall be the Interest Rate for the initial Interest Period) (subject, where applicable, to substituting the Relevant Margin that applied to such preceding Interest Period for the Relevant Margin that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (c) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5.19);

(d) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable, and acting in good faith and in a commercially reasonable manner), may also specify changes to these Conditions,

including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Day, Interest Determination Date, and/or the definition of Reference Rate applicable to the Instruments, and the method for determining the fallback rate in relation to the Instruments, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. For the avoidance of doubt, the Issue and Paying Agent, the VPS Account Operator and the VPS Trustee (if applicable) shall, at the direction and expense of the Issuer, effect such consequential amendments to the Issue and Paying Agency Agreement, the VPS Agreement and the VPS Trustee Agreement (if applicable) and these Conditions as may be required in order to give effect to this Condition 5.19, *provided that* no such amendment shall, unless agreed by the Issue and Paying Agent, the VPS Account Operator or the VPS Trustee, as applicable, increase the obligations or duties or decrease the rights or protections of the Issue and Paying Agent, the VPS Account Operator or the VPS Trustee, as applicable. Consent of the Holders of the relevant Instruments shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Issue and Paying Agent, the VPS Account Operator or the VPS Trustee (if applicable) (if required). Notwithstanding any other provision of this Condition 5.19(d), no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor will any other amendment to the terms and conditions of any Series of Senior Non-Preferred Instruments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to (i) prejudice the qualification of the relevant Series of Senior Non-Preferred Instruments as MREL Eligible Liabilities or (ii) result in the Relevant Regulator treating the next Interest Payment Date as the effective maturity of the Instruments, rather than the relevant Maturity Date;

(e) the Issuer shall, within five Business Days following the determination of any Successor Rate or Alternative Reference Rate (as applicable), give notice thereof to the Calculation Agent, the Issue and Paying Agent, the Holders and (in the case of VPS Instruments) the VPS Trustee and VPS Account Operator, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential changes made to these Conditions; and

(f) this Condition 5.19 shall not apply to Instruments for which the Reference Rate is specified in the relevant Final Terms as being Compounded SOFR or SOFR Index.

For the purposes of these Conditions:

"**Adjustment Spread**" means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), in each case acting in good faith and in a commercially reasonable manner, determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or

(iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in good faith and in a commercially reasonable manner) to be appropriate,

in each case, in order to put the Issuer and the Holders in substantially the same economic position as prior to the occurrence of the Benchmark Event and the subsequent operation of this Condition 5.19;

"**Alternative Reference Rate**" means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the relevant Reference Rate;

"**Applicable MREL Regulations**" means, at any time, the laws, regulations, requirements, guidelines and policies then in effect in Norway giving effect to any MREL Requirement or any successor regulations then applicable to the Issuer, including, without limitation to the generality of the foregoing, the CRD IV and the legislation implementing the BRRD in Norway and those regulations, requirements, guidelines and policies giving effect to any MREL Requirement or any successor regulations then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer);

"**Benchmark Event**" means:

(a) the Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered;

(b) a public statement by the administrator of the Reference Rate that it has ceased publishing the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Reference Rate) or that it will cease to do so by a specified future date (the "**Specified Future Date**");

(c) a public statement by the supervisor of the administrator of the Reference Rate that the Reference Rate has been or will, by a specified future date (the "**Specified Future Date**"), be permanently or indefinitely discontinued;

(d) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified future date (the "**Specified Future Date**"), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Instruments;

(e) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market;

(f) the requirements of any applicable law or regulation would not permit any Issue and Paying Agent, Calculation Agent or the Issuer to calculate any payments due to be made to any Holder using the Reference Rate.

and, notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (b), (c), (d) or (e) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date;

"**CRD IV**" means, as the context requires, any or any combination of the CRD IV Directive, the CRR and any CRD IV Implementing Measures;

"**CRD IV Directive**" means Directive 2013/36/EU of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013 (or, as the case may be, any provision of Norwegian law transposing or implementing such Directive), as amended or replaced from time to time;

"**CRD IV Implementing Measures**" means any regulatory capital and/or minimum requirement for own funds and eligible liabilities rules or regulations or other requirements, which are applicable to the Issuer and which prescribe (alone or in conjunction with any other rules, regulations or other requirements) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital and/or minimum requirement for own funds and eligible liabilities of the Issuer (on a non-consolidated or consolidated basis) to the extent required by the CRD IV Directive or the CRR, including for the avoidance of doubt and without limitation any regulatory technical standards released from time to time by the European Banking Authority (or any successor or replacement thereof);

"**CRR**" means Regulation 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013, as amended or replaced from time to time;

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense;

"**MREL Eligible Liabilities**" means "eligible liabilities" (or any equivalent or successor term) which are available to meet any MREL Requirement (however called or defined by then Applicable MREL Regulations) of the Issuer under Applicable MREL Regulations;

"**MREL Requirement**" means the minimum requirement for own funds and eligible liabilities which is or, as the case may be, will be applicable to the Issuer;

"**Relevant Nominating Body**" means, in respect of a reference rate:

(i) the central bank for the currency to which the reference rate relates, any central bank which is responsible for supervising the administrator of the reference rate, or any other relevant supervisory or regulatory authority or national legislative body of the country for the currency to which the reference rate relates; or

(ii) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (a) the central bank for the currency to which the reference rate relates, (b) any central bank which is responsible for supervising the administrator of the reference rate, (c) any other relevant supervisory or regulatory authority or national legislative body of the country for the currency to which the reference rate relates, (d) a group of the aforementioned central banks or other authorities, or (e) the Financial Stability Board or any part thereof;

"**Relevant Regulator**" means the Relevant Resolution Authority; and

"**Successor Rate**" means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

6. **Redemption and Purchase**

***Redemption at Maturity***

6.1 Unless previously redeemed, or purchased and cancelled or unless such Instrument is stated in the relevant Final Terms as having no fixed maturity date, each Instrument shall be redeemed at its maturity redemption amount (the "**Maturity Redemption Amount**") which shall be: (i) its Outstanding Principal Amount or any other amount as may be specified in the relevant Final Terms (or, in the case of Instalment Instruments, in such number of instalments and in such amounts

("**Instalment Amounts**") as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms) on the date or dates (or, in the case of Instruments which bear interest at a floating rate, on the date or dates upon which interest is payable) specified in the relevant Final Terms; or (ii) in the case of: (a) Index Linked Instruments, in accordance with Condition 21.4 (as completed by the relevant Final Terms), (b) Share Linked Instruments, in accordance with Condition 22.4 (as completed by the relevant Final Terms), (c) FX Linked Instruments, in accordance with Condition 23.4 (as completed by the relevant Final Terms), (d) Fund Linked Instruments, in accordance with Condition 24.8 (as completed by the relevant Final Terms), (e) Commodity Linked Redemption Instruments, in accordance with Condition 25.2 (as completed by the relevant Final Terms), and (f) Physical Delivery Instruments, in accordance with Condition 26 (as completed by the relevant Final Terms).

***Early Redemption for Taxation Reasons***

6.2 If, in relation to any Series of Instruments and, in the case of Senior Non-Preferred Instruments, subject to compliance with Condition 6.17, (i) as a result of any change in the laws, regulations or rulings of the Kingdom of Norway or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the official interpretation or official administration of any such laws, regulations or rulings which is announced and which becomes effective on or after the date of issue of such Instruments, the Issuer would be required to pay additional amounts as provided in Condition 8 (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it and (iii) such circumstances are evidenced by the delivery by the Issuer to the Issue and Paying Agent (or, in the case of VPS Instruments, the VPS Account Operator and the VPS Trustee) of a certificate signed by two directors of the Issuer stating that the said circumstances prevail and describing the facts leading thereto and an opinion of independent legal advisers of recognised standing to the effect that such circumstances prevail, the Issuer may, at its option and in any case having given no less than 30 nor more than 60 days' notice, or such other period(s) as may be specified in the relevant Final Terms, (ending, in the case of Instruments which bear interest at a floating rate, Index Linked Interest Instruments, Share Linked Interest Instruments, FX Linked Interest Instruments or Fund Linked Interest Instruments, on a day upon which interest is payable) to the Holders of the Instruments in accordance with Condition 14 (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Instruments comprising the relevant Series at their early tax redemption amount (the "**Early Redemption Amount**"), which shall be (i) their Outstanding Principal Amount or, (ii) in the case of Instruments which are non-interest bearing, including Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, their Amortised Face Amount (as defined in Condition 6.15), (iii) if specified in the relevant Final Terms, the Specified Currency amount which is determined by the Calculation Agent in its sole and absolute discretion to be the fair market value of such Instrument immediately prior to such early redemption, adjusted to account fully for any reasonable expenses and costs to the Issuer of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity or currency options hedging the Issuer's obligations under the Instrument) (the "**Early Redemption Amount (Market Value)**"), together with accrued interest (if any) thereon *provided, however, that* no such notice of redemption may be given earlier than 90 days (or, in the case of Instruments which bear interest at a floating rate, Index Linked Interest Instruments, Share Linked Interest Instruments, FX Linked Interest Instruments or Fund Linked Interest Instruments, a number of days which is equal to the aggregate of the number of days falling within the then current interest period applicable to the Instruments plus 60 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 Instruments then due.

The Issuer may not exercise such option in respect of any Instrument which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Instrument under Condition 6.6.

***Optional Early Redemption (Call)***

6.3 If the Call Option is specified in the relevant Final Terms as being applicable, then the Issuer may (subject in the case of Senior Non-Preferred Instruments to compliance with Condition 6.17) and having given no less than 10 nor more than 60 days' notice, or such other period(s) as may be specified in the relevant Final Terms, (ending, in the case of Instruments which bear interest at a floating rate, Index Linked Interest Instruments, Share Linked Interest Instruments, FX Linked

Interest Instruments or Fund Linked Interest Instruments, on a day upon which interest is payable), redeem all or, if so specified in the relevant Final Terms, part of the Instruments of the relevant Series on the relevant Optional Redemption Date (Call) at their Optional Redemption Amount (Call) plus accrued interest (if any) to such date.

The Issuer may not exercise such option in respect of any Instrument which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Instrument under Condition 6.6.

6.4 The appropriate notice referred to in Condition 6.3 is a notice given by the Issuer to the Holders of the Instruments of the relevant Series in accordance with Condition 14, which notice shall be irrevocable and shall specify:

- the Series of Instruments subject to redemption;
- whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of and (except in the case of a Temporary Global Instrument or Permanent Global Instrument) the serial numbers of the Instruments of the relevant Series which are to be redeemed;
- the Optional Redemption Date (Call); and
- the Optional Redemption Amount (Call) at which such Instruments are to be redeemed.

***Partial Redemption***

6.5 If the Instruments of a Series are to be redeemed in part only on any date in accordance with Conditions 6.3, 6.8, 21.4, 22.4, 23.4, or 24.8:

- in the case of Bearer Instruments, the Instruments to be redeemed shall be drawn by lot in such European city as the Issue and Paying Agent may specify, or identified in such other manner or in such other place as the Issue and Paying Agent may approve and deem appropriate and fair; and
- in the case of Registered Instruments or VPS Instruments, the Instruments shall be redeemed (so far as may be practicable) *pro rata* to their principal amounts, *provided always that* the amount redeemed in respect of each Instrument shall be equal to the minimum denomination thereof or an integral multiple thereof,

subject always to compliance with all applicable laws, the requirements of any stock exchange on which the relevant Instruments may be listed and, if applicable, the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or, in the case of VPS Instruments, the rules and procedures of the VPS.

In the case of the redemption of part only of a Registered Instrument, a new Registered Instrument in respect of the unredeemed balance shall be issued in accordance with Conditions 2.4 to 2.9 which shall apply as in the case of a transfer of Registered Instruments as if such new Registered Instrument were in respect of the untransferred balance.

If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

***Optional Early Redemption (Put)***

6.6 This Condition 6.6 shall only be applicable to Senior Instruments.

If the Put Option is specified in the relevant Final Terms as being applicable, then the Issuer shall, upon the exercise of the relevant option by the Holder of any Instrument of the relevant Series, redeem such Instrument on the Optional Redemption Date (Put) specified in the relevant Put Notice (as defined below) at its Optional Redemption Amount (Put) together with interest (if any) accrued

to such date. In order to exercise such option, the Holder of an Instrument must, not less than forty-five days or such other period(s) as may be specified in the relevant Final Terms before the relevant Optional Redemption Date (Put), deposit the relevant Instrument (together, in the case of an interest-bearing Instrument in bearer form, with all unmatured Coupons appertaining thereto other than any Coupon maturing on or before the relevant Optional Redemption Date (Put) (failing which the provisions of Condition 9.1(f) apply)) during normal business hours at the specified office of, in the case of a Bearer Instrument, any Paying Agent or, in the case of a Registered Instrument, the relevant Registrar or any of the Transfer Agents, together with a duly completed early redemption notice ("**Put Notice**") in the form which is available from the specified office of any of the Paying Agents, the relevant Registrar or any of the Transfer Agents. In the case of a Registered Instrument, the Put Notice should specify the aggregate principal amount in respect of which such option is exercised (which must be the minimum denomination specified in the relevant Final Terms or an integral multiple thereof). No Instrument so deposited and option exercised may be withdrawn (except as provided in the Issue and Paying Agency Agreement).

In the case of the redemption of part only of a Registered Instrument, a new Registered Instrument in respect of the unredeemed balance shall be issued in accordance with Conditions 2.4 to 2.9 which shall apply as in the case of a transfer of Registered Instruments as if such new Registered Instrument were in respect of the untransferred balance.

The Holder of an Instrument may not exercise such option in respect of any Instrument which is the subject of an exercise by the Issuer of its option to redeem such Instrument under either Condition 6.2 or 6.3.

In the case of VPS Instruments, to exercise the right to require redemption of the VPS Instruments, the Holder of the VPS Instrument, must, within the notice period, give notice to the VPS Account Operator of such exercise in accordance with the rules and procedures of the VPS from time to time and to the VPS Trustee.

***Redemption upon MREL Disqualification Event***

6.7 This Condition 6.7 applies only to Senior Non-Preferred Instruments only where MREL Disqualification Event Option is specified as being applicable in the relevant Final Terms.

If an MREL Disqualification Event occurs, the Issuer may, at its option, but subject to the provisions of Condition 6.17, on giving not less than 30 nor more than 60 days' notice to the Issue and Paying Agent and (in the case of VPS Instruments) the VPS Trustee and the VPS Account Operator and, in accordance with Condition 14, the Holders (which notice shall be irrevocable), at any time (in the case of all Instruments other than Floating Rate Instruments) or on any Interest Payment Date (in the case of Floating Rate Instruments) redeem all (but not some only) of the Instruments at their Early Redemption Amount referred to in Condition 6.2 above together (if appropriate) with interest accrued to (but excluding) the date of redemption. Upon the expiry of the relevant notice period, the Issuer shall redeem the Instruments.

"**MREL Disqualification Event**" means the determination by the Issuer that, as a result of a change in any Applicable MREL Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of the Instruments, the Instruments will be fully excluded or partially excluded from the "eligible liabilities" (or any equivalent or successor term) available to meet any MREL Requirement (however called or defined by then Applicable MREL Regulations) if the Issuer is then or, as the case may be, will be subject to such MREL Requirement, *provided that* a MREL Disqualification Event shall not occur where such exclusion is or will be caused by (1) the remaining maturity of the Instruments being less than any period prescribed by any applicable eligibility criteria under the Applicable MREL Regulations, (2) any applicable limits on the amount of "eligible liabilities" (or any equivalent or successor term) permitted or allowed to meet any MREL Requirement(s) being exceeded or (3) the Instruments being purchased and held by or on behalf of the Issuer or as a result of a purchase which is funded directly or indirectly by the Issuer.

Prior to the publication of any notice of redemption pursuant to this Condition 6.7, the Issuer shall deliver to the Issue and Paying Agent and (in the case of VPS Instruments) the VPS Trustee a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such

redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and the Issue and Paying Agent and (in the case of VPS Instruments) the VPS Trustee shall be entitled to accept and rely on the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above without further enquiry and without assuming any liability to any person for so doing, in which event it shall be conclusive and binding on the Holders.

***Automatic Early Redemption for Index Linked Redemption Instruments, Share Linked Redemption Instruments, FX Linked Redemption Instruments and Fund Linked Redemption Instruments***

6.8 If the relevant Final Terms specifies that automatic early redemption applies with respect to the Index Linked Redemption Instruments, Share Linked Redemption Instruments, FX Linked Redemption Instruments or Fund Linked Redemption Instruments, in the case that the Calculation Agent determines, in accordance with Condition 21.4, 22.4, 23.4 or 24.8 (as applicable) that an Automatic Early Redemption Event occurs, the Instruments shall be redeemed, in whole but not in part, at the Automatic Early Redemption Amount as specified in the relevant Final Terms on the Automatic Early Redemption Date.

***Early Redemption for Fixed Interest Discounted Issue Instruments***

6.9 If the relevant Final Terms specifies that the Instruments are Fixed Interest Discounted Issue Instruments, the Early Redemption Amount (as defined in Condition 6.2) and Early Termination Amount (as defined in Condition 7.1) shall be an amount equal to the sum of (i) the Reference Price as specified in the relevant Final Terms and (ii) the product of the Amortisation Yield as specified in the relevant Final Terms (compounded either (x) annually or (y) semi-annually as specified in the relevant Final Terms) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for the redemption or (as the case may be) the date upon which such Instrument becomes due and repayable. Where such calculation is to be made for (in case of annually compounding) a period which is not a whole number of years or (in case of semi-annually compounding) a period which is not a whole number of days in the Interest Period or any multiples thereof, the calculation in respect of the period of less than a full year or the period of less than the whole number of days in the Interest Period, as the case may be, shall be made on the basis of the Day Count Fraction. The resultant figure of the Early Redemption Amount and Early Termination Amount shall be rounded to the nearest sub-unit of the Specified Currency with the half of such sub-unit being rounded up.

***Physical Delivery***

6.10 If the relevant Final Terms specify that the Instruments are Physical Delivery Instrument, being Instruments to be redeemed by delivery of the Entitlement, Condition 26 shall apply.

***Purchase of Instruments***

6.11 The Issuer may (but, in the case of Senior Non-Preferred Instruments, subject to compliance with Condition 6.17) at any time purchase Instruments in the open market or otherwise and at any price *provided that* all unmatured Receipts and Coupons appertaining thereto are purchased therewith.

***Cancellation of Redeemed and Purchased Instruments***

6.12 All unmatured Instruments and Coupons and unexchanged Talons redeemed or purchased in accordance with this Condition 6 may be cancelled, reissued or resold.

***Further Provisions applicable to Redemption Amount and Instalment Amounts***

6.13 The provisions of Condition 5.12 and the last paragraph of Condition 5.13 shall apply to any determination or calculation of the Redemption Amount or any Instalment Amount required by the relevant Final Terms to be made by the Calculation Agent.

6.14 References herein to "**Redemption Amount**" shall mean, as appropriate, the Maturity Redemption Amount, the final Instalment Amount, the Early Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Automatic Early Redemption Amount

and the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms.

6.15 In the case of any Instrument which is non-interest bearing, including Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, the "**Amortised Face Amount**" shall be an amount equal to the sum of:

(a) the Issue Price specified in the relevant Final Terms; and

(b) the product of the Amortisation Yield (compounded annually) being applied to the Issue Price from (and including) the Issue Date specified in the relevant Final Terms to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Instrument becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of the Day Count Fraction (as defined in Condition 5.15) specified in the relevant Final Terms for the purposes of this Condition 6.15.

6.16 In the case of any Instrument which is non-interest bearing, including Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, if any Redemption Amount (other than the Maturity Redemption Amount) is improperly withheld or refused or default is otherwise made in the payment thereof, the Amortised Face Amount shall be calculated as provided in Condition 6.15 but as if references in sub-paragraph (b) to the date fixed for redemption or the date upon which such Instrument becomes due and repayable were replaced by references to the earlier of:

(a) the date on which, upon due presentation or surrender of the relevant Instrument (if required), the relevant payment is made; and

(b) (except where presentation or surrender of the relevant Instrument is not required as a precondition of payment), the seventh day after the date on which, the Issue and Paying Agent or, as the case may be, the relevant Registrar having received the funds required to make such payment, notice is given to the Holders of the Instruments in accordance with Condition 14 of that circumstance (except to the extent that there is a failure in the subsequent payment thereof to the relevant Holder).

***Consent – Senior Non-Preferred Instruments***

6.17 In the case of Senior Non-Preferred Instruments, no early redemption in any circumstances, purchase under Condition 6.11 or substitution or variation under Condition 6.18 shall take place without the prior written permission of the Relevant Regulator (if, and to the extent, then required by the Relevant Regulator and by the Applicable MREL Regulations).

***Substitution and Variation – Senior Non-Preferred Instruments***

6.18 This Condition 6.18 applies only to Senior Non-Preferred Instruments only where this Condition 6.18 is specified as being applicable in the relevant Final Terms.

If at any time a MREL Disqualification Event occurs and is continuing, the Issuer may, subject to the provisions of Condition 6.17 (without any requirement for the consent or approval of the Holders) on giving not less than 30 nor more than 60 days' notice to the Issue and Paying Agent and (in the case of VPS Instruments) the VPS Trustee and the VPS Account Operator and, in accordance with Condition 14, the Holders (which notice shall be irrevocable) either substitute all (but not some only) of the Instruments for, or vary the terms of the Instruments and/or any other document in respect of the Instruments so that they remain or, as appropriate, become, Qualifying MREL Securities (as defined below), *provided that* such substitution or variation does not itself give rise to any right of the Issuer to redeem the substituted or varied securities that is inconsistent with the redemption provisions of the Instruments.

The Issue and Paying Agent or (in the case of VPS Instruments) the VPS Trustee and the VPS Account Operator shall be obliged (at the request and expense of the Issuer) to agree to the substitution of the Instruments for, or the variation of the terms of the Instruments so that they

remain or, as appropriate, become, Qualifying MREL Securities as aforesaid, *provided that* (i) the Issue and Paying Agent and (in the case of VPS Instruments) the VPS Trustee and the VPS Account Operator receives the certificate in the form described in the definition of Qualifying MREL Securities in accordance with the provisions thereof, and (ii) the terms of the proposed Qualifying MREL Securities or the agreement to such substitution or variation, as the case may be, would not impose, in the Issue and Paying Agent's and (in the case of VPS Instruments) the VPS Trustee's opinion, more onerous obligations or any liabilities upon it or reduce its protections.

"**Qualifying MREL Securities**" means securities issued directly or indirectly by the Issuer that:

(a) have terms not materially less favourable to the Holders as a class than the terms of the Instruments (as reasonably determined by the Issuer, and *provided that* a certification to such effect of two authorised Directors of the Issuer shall have been delivered to the Issue and Paying Agent and (in the case of VPS Instruments) the VPS Trustee not less than five Business Days prior to (i) in the case of a substitution of the Instruments, the issue of the relevant securities or (ii) in the case of a variation of the Instruments, such variation, as the case may be), and, subject thereto, they shall (1) have a ranking at least equal to that of the Instruments prior to such substitution or variation, as the case may be, (2) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Instruments prior to such substitution or variation, as the case may be, (3) have the same redemption rights as the Instruments prior to such substitution or variation, as the case may be, (4) comply with the then current requirements in relation to "eligible liabilities" (or any equivalent or successor term) provided for in the Applicable MREL Regulations, (5) preserve any existing rights under the Instruments to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation, as the case may be, or, if none, the Interest Commencement Date, and (6) where Instruments which have been substituted or varied had a published rating from a Rating Agency immediately prior to such substitution or variation, each such Rating Agency has ascribed, or announced its intention to ascribe, an equal or higher published rating to the relevant Qualifying MREL Securities; and

(b) are listed on a recognised stock exchange, if the Instruments were listed on a recognised stock exchange immediately prior to such substitution or variation, as selected by the Issuer and approved by the Issue and Paying Agent or (in the case of VPS Instruments) the VPS Trustee.

## 7. Events of Default

### 7.1 *Events of Default — Senior Instruments*

(a) This Condition 7.1 is applicable in relation to Senior Instruments only.

(b) The following events or circumstances (each an "**Event of Default**") shall be acceleration events in relation to the Instruments of any Series, namely:

(i) the Issuer fails to pay any amount of principal or interest in respect of the Instruments of the relevant Series or any of them within ten days of the due date for payment thereof; or

(ii) the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Instruments of the relevant Series or the Issue and Paying Agency Agreement and (except in any case where such default is incapable of remedy when no such continuation or notice, as is hereinafter mentioned, will be required) such default remains unremedied for 60 days after written notice requiring such default to be remedied has been delivered to the Issuer at the specified office of the Issue and Paying Agent by the Holder of any such Instrument; or

(iii) any Indebtedness of the Issuer becomes due and repayable prematurely by reason of an event of default (howsoever called) or the Issuer fails to make any payment

in respect of any Indebtedness on the due date for payment as extended by any applicable grace period or any security given by the Issuer for any Indebtedness for borrowed money becomes enforceable or if default is made by the Issuer in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness of any other person in an aggregate amount of at least euro 20,000,000 (or its equivalent in any other currency or currencies); or

(iv) a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a substantial part of the undertaking, assets and revenues of the Issuer; or

(v) (a) the Issuer is found insolvent or suspends its payments, (b) an administrator or liquidator of the Issuer or the whole or a substantial part of the undertaking, assets and revenues of the Issuer is appointed, (c) the Issuer takes any action for a readjustment and deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or (d) the Issuer ceases to carry on all or any substantial part of its business (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or

(vi) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer; or

(vii) any action, condition or thing at any time required to be taken, fulfilled or done in order (a) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Instruments, (b) to ensure that those obligations are legal, valid, binding and enforceable and (c) to make the Instruments and the Coupons admissible in evidence in the courts of the Kingdom of Norway is not taken, fulfilled or done; or

(viii) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Instruments.

(c) If any Event of Default shall occur and be continuing in relation to any Series of Instruments, any Holder of an Instrument of the relevant Series may, by written notice to the Issuer, at the specified office of the Issue and Paying Agent (or, in the case of VPS Instruments, the VPS Account Operator and the VPS Trustee), declare that such Instrument and (if the Instrument is interest-bearing) all interest then accrued on such Instrument shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its early termination amount (the "**Early Termination Amount**") (which shall be its Outstanding Principal Amount or, if such Instrument is non-interest bearing, including Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, its Amortised Face Amount (as defined in Condition 6.15)), together with all interest (if any) accrued thereon without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Instruments to the contrary notwithstanding, unless, prior thereto, all Events of Default in respect of the Instruments of the relevant Series shall have been cured.

7.2 ***Events of Default — Senior Non-Preferred Instruments***

(a) This Condition 7.2 is applicable in relation to Senior Non-Preferred Instruments only.

(b) The Issuer going into liquidation through public administration shall be an event of default (an "**Event of Default**") in relation to the Instruments.

(c) If any Event of Default shall occur and be continuing in relation to any Series of Instruments, any Holder of an Instrument of the relevant Series may, by written notice to the Issuer, at the specified office of the Issue and Paying Agent (or, in the case of VPS Instruments, the VPS Account Operator and the VPS Trustee), declare that such Instrument and (if the Instrument is interest-bearing) all interest then accrued on such Instrument shall be forthwith due and payable, whereupon the same shall become

immediately due and payable at its early termination amount (the "**Early Termination Amount**") (which shall be its Outstanding Principal Amount or, if such Instrument is non-interest bearing, including Instruments specified by the relevant Final Terms to be Zero Coupon Instruments, its Amortised Face Amount), together with all interest (if any) accrued thereon but subject to such Holder only being able to claim payment in respect of the Instrument in the winding up or liquidation or as the case may be, bankruptcy or liquidation of the Issuer.

(d) The Holder of any Instrument may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Instruments (other than, without prejudice to Conditions 7.2(b) or 7.2(c) above, any obligation for the payment of any principal or interest in respect of the Instruments) *provided that* the Issuer shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it, except with the prior approval of the Relevant Regulator (if, and to the extent, then required by the Relevant Regulator and by the Applicable MREL Regulations).

(e) No remedy against the Issuer, other than as provided in Conditions 7.2(b), 7.2(c) and 7.2(d) above shall be available to the Holders of Instruments, whether for the recovery of amounts owing in respect of the Instruments or in respect of any breach by the Issuer of any of its obligations or undertakings with respect to the Instruments.

8. **Taxation**

8.1 All amounts payable (whether in respect of principal, interest or otherwise) in respect of the Instruments will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Kingdom of Norway or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts receivable by the Holder after such withholding or deduction shall equal the respective amounts which would have been receivable by such Holder in the absence of such withholding or deduction; except that no such additional amounts shall be payable in relation to any payment in respect of any Instrument or Coupon:

(a) to, or to a third party on behalf of, a person who is liable to such taxes, duties, assessments or governmental charges in respect of such Instrument or Coupon by reason of his having some connection with the Kingdom of Norway other than (i) the mere holding of such Instrument or Coupon or (ii) the receipt of principal, interest or other amount in respect of such Instrument or Coupon; or

(b) presented for payment more than thirty days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on or before the expiry of such period of thirty days; or

(c) presented for payment in the Kingdom of Norway.

8.2 For the purposes of these Conditions, the "**Relevant Date**" means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Issue and Paying Agent, or as the case may be, the Registrar or, in the case of VPS Instruments, the VPS Account Operator on or prior to such due date, it means the first date on which, the full amount of such moneys having been so received and being available for payment to Holders, notice to that effect shall have been duly given to the Holders of the Instruments of the relevant Series in accordance with Condition 14.

8.3 If the Issuer becomes subject generally at any time to any taxing jurisdiction other than the Kingdom of Norway references in Condition 6.2 and Condition 8.1 to the Kingdom of Norway shall be read and construed as references to the Kingdom of Norway and/or to such other jurisdiction(s).

8.4 Any reference in these Conditions to "principal" and/or "interest" in respect of the Instruments shall be deemed also to refer to any additional amounts which may be payable under this Condition 8. Unless the context otherwise requires, any reference in these Conditions to "principal" shall include any premium payable in respect of an Instrument, any Instalment Amount or Redemption Amount and any other amounts in the nature of principal payable pursuant to these Conditions and "interest" shall include all amounts payable pursuant to Condition 5 and any other amounts in the nature of interest payable pursuant to these Conditions.

8.5 In the case of Senior Non-Preferred Instruments only, and notwithstanding the foregoing, the obligation to pay additional amounts by the Issuer will be limited to payments of interest only.

## 9. Payments

### 9.1 *Payments — Bearer Instruments*

(a) This Condition 9.1 is applicable in relation to Instruments in bearer form.

(b) Payment of amounts (other than interest) due in respect of Bearer Instruments will be made against presentation and (save in the case of partial payment) or payment of an Instalment Amount (other than the final Instalment Amount) surrender of the relevant Bearer Instruments at the specified office of any of the Paying Agents.

Payment of Instalment Amounts (other than the final Instalment Amount) in respect of an Instalment Instrument which is a Definitive Instrument with Receipts will be made against presentation of the Instrument together with (where applicable) the relevant Receipt and surrender of such Receipt.

The Receipts are not and shall not in any circumstances be deemed to be documents of title and if separated from the Instrument to which they relate will not represent any obligation of the Issuer.

Accordingly, the presentation of an Instrument without the relative Receipt or the presentation of a Receipt without the Instrument to which it appertains shall not entitle the Holder to any payment in respect of the relevant Instalment Amount.

(c) Payment of amounts in respect of interest on Bearer Instruments will be made:

(i) in the case of Instruments without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Instruments at the specified office of any of the Paying Agents outside (unless Condition 9.1(d) applies) the United States; and

(ii) in the case of Instruments delivered with Coupons attached thereto at the time of their initial delivery, against surrender of the relevant Coupons or, in the case of interest due otherwise than on a scheduled date for the payment of interest, against presentation of the relevant Instruments, in either case at the specified office of any of the Paying Agents outside (unless Condition 9.1(d) applies) the United States.

(d) U.S. dollar payments of principal and interest in respect of Bearer Instruments will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Instruments in the manner provided above when due;

(ii) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other

similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(e) If the due date for payment of any amount due in respect of any Instrument is not an Applicable Financial Centre Day and a Local Banking Day (each as defined in Condition 9.4(e)), then the Holder thereof will not be entitled to payment thereof until the next day which is such a day (or as otherwise specified in the relevant Final Terms and subject to the application of the Applicable Business Day Convention specified in the Final Terms) and from such day and thereafter will be entitled to receive payment by cheque on any Local Banking Day, and will be entitled to payment by transfer to a designated account on any day which is a Local Banking Day, an Applicable Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located. No further payment on account of interest or otherwise shall be due in respect of such delay or adjustment 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 5.11 or, if appropriate, Condition 5.16.

(f) Each Instrument initially delivered with Coupons, Talons or Receipts attached thereto should be presented and, save in the case of partial payment of the Redemption Amount, surrendered for final redemption together with all unmatured Receipts, Coupons and Talons relating thereto, failing which:

(i) if the relevant Final Terms specifies that this paragraph (i) of Condition 9.1(f) is applicable (and, in the absence of specification, this paragraph (i) shall apply to Instruments which bear interest at a fixed rate or rates or in fixed amounts) and subject as hereinafter provided, the amount of any missing unmatured Coupons (or, in the case of a payment not being made in full, that portion of the amount of such missing Coupon which the Redemption Amount paid bears to the total Redemption Amount due) (excluding, for this purpose, but without prejudice to paragraph (iii) below, Talons) will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time within ten years of the Relevant Date applicable to payment of such Redemption Amount;

(ii) if the relevant Final Terms specifies that this paragraph (ii) of Condition 9.1(f) is applicable (and, in the absence of specification, this paragraph (ii) shall apply to Instruments which bear interest at a floating rate or rates or in variable amounts) all unmatured Coupons (excluding, for this purpose, but without prejudice to paragraph (iii) below, Talons) relating to such Instruments (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them;

(iii) in the case of Instruments initially delivered with Talons attached thereto, all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them; and

(iv) in the case of Instruments initially delivered with Receipts attached thereto, all Receipts relating to such Instruments in respect of a payment of an Instalment Amount which (but for such redemption) would have fallen due on a date after such due date for redemption (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

The provisions of paragraph (i) of this Condition 9.1(f) notwithstanding, if any Instruments should be issued with a maturity date and an Interest Rate or Rates such that, on the presentation for payment of any such Instrument without any unmatured Coupons attached thereto or surrendered therewith, the amount required by paragraph (i) to be

deducted would be greater than the Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Instrument, 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, upon application of the provisions of paragraph (i) in respect of such Coupons as have not so become void, the amount required by paragraph (i) to be deducted would not be greater than the Redemption Amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to an Instrument to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

(g) In relation to Instruments 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 (unless Condition 9.1(f) applies) the United States in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 10 below. Each Talon shall, for the purpose of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

9.2 ***Payments — Registered Instruments***

(a) This Condition 9.2 is applicable in relation to Registered Instruments.

(b) Payment of the Redemption Amount (together with accrued interest) due in respect of Registered Instruments (whether or not in global form) will be made against presentation and, save in the case of partial payment of the Redemption Amount, surrender of the relevant Registered Instruments at the specified office of the relevant Registrar. If the due date for payment of the Redemption Amount of any Registered Instrument is not an Applicable Financial Centre Day (as defined in Condition 9.4(e)), then the Holder thereof will not be entitled to payment thereof until the next day which is such a day (or as otherwise specified in the relevant Final Terms and subject to the application of the Applicable Business Day Convention specified in the Final Terms), and from such day and thereafter will be entitled to receive payment by cheque on any Local Banking Day (as defined in Condition 9.4(e)), and, will be entitled to payment by transfer to a designated account on any day which is a Local Banking Day, an Applicable Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located 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 5.11 or, as appropriate, Condition 5.16.

(c) Payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Instruments will be paid to the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the register kept by the relevant Registrar as at opening of business (local time in the place of the specified office of the relevant Registrar) on the fifteenth Relevant Banking Day (as defined in Condition 2.9) before the due date for such payment (the "**Record Date**").

(d) Notwithstanding the provisions of Condition 9.4(c), payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Instruments (whether or not in global form) will be made in the currency in which such amount is due by cheque and posted to the address (as recorded in the register held by the relevant Registrar) of the Holder thereof (or, in the case of joint Holders, the first-named) on the Relevant Banking Day (as defined in Condition 2.9) 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 relevant Registrar or any of the Transfer Agents and the relevant Registrar or the Transfer Agents has acknowledged such application for payment to be made to a designated account

denominated in the relevant currency in which case payment shall be made on the relevant due date for payment by transfer to such account. In the case of payment by transfer to an account, if the due date for any such payment is not an Applicable Financial Centre Day, then the Holder thereof will not be entitled to payment thereof until the first day thereafter which is an Applicable Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located 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 5.11 or, as appropriate, Condition 5.16.

(e)

(i) Payments of principal and interest in respect of Instruments held through DTC and represented by a Global Registered Instrument which are denominated in a Specified Currency other than U.S. dollars will be made in U.S. dollars, unless the holder of such Instruments elects to receive payments in respect of all or part of its Instruments in the relevant Specified Currency in accordance with the procedures set out under Condition 9.2(e)(ii)(ii) below. To the extent that holders of such Instruments shall not have made such election in respect of any payment of principal or interest, the aggregate amount designated for all such holders of Instruments in respect of such payment (the "**Conversion Amount**") will be converted by the Foreign Exchange Agent into U.S. dollars and paid by wire transfer of same-day funds to, or to the order of, the registered holder for payment through DTC's settlement system to the relevant DTC participants. All costs of any such conversion will be deducted from such payments. Any such conversion will be based on the Foreign Exchange Agent's bid quotation, at or prior to 11.00 a.m., New York City time, on the second business day preceding the relevant payment date, for the purchase by the Foreign Exchange Agent of the Conversion Amount with U.S. dollars for settlement on such payment date. If such bid quotation is not available, the Foreign Exchange Agent will obtain a bid quotation from a leading foreign exchange bank in New York City selected by the Foreign Exchange Agent in its discretion for such purpose. If no bid quotation from a leading foreign exchange bank is available, payment of the Conversion Amount will be made in the Specified Currency to the account or accounts specified by DTC to the Foreign Exchange Agent. Until such account or accounts are so specified, the funds still held by the Foreign Exchange Agent will bear interest at the rate of interest quoted by the Foreign Exchange Agent for deposits with it on an overnight basis, to the extent that the Foreign Exchange Agent is reasonably able to reinvest such funds.

(ii) Any holder of Instruments held through DTC and represented by a Global Registered Instrument which are denominated in a Specified Currency other than U.S. dollars may elect to receive payment of principal and interest with respect to all or part of its Instruments in the Specified Currency by causing DTC, through the relevant DTC participant, to notify the Foreign Exchange Agent of (i) such Holder of the Instrument's election to receive all or a portion of such payment in the Specified Currency and (ii) wire transfer instructions to an account in the Specified Currency. Such election in respect of any payment may be made by the Holder of the Instruments at the time and in the manner required by the DTC procedures applicable from time to time and will, in accordance with such procedures, be irrevocable. DTC's notification of such election, wire transfer instructions and the amount payable in the Specified Currency pursuant to this paragraph must be received by the Foreign Exchange Agent prior to 5.00 p.m. New York City time, on the fifteenth calendar day prior to the due date for payment thereof (the "**DTC Record Date**"). Any such payment in the Specified Currency will be made in accordance with the Issue and Paying Agency Agreement by wire transfer of same-day funds to accounts denominated in the Specified Currency designated to the Foreign Exchange Agent by DTC.

9.3 ***Payments — VPS Instruments***

Payments of principal and interest in respect of VPS Instruments will be made to the Holders of such VPS Instruments shown in the records of the VPS in accordance with and subject to the rules and procedures from time to time governing the VPS.

9.4 ***Payments — General Provisions***

(a) Save as otherwise specified in these Conditions, (1) this Condition 9.4 is applicable in relation to Bearer Instruments, Registered Instruments and VPS Instruments and (2) Condition 5.14 applies in respect of payments of amounts due (whether principal, interest or otherwise) in respect of the Instruments.

(b) All payments in respect of an Instrument shall, without prejudice to Article 8.1 of Council Regulation no. 974/98 of 3 May 1998, be made in the currency shown on its face unless it is stated to be a Renminbi Instrument or an Instrument where Conditions 9.4(g), 23.5 or 23.9 apply, in which case payments shall be made on the basis stated in these Conditions and/or in the relevant Final Terms, as applicable.

(c) Payments of amounts due (whether principal, interest or otherwise) in respect of Instruments will be made in the currency in which such amount is due (i) by cheque or (ii) at the option of the payee, by transfer to an account denominated in the relevant currency specified by the payee, *provided that* payments in Renminbi will be made by credit or transfer to an account denominated in that currency and maintained by the payee with a bank in Hong Kong and *provided further that* no payment will be made by transfer to an account in, or by cheque mailed to an address in, the United States.

Payments of the U.S. Dollar Equivalent of the relevant Renminbi amount, determined in accordance with Condition 9.4(f), will be made by credit or transfer to a U.S. dollar account (or any other account to which U.S. dollar may be credited or transferred) specified by the payee or, at the option of the payee, by a U.S. dollar cheque, *provided however, that* no payment will be made by transfer to an account in, or by cheque mailed to an address in, the United States.

(d) Payments will, without prejudice to the provisions of Condition 8, be subject in all cases (i) to any applicable fiscal or other laws and regulations and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of that Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Holders of Instruments or Holders of Coupons in respect of such payments.

(e) For the purposes of these Conditions:

(i) "**Applicable Financial Centre Day**" means, a day on which commercial banks and foreign exchange markets settle payments in all that Applicable Financial Centre(s) specified in the relevant Final Terms or, in the case of any payment in respect of a Global Registered Instrument denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Global Registered Instrument) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City. If the relevant Final Terms specify the TARGET System as an Applicable Financial Centre, "Applicable Financial Centre Day" means a day on which the TARGET System is operating; and

(ii) "**Local Banking Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place of presentation of the relevant Instrument or, as the case may be, Coupon.

(f) This Condition 9.4(f) applies to Renminbi Instruments.

Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, payments of principal or interest (in whole or in part) in respect of Renminbi Instruments cannot be satisfied when due in Renminbi, the Issuer may settle any such payment (in whole or in part) in U.S. dollars on the due date at the U.S. Dollar Equivalent of any such Renminbi amount. Upon the determination that a condition of Inconvertibility, Non-transferability or Illiquidity prevails, the Issuer or its appointee or designee shall no later than 10:00 a.m. (Hong Kong time) on the Rate Calculation Date, (i) notify the Calculation Agent and the Paying Agents, and (ii) notify the Holders in accordance with Condition 14 of such determination.

Any payment made in the U.S. Dollar Equivalent of a Renminbi amount under this Condition 9.4(f) will constitute valid payment, and will not constitute a default in respect of the Renminbi Instruments.

For the purposes of these Conditions, "U.S. Dollar Equivalent" of a Renminbi amount means the relevant Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Rate Calculation Date as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Rate Calculation Date.

For this purpose:

(i) "**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) of Hong Kong or the PRC;

(ii) "**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

(iii) "**Illiquidity**" means the general Renminbi exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-transferability, as determined by the Issuer or its appointee or designee in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers, as a result of which the Issuer cannot, having used its reasonable endeavours, obtain sufficient Renminbi in order fully to satisfy its obligation to pay interest or principal (in whole or in part) in respect of the Renminbi Instruments;

(iv) "**Inconvertibility**" means that the Issuer or its appointee or designee determines (in good faith and in a commercially reasonable manner) that it is impossible or, having used its reasonable endeavours, impracticable, for it to convert any amount due in respect of the Renminbi Instruments in the general Renminbi exchange market in Hong Kong, other than where such impossibility or impracticability 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 issue date of the relevant Renminbi Instruments and it is impossible or, having used its reasonable endeavours, impracticable for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

(v) "**Non-transferability**" means that the Issuer or its appointee or designee determines (in good faith and in a commercially reasonable manner) that it is impossible or, having used its reasonable endeavours, impracticable, for it to deliver Renminbi (i) between accounts inside Hong Kong or (ii) from an account outside Hong Kong to an account inside Hong Kong, other than where such impossibility or impracticability 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 issue date of the relevant Renminbi Instruments and it is impossible or, having used its reasonable endeavours,

impracticable for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

(vi) "**PRC**" means the People's Republic of China (excluding, for the purpose of these Conditions, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan);

(vii) "**Rate Calculation Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and New York City;

(viii) "**Rate Calculation Date**" means the day which is two Rate Calculation Business Days before the due date of the relevant amount under these Conditions;

(ix) "**Renminbi**" or "**CNY**" means the official currency of the People's Republic of China;

(x) "**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong; and

(xi) "**Spot Rate**" means, for a Rate Calculation Date, the spot USD/CNY exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent will determine the spot rate at or around 11.00 a.m. (Hong Kong time) on the Rate Calculation Date as the most recently available USD/CNY official fixing rate for settlement on the due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 9.4(f) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agents and all Holders of Instruments and Holders of Coupons.

(g) ***Alternative Currency***

If the Issuer is due to make a payment in another currency (the "**Original Currency**") in respect of any Instruments or Coupons and the Original Currency is not available on the foreign exchange markets due to the imposition of exchange controls, the Original Currency's replacement or disuse or other circumstances beyond the Issuer's control, the Issuer will be entitled to satisfy its obligation in respect of such payment by making payment in another currency (the "**Alternative Currency**") and at an exchange rate determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner. Any payment made by the Issuer under such circumstances in the Alternative Currency shall constitute valid payment and shall not constitute an Event of Default under Condition 7.

10. **Prescription**

10.1 Claims against the Issuer for payment of principal and interest in respect of Instruments will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date (as defined in Condition 8.2) for payment thereof.

10.2 In relation to Definitive Bearer Instruments initially delivered with Talons attached thereto, there shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon which would be void upon issue pursuant to Condition 9.1(f) or the due date for the payment of which would fall after the due date for the redemption of the relevant Instrument or which would be void

pursuant to this Condition 10 or any Talon the maturity date of which would fall after the due date for redemption of the relevant Instrument.

11. **The Paying Agents, the Foreign Exchange Agent, the Registrars, the VPS Account Operator, the VPS Trustee, the Transfer Agents and the Calculation Agent**

11.1 The initial Paying Agents, the Foreign Exchange Agent, Registrars and the Transfer Agents and their respective initial specified offices are specified below. The Calculation Agent in respect of any Instruments shall be specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Issue and Paying Agent), the Foreign Exchange Agent, the Registrar, the VPS Account Operator, the VPS Trustee, the Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents or another Registrar, Foreign Exchange Agent, VPS Account Operator, Transfer Agent or Calculation Agent *provided that* it will at all times maintain (i) an Issue and Paying Agent, (ii) in the case of Registered Instruments or VPS Instruments, a Registrar, (iii) in the case of VPS Instruments, a VPS Account Operator and a VPS Trustee, (iv) a Paying Agent (which may be the Issue and Paying Agent) with a specified office in a continental European city, (v) in the circumstances described in Condition 9.1(d), a Paying Agent with a specified office in New York City, (vi) for so long as any of the Global Registered Instruments payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be a Foreign Exchange Agent and (vii) a Calculation Agent where required by the Conditions applicable to any Instruments (in the case of (i), (ii), (iii) and (vii) with a specified office located in such place (if any) as may be required by the Conditions). The Paying Agents, the Foreign Exchange Agent, the Registrars, the VPS Account Operator, the VPS Trustee, the Transfer Agents and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of any Paying Agent, the Foreign Exchange Agent, the Registrars, the VPS Account Operator, the VPS Trustee, the Transfer Agents or the Calculation Agent will be given promptly by the Issuer to the Holders in accordance with Condition 14.

11.2 The Paying Agents, the Foreign Exchange Agent, the Registrars, the VPS Account Operator, the VPS Trustee, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and, save as provided in the Issue and Paying Agency Agreement, the VPS Agreement, the VPS Trustee Agreement or any other agreement entered into with respect to its appointment, do not assume any obligations towards or relationship of agency or trust for any Holder of any Instrument, Receipt or Coupon and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Issue and Paying Agency Agreement, the VPS Agreement, the VPS Trustee Agreement or other agreement entered into with respect to its appointment or incidental thereto.

11.3 The VPS Trustee Agreement contains provisions for the indemnification of the VPS Trustee and for its relief from responsibility, including provisions relieving it from taking action unless funded, indemnified and/or secured to its satisfaction.

12. **Replacement of Instruments**

If any Instrument, Receipt or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issue and Paying Agent or such Paying Agent or Paying Agents as may be specified for such purpose in the relevant Final Terms (in the case of Bearer Instruments and Coupons) or of the relevant Registrar or any of the Transfer Agents (in the case of Registered Instruments) ("**Replacement Agent**"), subject to all applicable laws and the requirements of any stock exchange on which the Instruments are listed, upon payment by the claimant of all expenses incurred in connection with such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Replacement Agent may require. Mutilated or defaced Instruments, Receipts and Coupons must be surrendered before replacements will be delivered therefore.

13. **Meetings of Holders and Modification**

13.1 The Issue and Paying Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of the Holders of Instruments (other than VPS

Instruments) of any Series to consider any matter affecting their interest, including (without limitation) the modification by Extraordinary Resolution of these Conditions and the Deed of Covenant in so far as the same may apply to such Instruments.

Any such meeting of the Holders of Instruments may be convened at a physical location, or such other method (which may include, without limitation, a conference call or video conference) as the Issue and Paying Agent may determine in accordance with the provisions of the Issue and Paying Agency Agreement.

An Extraordinary Resolution passed at any meeting of the Holders of Instruments of any Series will be binding on all Holders of the Instruments of such Series, whether or not they are present at the meeting, and on all Holders of Coupons relating to Instruments of such Series.

In addition, a resolution in writing signed by or on behalf of all Holders of Instruments who for the time being are entitled to receive notice of a meeting of Holders of Instruments will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders of Instruments.

"**Extraordinary Resolution**" means a resolution passed at a meeting of Holders of Instruments (whether originally convened or resumed following an adjournment) duly convened and held in accordance with Schedule 6 (*Provisions for Meetings of the Holders of Bearer Instruments*) or Schedule 7 (*Provisions for Meetings of Holders of Registered Instruments and Global Registered Instruments*), as applicable, of the Issue and Paying Agency Agreement by a majority of not less than three quarters of the votes cast.

13.2 The Issuer may, with the consent of the Issue and Paying Agent or the VPS Account Operator or the VPS Trustee, as the case may be, but without the consent of the Holders of the Instruments of any Series or Coupons, amend these Conditions and the Deed of Covenant in so far as they may apply to such Instruments to correct a manifest error. Subject as aforesaid, no other modification may be made to these Conditions or the Deed of Covenant except with the sanction of an Extraordinary Resolution.

13.3 The VPS Trustee Agreement provides that the Issuer and the VPS Trustee (acting on behalf of the Holders of the VPS Instruments) may agree to amend the VPS Trustee Agreement or the VPS Note Conditions (as set out in the VPS Trustee Agreement) without prior approval of the affected Holders of VPS Instruments, *provided that* (i) such amendment is not detrimental to the rights and benefits of the affected Holders of VPS Instruments in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes or (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority. Additionally, the VPS Trustee acts with binding effect on behalf of all Holders of VPS Instruments.

13.4 Certain changes may be also made pursuant to Conditions 5.7B, 5.19 and 6.18 without the requirement for consent of Holders of Instruments.

## 14. Notices

***To Holders of Bearer Instruments***

14.1 Notices to Holders of Bearer Instruments will, save where another means of effective communication has been specified herein or in the relevant Final Terms, be deemed to be validly given if (i) published in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times*) and (ii) in the case of any Instruments which are admitted to trading on the regulated market of the Luxembourg Stock Exchange (so long as such Instruments are admitted to trading on the regulated market of the Luxembourg Stock Exchange and the rules of that exchange so require), in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu) or, in either case, if such publication is not practicable, published in a leading English language daily newspaper having general circulation in Europe. The Issuer shall also ensure that notices are duly published in compliance with the requirements of each stock exchange on which the Instruments are listed. Any notice so given will be deemed to have been

validly given on the date of 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 Coupons will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Instruments in accordance with this Condition 14.

***To Holders of Registered Instruments***

14.2 Notices to Holders of Registered Instruments will be deemed to be validly given if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them (or, in the case of joint Holders, to the first-named in the register kept by the relevant Registrar) at their respective addresses as recorded in the register kept by the relevant Registrar, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day. With respect to Registered Instruments admitted to trading on the regulated market of the Luxembourg Stock Exchange, any notices to Holders must also be published in a Luxembourg newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and, in addition to the foregoing, will be deemed validly given only after the date of such publication.

***To Holders of VPS Instruments***

14.3 Notices to Holders of VPS Instruments will be deemed to be validly given if given in accordance with the rules and procedures of the VPS and will be given in accordance with the provisions of the VPS Trustee Agreement.

## 15. Further Issues

The Issuer may from time to time, without the consent of the Holders of any Instruments or Coupons, create and issue further instruments, bonds or debentures having the same terms and conditions as such Instruments in all respects (or in all respects except for the first payment of interest, if any, on them and/or the denomination thereof) so as to form a single series with the Instruments of any particular Series even if further Instruments have original issue discount for U.S. federal income tax purposes and even if doing so may adversely affect the value of the original Instruments.

## 16. Currency Indemnity

The currency in which the Instruments are denominated or, if different, payable, as specified in the relevant Final Terms (the "**Contractual Currency**"), is the sole currency of account and payment for all sums payable by the Issuer in respect of the Instruments, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Holder of an Instrument or Coupon in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the Contractual Currency which such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that amount is less than the amount in the Contractual Currency expressed to be due to any Holder of an Instrument or Coupon in respect of such Instrument or Coupon the Issuer shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder of an Instrument or Coupon and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Instruments or any judgment or order. Any such loss aforesaid shall be deemed to constitute a loss suffered by the relevant Holder of an Instrument or Coupon and no proof or evidence of any actual loss will be required by the Issuer.

17. **Waiver and Remedies**

No failure to exercise, and no delay in exercising, on the part of the Holder of any Instrument, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

18. **Rights of Third Parties**

A person who is not a Holder of an Instrument or Coupon has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of such Instrument or Coupon.

19. **Law and Jurisdiction**

19.1 The Instruments, the Issue and Paying Agency Agreement, the Deed of Covenant and any non-contractual obligations arising out of or in connection with them are governed by English law, except for Conditions 3.2 and 20 which shall be governed by Norwegian law. The VPS Agreement and the VPS Trustee Agreement are governed by Norwegian law. VPS Instruments must comply with the Norwegian Securities Register Act of 15 March 2019 no. 64, as amended from time to time, and the Holders of VPS Instruments will be entitled to the rights and are subject to the obligations and liabilities which arise under this Act and any related regulations and legislation.

19.2 The Issuer irrevocably agrees for the benefit of the Holders of the Instruments that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Instruments (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

19.3 The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum.

19.4 The Issuer agrees that the process by which any proceedings in England are begun may be served on it by being delivered to the Royal Norwegian Embassy at 25 Belgrave Square, London SW1X 8QD or, if different, its registered office for the time being or any address of the Issuer in Great Britain on which process may be served on it in accordance with the Companies Act 2006. If the appointment of the person mentioned in this Condition 19.4 ceases to be effective, the Issuer shall forthwith appoint a further person in England to accept service of process on its behalf in England and notify the name and address of such person to the Issue and Paying Agent and, failing such appointment within fifteen days, any Holder of an Instrument shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Issue and Paying Agent. Nothing contained herein shall affect the right of any Holder of an Instrument to serve process in any other manner permitted by law.

19.5 The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the Holders of the Instruments or any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

19.6 The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

19.7 To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets or revenues such immunity (whether or not claimed), the Issuer

agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

20. **Acknowledgement of Bail-in and Loss Absorption Powers**

(a) Notwithstanding and to the exclusion of any other term of the Instruments or any other agreements, arrangements or understanding between the Issuer and any Holders of Instruments (which, for the purposes of this Condition 20, includes each Holder of a beneficial interest in the Instruments), by its acquisition of an Instrument, each Holder of Instrument acknowledges and accepts that any liability arising under the Instruments may be subject to the exercise of Bail-in and Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

(i) the effect of the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:

(A) the reduction of all, or a portion, of the Relevant Amounts in respect of the Instruments on a permanent basis;

(B) the conversion of all, or a portion, of the Relevant Amounts in respect of the Instruments into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Holders of Instruments of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Instruments;

(C) the cancellation of the Instruments or the Relevant Amounts in respect of the Instruments; and

(D) the amendment or alteration of the perpetual nature of the Instruments or amendment of the amount of interest payable on the Instruments, or the date on which interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of the terms of the Instruments, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority.

(b) No repayment or payment of the Relevant Amounts in relation to the Instruments, will become due and payable or be paid after the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority if and to the extent such amounts have been reduced, converted, written-down, cancelled, amended or altered as a result of such exercise.

(c) None of (i) a reduction or cancellation, in part or in full, of the Relevant Amounts in relation to the Instruments, (ii) the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority with respect to the Issuer, and (iii) the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority with respect to the Instruments will constitute an Event of Default or default for any purpose.

(d) Upon the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority with respect to any Instruments, the Issuer shall as soon as reasonably practicable notify the Holders of Instruments of such exercise in accordance with Condition 14. Any delay or failure by the Issuer in delivering any notice referred to in this Condition 20 shall not affect the validity and enforceability of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority.

In these Conditions:

"**Bail-in and Loss Absorption Powers**" means any loss absorption, write-down, conversion, transfer, modification, suspension or similar or resolution related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Kingdom of Norway, relating to (i) the transposition of the BRRD and (ii) the instruments, rules and standards created under the BRRD, and/or within the context of a Norwegian resolution regime under the Financial Institutions Act, as the same has been or may be amended from time to time, pursuant to which any obligation of the Issuer can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period).

"**Relevant Amounts**" means the outstanding principal amount of the Instruments, together with any accrued but unpaid interest and additional amounts due on the Instruments. 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 and Loss Absorption Powers by the Relevant Resolution Authority.

"**Relevant Resolution Authority**" means the Norwegian Financial Supervisory Authority in its capacity as resolution authority in Norway and any successor or replacement thereto and/or such other authority with the ability to exercise any Bail-in and Loss Absorption Powers in relation to the Issuer.

## 21. Index Linked Instruments

### 21.1 *Interpretation*

Under the Programme, an Index Linked Instrument shall be an Instrument where the Interest Rate, automatic early redemption and/or Maturity Redemption Amount shall be calculated or determined by reference to a single index or a basket of indices, including, without limitation, (i) Instruments in respect of which all or any of the interest amounts are linked to a specified index or basket of specified indices, (ii) Instruments in respect of which automatic early redemption and/or final redemption are linked to a specified index or basket of specified indices, or (iii) any combination of the foregoing. If the relevant Final Terms provide that the relevant Instruments are Index Linked Instruments, the terms and conditions applicable to Index Linked Instruments are the Conditions, including the terms and conditions for Index Linked Instruments set out in this Condition 21 (the "**Index Linked Conditions**"), as completed by the relevant Final Terms. In the event of any inconsistency between the Conditions and the Index Linked Conditions, the Index Linked Conditions shall prevail.

### 21.2 *Definitions*

For the purposes of these Index Linked Conditions:

"**Additional Disruption Event**" means, if so specified in the Final Terms, (i) a Change in Law, (ii) a Hedging Disruption and/or (iii) Increased Cost of Hedging.

"**Administrator/Benchmark Event**" means, in respect of any Instruments and a Relevant Benchmark (as defined below), any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case, as required under any applicable law or regulation in order for the Issuer, the Calculation Agent or any other entity to perform its or their respective obligations in respect of the Instruments, all as determined by the Issuer.

"**Automatic Early Redemption Amount**" means the Automatic Early Redemption Amount specified in the relevant Final Terms.

"**Automatic Early Redemption Date**" means each Automatic Early Redemption Date specified in the relevant Final Terms.

"**Automatic Early Redemption Valuation Date**" means each Automatic Early Redemption Valuation Date specified in the relevant Final Terms, or if that is not a Scheduled Trading Day or is a Disrupted Day, then the provisions related to a Disrupted Day in the definition "Valuation Date" shall apply as if the relevant Automatic Early Redemption Valuation Date were a Valuation Date.

"**Barrier Event**" shall be either Barrier Event (closing) or Barrier Event (intraday), as specified in the relevant Final Terms.

"**Barrier Event (closing)**" shall be deemed to have occurred if:

(a) where the Index Linked Instruments relate to a single Index, the Calculation Agent determines in its sole and absolute discretion that the Index Level of the Index as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for the Index on such Barrier Event Determination Day.

(b) where the Index Linked Instruments relate to a Basket of Indices, the Calculation Agent determines in its sole and absolute discretion that the Index Level of at least one of the Indices as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Index on such Barrier Event Determination Day.

"**Barrier Event (intraday)**" shall be deemed to have occurred if:

(a) where the Index Linked Instruments relate to a single Index, the Calculation Agent determines in its sole and absolute discretion that the Index Level of the Index as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for the Index on such Barrier Event Determination Day.

(b) where the Index Linked Instruments relate to a Basket of Indices, the Calculation Agent determines in its sole and absolute discretion that the Index Level of at least one of the Indices as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Index on such Barrier Event Determination Day.

For the purpose of determining whether a Barrier Event (intraday) has occurred on any day, the definition of Market Disruption Event specified in these Index Linked Conditions shall be amended such that (i) all references to "**during the one hour period that ends at the relevant Valuation Time**" shall be deleted, and (ii) if Early Closure is specified to apply in the relevant Final Terms, in the definition of "**Early Closure**" appearing in these Index Linked Conditions, each reference to "**Valuation Time**" and "**Scheduled Closing Time**" shall be construed as a reference to "**Barrier Event Valuation Time (intraday)**".

"**Barrier Event Determination Day**" means, in respect of each Index and each Observation Period:

(a) if the relevant Final Terms provide that the Barrier Event (intraday) provisions shall apply, either:

(i) each day on which the level of such Index is published and/or disseminated by the Index Sponsor during such Observation Period that is not a Disrupted Day; or

(ii) each day on which the level of such Index is published and/or disseminated by the Index Sponsor during such Observation Period, regardless of whether or not such day is a Disrupted Day for such Index (and if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such

Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred),

as specified in the relevant Final Terms; or

(b) if the relevant Final Terms provide that the Barrier Event (closing) provisions shall apply, each Scheduled Trading Day for such Index during such Observation Period that is not a Disrupted Day for such Index.

"**Barrier Event Valuation Time (closing)**" means:

(a) in relation to an Index which is specified in the relevant Final Terms as being a Unitary Index, the Scheduled Closing Time on the relevant Exchange on the relevant Barrier Event Determination Day, as the case may be, in relation to such Index to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time, then the Barrier Event Valuation Time (closing) shall be such actual closing time; and

(b) in relation to an Index which is specified in the relevant Final Terms as being a Multi-Exchange Index, (i) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of any Component Security, the Scheduled Closing Time on the relevant Exchange and (y) in respect of any options contracts or futures contracts on the Index, the close of trading on the relevant Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor.

"**Barrier Event Valuation Time (intraday)**" means any time during the regular trading session (without regard to any after hours or any other trading outside of the regular session) on the Exchange.

"**Barrier Level**" means, in respect of an Index, such level for such Index as is specified in the relevant Final Terms, rounded, if necessary, to two decimal places with 0.005 being rounded upwards.

"**Barrier Level 1**" means, in respect of an Index, such level for such Index as is specified in the relevant Final Terms, rounded, if necessary, to two decimal places with 0.005 being rounded upwards.

"**Barrier Level 2**" means, in respect of an Index, such level for such Index as is specified in the relevant Final Terms, rounded, if necessary, to two decimal places with 0.005 being rounded upwards.

"**Base Price**" means:

(a) where the Index Linked Instruments relate to a single Index, the Index Final on the Base Price Fixing Date as determined by the Calculation Agent and without regard to any subsequently published correction, subject to Condition 21.5; or

(b) where the Index Linked Instruments relate to a Basket of Indices, in respect of each Index, the Index Final on the Base Price Fixing Date as determined by the Calculation Agent and without regard to any subsequently published correction, subject Condition 21.5.

"**Base Price Fixing Date**" means, either (I), (II) or (III) below, as specified in the relevant Final Terms:

(I)

(a) where the Index Linked Instruments relate to a single Index, such date as is specified in the relevant Final Terms, *provided that*, if the initially scheduled Base Price Fixing Date is a Disrupted Day, the Base Price Fixing Date shall be the immediately following Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day. In that case, such Base Price Valuation Cut-Off Date shall be deemed to be the Base Price

Fixing Date, notwithstanding the fact that such day is a Disrupted Day, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of the Index by reference to such sources as it deems appropriate; or

(b) where the Index Linked Instruments relate to a Basket of Indices, such date as is specified in the relevant Final Terms, *provided that*, if the initially scheduled Base Price Fixing Date is a Disrupted Day in relation to any Index, the Base Price Fixing Date shall be the immediately following Scheduled Trading Day that is not a Disrupted Day for each of the Indices, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day in relation to any Index. In that case, such Base Price Valuation Cut-Off Date shall be deemed to be the Base Price Fixing Date, notwithstanding the fact that such day is a Disrupted Day for any Index, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of each of the Indices by reference to such sources as it deems appropriate; or

(II)

(a) where the Index Linked Instruments relate to a single Index, such date as is specified in the relevant Final Terms, *provided that*, if the initially scheduled Base Price Fixing Date is a Disrupted Day, the Base Price Fixing Date shall be the immediately following Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day. In that case, such Base Price Valuation Cut-Off Date shall be deemed to be the Base Price Fixing Date, notwithstanding the fact that such day is a Disrupted Day, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of the Index by reference to such sources as it deems appropriate; or

(b) where the Index Linked Instruments relate to a Basket of Indices, such date as is specified in the relevant Final Terms, *provided that*, if the initially scheduled Base Price Fixing Date is a Disrupted Day in relation to any Index, the Base Price Fixing Date for such Index shall be the immediately following Scheduled Trading Day that is not a Disrupted Day for such Index, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day in relation to such Index. In that case, such Base Price Valuation Cut-Off Date shall be deemed to be the Base Price Fixing Date of such Index, notwithstanding the fact that such day is a Disrupted Day for such Index, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of such Index by reference to such sources as it deems appropriate; or

(III)

(a) where the Index Linked Instruments relate to a single Index, such date as is specified in the relevant Final Terms, *provided that*, if the Base Price Fixing Date is a Disrupted Day, the Base Price shall be such level of the Index as of the Valuation Time on the Base Price Fixing Date as determined by the Calculation Agent in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of an event giving rise to a Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Base Price Fixing Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Base Price Fixing Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Base Price Fixing Date); or

(b) where the Index Linked Instruments relate to a Basket of Indices, such date as is specified in the relevant Final Terms, *provided that*, if the Base Price Fixing Date is a Disrupted Day in relation to any Index, the Base Price shall be such level of the relevant Index as of the Valuation Time on the Base Price Fixing Date as determined by the Calculation Agent in accordance with the formula for and method of calculating the relevant Index last in effect prior to the occurrence of an event giving rise to a Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Base Price Fixing Date of each security comprised in the relevant Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Base Price Fixing Date, its good faith

estimate of the value for the relevant security as of the Valuation Time on the Base Price Fixing Date).

"**Base Price Valuation Cut-Off Date**" means (i) the date specified in the relevant Final Terms or, (ii) if not so specified, the second Scheduled Trading Day immediately following the initially scheduled Base Price Fixing Date.

"**Basket**" means a basket composed of indices in the relative proportions or number of indices specified in the relevant Final Terms.

"**Basket of Indices**" means, subject to adjustment in accordance with these Index Linked Conditions, a basket composed of indices in their relative proportions or number of indices, as specified in the relevant Final Terms.

"**Change in Law**" means that, on or after the Issue Date of the Instruments (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) 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 in good faith that (a) it has become illegal to hold, acquire or dispose of one or more Component Securities, or (b) the Calculation Agent or its affiliates will incur a materially increased cost in performing its obligations in relation to the Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Common Scheduled Trading Day**" means the day which is the Scheduled Trading Day for all of the Indices.

"**Component Security**" means, in respect of an Index, any share or other component security included in such Index as determined by the Calculation Agent and related expressions shall be construed accordingly.

"**Correction Publication Cut-Off Date**" means the Correction Publication Cut-Off Date specified in the relevant Final Terms.

"**Disrupted Day**" means:

(a) in relation to an Index which is specified in the relevant Final Terms as being a Unitary Index, any Scheduled Trading Day on which the Exchange or the Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred; or

(b) in relation to an Index which is specified in the relevant Final Terms as being a Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index (*provided that* the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption), (ii) the Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred.

The Calculation Agent shall, as soon as reasonably practicable under the circumstances, notify the Issuer and the Issue and Paying Agent of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Base Price Fixing Date or a Valuation Date. Without limiting the obligation of the Calculation Agent to notify the parties as set forth in the preceding sentence, failure by the Calculation Agent to notify the parties of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day.

"**Early Closure**" means:

(a) in relation to an Index which is specified in the relevant Final Terms as being a Unitary Index, the closure on any Exchange Business Day of the Exchange relating to securities that comprises 20 per cent. or more of the level of the Index or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by the Exchange or the Related Exchange at least one hour prior to the earlier of: (i) the actual

closing time for the regular trading session on the Exchange or the Related Exchange 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 relation to an Index which is specified in the relevant Final Terms as being a Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange, as the case may be, at least one hour prior to the earlier of (a) 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, or (b) the submission deadline for orders to be entered into on the relevant Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

"**Exchange**" means:

(a) in relation to an Index which is specified in the relevant Final Terms as being a Unitary Index, each exchange or quotation system specified as such for such Index in the relevant Final Terms, or any successor thereto or any substitute exchange or quotation system to which trading in the securities underlying the Index has temporarily relocated (*provided that* the Calculation Agent has determined that there is comparable liquidity relative to the securities underlying the Index on such temporary substitute exchange or quotation system as on the original Exchange); or

(b) in relation to an Index which is specified in the relevant Final Terms as being a Multi-Exchange Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent, or any successor thereto or any substitute exchange or quotation system to which trading in such Component Security has temporality relocated (*provided that* the Calculation Agent has determined that there is comparable liquidity relative to such Component Security on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means:

(a) where the relevant Index is specified in the relevant Final Terms to be a Unitary Index, any Scheduled Trading Day on which the Exchange and the Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the Exchange or Related Exchange closing prior to its Scheduled Closing Time; or

(b) where the relevant Index is specified in the relevant Final Terms to be a Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the Index; and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means:

(a) in relation to an Index which is specified in the relevant Final Terms as being a Unitary Index, any event (other than an Early Closure) which, in the discretion of the Calculation Agent, disrupts or impairs the ability of market participants in general to: (i) effect transactions in, or obtain market values for, securities that comprise 20 per cent. or more of the level of the Index on the Exchange; or (ii) effect transactions in, or obtain market values for, futures or options contracts relating to the Index on the Related Exchange; or

(b) in relation to an Index which is specified in the relevant Final Terms as being a Multi-Exchange Index, any event (other than an Early Closure) which, in the discretion of the Calculation Agent, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange

in respect of such Component Security; or (ii) futures or options contracts relating to the Index on the relevant Related Exchange.

"**Final Index Final**" means the Index Final on the Final Valuation Date.

"**Final Valuation Date**" means the Valuation Date immediately preceding the Maturity Date.

"**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing, and the Issuer performing its obligations with respect to or in connection with, the Index Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means any entity (or entities) engaged in any underlying or hedging transactions relating to the Index Linked Instruments and/or the Index in respect of the Issuer's obligations under the Index Linked Instruments.

"**Increased Cost of Hedging**" means that the Issuer or any of its agents would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the Index Linked Instruments, or (ii) realise, recover or remit the proceeds of any 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 Increased Cost of Hedging.

"**Index**" and "**Indices**" mean, subject to adjustment in accordance with the Index Linked Conditions, the indices or index specified in the relevant Final Terms and related expressions shall be construed accordingly.

"**Index Final**" means the Index Level as of the Valuation Time on any date, as determined by the Calculation Agent, subject to Conditions 21.5 and 21.6.

"**Index Level**" means the level of the Index as calculated and announced by the Index Sponsor or with reference to the Reference Source.

"**Index Performance**" means, in respect of each Index, the figure calculated as: *Final Index Final /Base Price*.

The Index Performance may, if so specified in the relevant Final Terms, be either (x) rounded down, (y) rounded up or (z) rounded, to the nearest whole number or any number of decimal places (in case of (z), with half of such whole number or number of decimal places, as applicable, being rounded up) as specified in the relevant Final Terms.

"**Index Sponsor**" means, in relation to an Index, the 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 each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the relevant Final Terms.

"**Knock-out Price**" means, in respect of an Index, such level for such Index as is specified in the relevant Final Terms, rounded, if necessary, to two decimal places with 0.005 being rounded upwards.

"**Market Disruption Event**" means:

(a) in respect of any Unitary 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 Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of a Unitary Index exists at any time, if a Market Disruption Event occurs in respect of a Component Security included in the Index at any time, then the relevant percentage

contribution of such Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to such Component Security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event; or

(b) in respect of any Multi-Exchange Index, either:

(i)

(A) the occurrence or existence, in respect of any Component Security, of:

(1) a Trading Disruption, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;

(2) an Exchange Disruption, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or

(3) an Early Closure; and

(B) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists, comprises 20 per cent. or more of the level of the Index; or

(ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of (A) a Trading Disruption, (B) 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 Valuation Time in respect of the Related Exchange or (C) an Early Closure.

For the purposes of determining whether a Market Disruption Event in respect of a Multi-Exchange Index exists at any time, if a Market Disruption Event (as defined in the Share Linked Conditions (Condition 22.2) in relation to a share) occurs in respect of a Component Security at that time, then the relevant percentage contribution of such Component Security, to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security, and (y) the overall level of the Index, (if applicable) using the official opening weightings as published by the Index Sponsor as part of the market "opening data".

"**Maximum Rate**" has the meaning specified in the relevant Final Terms.

"**Medium Rate**" has the meaning specified in the relevant Final Terms.

"**Minimum Rate**" has the meaning specified in the relevant Final Terms.

"**Multi-Exchange Index**" means any Index which is specified as such in the relevant Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"**Observation Period**" means, in respect of an Index, each period commencing on the Observation Period Start Date, prior to any adjustment of such date pursuant to these Index Linked Conditions, if applicable (and including or excluding such Observation Period Start Date, as specified in the relevant Final Terms) and ending on the immediately following Observation Period End Date, prior to any adjustment of such date pursuant to these Index Linked Conditions, if applicable (and including or excluding such Observation Period End Date, as specified in the relevant Final Terms).

"**Observation Period End Date**" means, in respect of an Index, each date specified as such in the relevant Final Terms.

"**Observation Period Start Date**" means, in respect of an Index, each date specified as such in the relevant Final Terms.

"**Reference Index**" means the Index, the Index Performance of which is lowest of the Indices. If the Index Performances of two or more Indices are the same, the Calculation Agent shall determine the Reference Index in its sole discretion.

"**Reference Source**" means, in relation to an Index, the source as is specified in the relevant Final Terms.

"**Relevant Benchmark**" means any index by reference to which the amount payable under an Instrument, or the value of an Instrument, is determined, or an index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance.

"**Related Exchange**" means either (a) or (b) below, as specified in the relevant Final Terms:

(a) in relation to any Unitary Index or Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the relevant Final Terms, or any successor thereto or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Index has temporarily relocated (*provided that* the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index on such temporary substitute exchange or quotation system 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 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 the Index; or

(b) in relation to any Unitary Index, each exchange or quotation system specified as such for such Index in the relevant Final Terms, or any successor thereto or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Index has temporarily relocated (*provided that* the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index on such temporary substitute exchange or quotation system as on the original Related Exchange); or, in relation to any Multi-Exchange Index, each exchange or quotation system located in the same country as the Exchange (as determined by the Calculation Agent in good faith acting in a commercially reasonable manner) where trading has a material effect (as determined by the Calculation Agent in good faith acting in a commercially reasonable manner) on the overall market for futures or options contracts relating to the Index.

"**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 Trading Day**" means:

(a) in respect of any Unitary Index, any day on which the Exchange and the Related Exchange are scheduled to be open for trading for their respective regular trading sessions; or

(b) in respect of any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index, and (ii) the Related Exchange for the Index is scheduled to be open for trading for its regular trading session.

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"**Strike Price**" means, in respect of an Index, such level for such Index as is specified in the relevant Final Terms, rounded, if necessary, to two decimal places with 0.005 being rounded upwards.

"**Trading Disruption**" means:

(a) in respect of any Unitary Index, any suspension or limitation imposed on trading by the Exchange or the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or the Related Exchange or otherwise (i) on the Exchange relating to securities that comprise 20 per cent. or more of the level of the Index, or (ii) in futures or options contracts relating to the Index on the Related Exchange; or

(b) in respect of any Multi-Exchange Index, any suspension or limitation imposed on trading by any relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on the Related Exchange.

"**Unitary Index**" means any Index which is specified as such in the relevant Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"**Valuation Cut-Off Date**" means, (i) the date specified in the relevant Final Terms, or (ii) if not so specified, the second Scheduled Trading Day immediately following the Scheduled Valuation Date.

"**Valuation Date**" means each Valuation Date specified in the relevant Final Terms or if such date is not a Scheduled Trading Day or is a Disrupted Day, then:

(a) where the Index Linked Instruments relate to a single Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day. In that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine in its sole and absolute discretion the relevant level or price of the Index using the level of the Index as of the Valuation Time on the Valuation Cut-Off Date 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 Valuation Cut-Off Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date); or

(b) where the Index Linked Instruments relate to a Basket of Indices, either (i) or (ii) below, as specified in the relevant Final Terms, shall apply:

(i) the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date and the Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an "**Affected Index**") shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day with respect to the Affected Index, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Index. In that case, (x) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for the Affected Index (notwithstanding the fact that such day is a Disrupted Day) and (y) the Calculation Agent shall determine in its sole and absolute discretion the relevant level or price using, in relation to the Affected Index, the level of that Index as of the Valuation Time on the Valuation Cut-Off Date in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day (as defined

in the Share Linked Conditions (Condition 22.2) in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date); or

(ii) the Valuation Date shall be the first succeeding Common Scheduled Trading Day that is not a Disrupted Day with respect to all Indices, unless there is no such Common Scheduled Trading Day that is not a Disrupted Day on or prior to the Valuation Cut-Off Date. In that case, (x) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for all Indices (notwithstanding the fact that such day is a Disrupted Day for any of the Indices) and (y) the Calculation Agent shall determine in its sole and absolute discretion the relevant level or price of the Index affected by the occurrence of the relevant Disrupted Day (the "**Affected Index**") using the level of that Index as of the Valuation Time on the Valuation Cut-Off Date in accordance with the formula for and method of calculating the Affected 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 Valuation Cut-Off Date of each security comprised in the Affected Index (or, if an event giving rise to a Disrupted Day (as defined in the Share Linked Conditions (Condition 22.2) in relation to a share) has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date).

"**Valuation Time**" means:

(a) in respect of any Unitary Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Exchange, the Scheduled Closing Time of the Exchange (*provided that*, if the relevant Exchange closes prior to its Scheduled Closing Time then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on such Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; or

(b) in respect of any Multi-Exchange Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security (*provided that*, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on the Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor.

21.3 ***Index Linked Interest***

If the relevant Final Terms provide that Index Linked Interest Provisions are applicable, the details of the method of the calculation and/or determination of the amount of such interest shall be the Index Linked Interest Formula specified in such Final Terms, and the dates of payment of such Index Linked Interest shall be specified in such Final Terms.

Where the Index Linked Instruments relate to a single Index, the Index Linked Interest Formula is either (I), (II) or (III) below as specified in the relevant Final Terms.

(I) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the

relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(II) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Barrier Level 1, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5;

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 1 but is (x) equal to or higher than or (y) higher than, as specified in the Final Terms, the Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Medium Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(c) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(III) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

$$L \times \left\{Max\left[\left(Rate\ 1 - \frac{Index_t}{Index_0}\right); 0\right] - Max\left[\left(Rate\ 2 - \frac{Index_t}{Index_0}\right); 0\right]\right\} \times Max\{[Min(CMSRate_t; Rate\ 3) - Rate\ 4]; 0\} \times SD \times DCF$$

Where:

"**CMS Rate$_t$**" means the Floating Rate Option (which shall have the meaning given to it in the ISDA Definitions) specified in the relevant Final Terms.

"**DCF**" means, in respect of an Interest Payment Date, the "Day Count Fraction" specified in the relevant Final Terms, where the relevant Calculation Period shall be the Interest Period ending on (but excluding) the Scheduled Interest Payment Date falling on the date on which such Interest Payment Date is scheduled to fall.

"**Index$_0$**" or "**Initial Index Level**" has the meaning specified in the relevant Final Terms.

"**Index$_t$**" means, in respect of an Interest Payment Date, the Index Final on the Valuation Date falling immediately prior to such Interest Payment Date.

"**Interest Payment Date**" means such dates as are specified in the relevant Final Terms (each such date a "**Scheduled Interest Payment Date**"), in each case subject to adjustment in accordance with the Business Day Convention, *provided that* if the Valuation Date immediately preceding a Scheduled Interest Payment Date is adjusted

pursuant to the terms hereof, then such Interest Payment Date shall be the second Business Day falling after such Valuation Date, following such adjustment.

"**L**" or "**Leverage**" has the meaning specified in the relevant Final Terms.

"***Max***" followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a semi-colon inside those brackets.

"***Min***" followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a semi-colon inside those brackets.

"**Rate 1**" means the rate specified as such in the relevant Final Terms.

"**Rate 2**" means the rate specified as such in the relevant Final Terms.

"**Rate 3**" means the rate specified as such in the relevant Final Terms.

"**Rate 4**" means the rate specified as such in the relevant Final Terms.

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time, as determined by the Calculation Agent.

"**SD**" means Specified Denomination.

Where the Index Linked Instruments relate to a Basket of Indices, the Index Linked Interest Formula is either (I) or (II) below as specified in the relevant Final Terms.

(I) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final of each Index is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final of at least one Index is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(II) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final of each Index is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level 1, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5;

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final of at least one Index is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 1 but the Index Final of each Index is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Medium Rate as specified in the Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(c) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Index Final of at least one Index is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

21.4 ***Index Linked Redemption***

(a) *Index Linked Automatic Early Redemption*

If the relevant Final Terms provide that Index Linked Automatic Early Redemption is applicable, it shall constitute an Automatic Early Redemption Event if the Calculation Agent determines that, as of any Automatic Early Redemption Valuation Date, either of the following events has occurred:

(i) where the Index Linked Instruments relate to a single Index, the Index Final of the Index is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Knock-out Price; or

(ii) where the Index Linked Instruments relate to a Basket of Indices, the Index Final of each Index of the Basket is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Knock-out Price,

and the Issuer shall redeem the Instruments in whole or in part in an amount per Calculation Amount equal to the Automatic Early Redemption Amount on the relevant Automatic Early Redemption Date.

(b) *Index Linked Final Redemption*

If the relevant Final Terms provide that the Instruments are the Index Linked Redemption Instruments, the Instruments shall be redeemed in accordance with the applicable Index Linked Redemption Formula specified in the relevant Final Terms.

Where the Index Linked Instruments relate to a single Index, the Index Linked Redemption Formula is one of the items (I) through (IV) below as specified in the relevant Final Terms.

(I) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula:

$$Calculation\ Amount \times (Final\ Index\ Final\ /Strike\ Price).$$

(II) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

$$Calculation\ Amount \times (Final\ Index\ Final\ /Strike\ Price).$$

(III) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Final Index Final is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price, the Maturity

Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if the Final Index Final is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula:

$$Calculation\ Amount \times (Final\ Index\ Final\ /Strike\ Price).$$

(IV) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if the Barrier Event has occurred and the Final Index Final is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(iii) if the Barrier Event has occurred and the Final Index Final is (x) lower than or (y) equal to or lower than, as specified in the Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula:

$$Calculation\ Amount \times (Final\ Index\ Final\ /Strike\ Price).$$

Where the Index Linked Instruments relate to a Basket of Indices, the Index Linked Redemption Formula is one of the items (I) through (IV) below as specified in the Final Terms.

(I) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula:

$$Calculation\ Amount \times (Final\ Index\ Final\ of\ Reference\ Index\ /Strike\ Price\ of\ Reference\ Index).$$

(II) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following formula:

$$Calculation\ Amount \times (Final\ Index\ Final\ of\ Reference\ Index\ /Strike\ Price\ of\ Reference\ Index).$$

(III) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Final Index Final of each Index is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if the Final Index Final of at least one Index is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula:

$$Calculation\ Amount \times (Final\ Index\ Final\ of\ Reference\ Index / Strike\ Price\ of\ Reference\ Index).$$

(IV) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if the Barrier Event has occurred and the Final Index Final of each Index is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(iii) if the Barrier Event has occurred and the Final Index Final of at least one Index is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula:

$$Calculation\ Amount \times (Final\ Index\ Final\ of\ Reference\ Index / Strike\ Price\ of\ Reference\ Index).$$

21.5 ***Correction of the Index***

In the event that the level of the Index published by the Index Sponsor and which is utilised for the calculation of the Index Final or the determination of the occurrence of a Barrier Event or an Automatic Early Redemption Event, is corrected or subsequently corrected and the correction is published by the Index Sponsor as a replacement to the level of the Index on the original date of publication or, if specified in the relevant Final Terms, on any date thereafter until the Correction Publication Cut-Off Date, then the Calculation Agent shall use such corrected level of the Index instead of the level of the Index that was originally published.

21.6 ***Discontinuance of the Index/Alteration of Method of Calculation***

If the Index is (A) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (such successor sponsor will be deemed to be 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 the Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

If (a) on or prior to the Base Price Fixing Date, any Valuation Date or any Scheduled Trading Day during the Observation Period, the Index Sponsor (or its successor) announces that it will make a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Index and no Successor Index exists (an "**Index Cancellation**") or (b) on the Base Price Fixing Date, any Valuation Date or any Scheduled Trading Day during the Observation Period, the Index Sponsor or a successor sponsor fails to calculate and announce the Index (an "**Index Disruption**" and together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then:

(i) the Calculation Agent shall determine if any such Index Adjustment Event has a material effect on the Instruments and, if so, shall calculate the level of the Index, using, in lieu of a published level for the Index, the level for the Index as at the relevant time as determined

by the Calculation Agent in accordance with the formula for and method of calculating the Index last in effect prior to the change, failure or cancellation but using only those securities that comprised the Index immediately prior to such Index Adjustment Event, or

(ii) if the Calculation Agent determines, in its reasonable commercial discretion, that the application of the preceding paragraph would not achieve a commercially reasonable result, the Calculation Agent may determine that the Instruments shall be redeemed, in which event the Issuer will, on giving not less than 3 nor more than 20 Business Days' notice to Holders of Instruments in accordance with Condition 14, redeem all but not some only of the Instruments, each Instrument being redeemed by payment of an amount equal to the fair market value of the Instrument taking into account the Index Adjustment Event, less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements (including, without limitation, any equity options hedging the Issuer's obligations under the Instruments), all as determined by the Calculation Agent in its sole discretion. Payments will be made in such manner as shall be notified to Holders of Instruments in accordance with Condition 14.

21.7 ***Additional Disruption Events and Administrator/Benchmark Events***

(a) If an Additional Disruption Event and/or an Administrator/Benchmark Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the multiplier and/or any of the other terms of these Conditions and/or the relevant Final Terms (including in order to replace the relevant Index subject to an Administrator/Benchmark Event) to account for the Additional Disruption Event and/or Administrator/Benchmark Event (as applicable) and determine the effective date of that adjustment; or

(ii) redeem the Instruments by giving notice to the Holders of Instruments in accordance with Condition 14. If the Instruments are so redeemed the Issuer will pay an amount to each Holder of Instrument in respect of each Instrument held by him which amount shall be the fair market value of the Instrument taking into account the Additional Disruption Event and/or the Administrator/Benchmark Event less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders of Instruments in accordance with Condition 14.

(b) Upon the occurrence of an Additional Disruption Event and/or an Administrator/Benchmark Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 14 stating the occurrence of the Additional Disruption Event and/or an Administrator/Benchmark Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

21.8 ***Calculations Binding***

The Calculation Agent has been appointed as such in order to determine in its sole discretion the calculations with respect to certain amounts payable under the Instruments and the determination with respect to certain events as more fully specified herein in accordance with the calculation agency agreement entered into between the Issuer and the Calculation Agent which constitutes the "Calculation Agency Agreement". All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the determinations by the Calculation Agent shall, in the absence of manifest error, be binding on the Issuer, the Issue and Paying Agent, the other Paying Agents and the Holders and (in the absence as aforesaid) no liability to the Issuer or the Holders shall attach to the Calculation Agent in connection with the exercise by it of its powers, duties and discretion pursuant to the provisions therein. Any notice to be given by the Calculation Agent shall be deemed to have been given if given in accordance with the Calculation Agency Agreement. The Calculation Agent shall notify the Issue and Paying Agent, the Issuer, and in the case of VPS Instruments, the VPS and the VPS Account Operator of the results of all calculations and determinations conducted or made pursuant

to the provisions in these Index Linked Conditions as soon as practicably possible. The Issue and Paying Agent shall give notice to the Holders in accordance with Condition 14 as soon as practicable thereafter.

Failure by the Calculation Agent to notify the parties of the occurrence of certain events shall not affect the validity of the occurrence and effect of such determination.

22. **Share Linked Instruments**

22.1 ***Interpretation***

Under the Programme, a Share Linked Instrument shall be an Instrument where the Interest Rate, automatic early redemption and/or Maturity Redemption Amount shall be calculated or determined by reference to a single share or a basket of shares, and including, without limitation, (i) Instruments in respect of which all or any of the interest amounts are linked to a specified share or basket of specified shares, (ii) Instruments in respect of which automatic early redemption and/or final redemption are linked to a specified share or basket of specified shares, or (iii) any combination of the foregoing. If the relevant Final Terms provide that the relevant Instruments are Share Linked Instruments, the terms and conditions applicable to Share Linked Instruments are the Conditions, including the terms and conditions for Share Linked Instruments set out in this Condition 22 (the "**Share Linked Conditions**"), as completed by the relevant Final Terms. In the event of any inconsistency between the Conditions and the Share Linked Conditions, the Share Linked Conditions shall prevail.

22.2 ***Definitions***

For the purposes of these Share Linked Conditions:

"**Additional Disruption Event**" means, if so specified in the relevant Final Terms, (i) a Change in Law, (ii) a Hedging Disruption and/or (iii) Increased Cost of Hedging.

"**Administrator/Benchmark Event**" means, in respect of any Instruments and a Relevant Benchmark (as defined below), any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case, as required under any applicable law or regulation in order for the Issuer, the Calculation Agent or any other entity to perform its or their respective obligations in respect of the Instruments, all as determined by the Issuer.

"**Automatic Early Redemption Amount**" means the Automatic Early Redemption Amount specified in the relevant Final Terms.

"**Automatic Early Redemption Date**" means each Automatic Early Redemption Date specified in the relevant Final Terms.

"**Automatic Early Redemption Valuation Date**" means each Automatic Early Redemption Valuation Date specified in the relevant Final Terms, or if that is not a Scheduled Trading Day or is a Disrupted Day, then the provisions related to a Disrupted Day in the definition "Valuation Date" shall apply as if the relevant Automatic Early Redemption Valuation Date were a Valuation Date.

"**Barrier Event**" shall be either Barrier Event (closing) or Barrier Event (intraday), as specified in the relevant Final Terms.

"**Barrier Event (closing)**" shall be deemed to occur if:

(a) where the Share Linked Instruments relate to a single Share, the Calculation Agent determines in its sole and absolute discretion that the Share Price of any Share as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Share on such Barrier Event Determination Day;

(b) where the Share Linked Instruments relate to a Basket of Shares, the Calculation Agent determines in its sole and absolute discretion that the Share Price of at least one of the Shares as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Share on such Barrier Event Determination Day.

"**Barrier Event (intraday)**" shall be deemed to occur if:

(a) where the Share Linked Instruments relate to a single Share, the Calculation Agent determines in its sole and absolute discretion that the Share Price of such Share as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Share on such Barrier Event Determination Day; or

(b) where the Share Linked Instruments relate to a Basket of Shares, the Calculation Agent determines in its sole and absolute discretion that the Share Price of at least one of the Shares as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Share on such Barrier Event Determination Day.

For the purpose of determining whether a Barrier Event (intraday) has occurred on any day, the definition of Market Disruption Event specified in these Share Linked Condition shall be amended such that (i) all references to "**during the one hour period that ends at the Valuation Time**" shall be deleted, and (ii) if Early Closure is specified to apply in the relevant Final Terms, in the definition of "**Early Closure**" appearing in these Share Linked Conditions, each reference to "**Valuation Time**" and "**Scheduled Closing Time**" shall be construed as a reference to "**Barrier Event Valuation Time (intraday)**".

"**Barrier Event Determination Day**" means, in respect of each Share and each Observation Period:

(a) if the relevant Final Terms provide that the Barrier Event (intraday) provisions shall apply:

(i) each day on which the price of such Share is quoted on the relevant Exchange during such Observation Period that is not a Disrupted Day;

(ii) each day on which the price of such Share is quoted on the relevant Exchange during such Observation Period, regardless of whether or not such day is a Scheduled Trading Day for such Share (and, for the avoidance of doubt, if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred); or

(iii) each Scheduled Trading Day on which the price of such Share is quoted on the relevant Exchange during such Observation Period (and, for the avoidance of doubt, if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred),

as specified in the relevant Final Terms; or

(b) if the relevant Final Terms provide that the Barrier Event (closing) provisions shall apply, either:

(i) each Scheduled Trading Day for such Share during such Observation Period that is not a Disrupted Day for such Share; or

(ii) each Scheduled Trading Day for such Share during such Observation Period that is not a Disrupted Day for such Share; *provided, however, that* if any Scheduled Trading Day during the Observation Period is a Disrupted Day, then the Calculation Agent may (but is not required to) determine its good faith estimate of the level of the Shares during that Disrupted Day,

as specified in the relevant Final Terms.

"**Barrier Event Valuation Time (closing)**" means, in respect of each Share to be valued, the Scheduled Closing Time on the relevant Exchange on the relevant Barrier Event Determination Day. If the relevant Exchange closes prior to its Scheduled Closing Time, then the Barrier Event Valuation Time (closing) shall be such actual closing time.

"**Barrier Event Valuation Time (intraday)**" means any time during the regular trading session (without regard to any after hours or any other trading outside of the regular session) on the Exchange.

"**Barrier Level**" means, in respect of a Share, a price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Share as is specified in the relevant Final Terms. In the case of a Share traded on the Tokyo Stock Exchange, the Barrier Level shall be either (i) subject to no rounding, (ii) rounded down to the nearest whole Japanese Yen, (iii) rounded to the nearest whole Japanese Yen with JPY 0.5 being rounded upwards, (iv) rounded to the nearest two decimal places with JPY 0.005 being rounded upwards or (v) rounded down to the nearest two decimal places, as specified in the relevant Final Terms.

"**Barrier Level 1**" means, in respect of a Share, a price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Share as is specified in the relevant Final Terms. In the case of a Share traded on the Tokyo Stock Exchange, the Barrier Level shall be either (i) subject to no rounding, (ii) rounded down to the nearest whole Japanese Yen, (iii) rounded to the nearest whole Japanese Yen with JPY 0.5 being rounded upwards, (iv) rounded to the nearest two decimal places with JPY 0.005 being rounded upwards or (v) rounded down to the nearest two decimal places, as specified in the relevant Final Terms.

"**Barrier Level 2**" means, in respect of a Share, a price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Share as is specified in the relevant Final Terms. In the case of a Share traded on the Tokyo Stock Exchange, the Barrier Level shall be either (i) subject to no rounding, (ii) rounded down to the nearest whole Japanese Yen, (iii) rounded to the nearest whole Japanese Yen with JPY 0.5 being rounded upwards, (iv) rounded to the nearest two decimal places with JPY 0.005 being rounded upwards or (v) rounded down to the nearest two decimal places, as specified in the relevant Final Terms.

"**Base Price**" means, in respect of a Share and a time on a Scheduled Trading Day and subject to these Share Linked Conditions, the price of such Share which may be equal to either (I), (II) or (III) below, as specified in the relevant Final Terms:

(I) the Volume Weighted Average Price of the Share on the Exchange on the Base Price Fixing Date as determined by the Calculation Agent in its sole discretion, (i) rounded down, (ii) rounded up or (iii) rounded, to the nearest whole number or any number of decimal places (in case of (iii), with half of such whole number or number of decimal places, as applicable, being rounded up) as specified in the relevant Final Terms,

(II) (in case of a Share traded on the Tokyo Stock Exchange) the Volume Weighted Average Price of the Share on the Exchange of the regular morning session on the Base Price Fixing Date as determined by the Calculation Agent in its sole discretion, *provided that* there is no Market Disruption Event in the morning session of such date, rounded to the nearest whole Japanese Yen with JPY 0.5 being rounded upwards. If the Calculation Agent

determines, in its sole discretion, that in the morning session of such date a Market Disruption Event has occurred, then the Base Price shall be determined as such Volume Weighted Average Price during the earliest of the following sessions in which there is no Market Disruption Event: (i) the immediately following afternoon session of the same date (ii) the morning session of the next Exchange Business Day and (iii) the afternoon session of such same Exchange Business Day in (ii) above. If it is not possible to determine the Base Price as set out above then the Calculation Agent shall determine the Base Price in its sole discretion in good faith and acting in a commercially reasonable manner, or

(III) the price of such Share at such time as specified in the relevant Final Terms on the Base Price Fixing Date as determined by the Calculation Agent.

"**Base Price Fixing Date**" means the date specified in the relevant Final Terms; *provided that*,

(a) where the Share Linked Instruments relate to a single Share, either (i), (ii) or (iii) below, as specified in the relevant Final Terms:

(i) if the initially scheduled Base Price Fixing Date is a Disrupted Day, the Base Price Fixing Date shall be the immediately following Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day. In that case, the Base Price Valuation Cut-Off Date shall be deemed to be the Base Price Fixing Date, notwithstanding the fact that such day is a Disrupted Day, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of the Share by reference to such sources as it deems appropriate; or

(ii) if the initially scheduled Base Price Fixing Date is not an Exchange Business Day, the Base Price Fixing Date shall be the Exchange Business Day immediately following the initially scheduled Base Price Fixing Date; or

(iii) if the initially scheduled Base Price Fixing Date is a Disrupted Day or not an Exchange Business Day, the Base Price Fixing Date shall be the immediately following Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day or not an Exchange Business Day. In that case, the Base Price Valuation Cut-Off Date shall be deemed to be the Base Price Fixing Date, notwithstanding the fact that such day is a Disrupted Day or not an Exchange Business Day, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of the Share by reference to such sources as it deems appropriate; or

(b) where the Share Linked Instruments relate to a Basket of Shares, either (i) or (ii) below, as specified in the relevant Final Terms:

(i) if the initially scheduled Base Price Fixing Date is a Disrupted Day in relation to any Share, the Base Price Fixing Date shall be the immediately following Scheduled Trading Day that is not a Disrupted Day for each of the Shares, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day in relation to any Shares. In that case, such Base Price Valuation Cut-Off Date shall be deemed to be the Base Price Fixing Date, notwithstanding the fact that such day is a Disrupted Day for any Shares, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of each of the Shares by reference to such sources as it deems appropriate; or

(ii) if the initially scheduled Base Price Fixing Date is not an Exchange Business Day in relation to any Share, the Base Price Fixing Date shall be the Exchange Business Day for each Share in the Basket immediately following the initially scheduled Base Price Fixing Date.

The resultant price determined by the Calculation Agent shall be rounded to the nearest four decimal places, with 0.00005 being rounded upwards.

"**Base Price Valuation Cut-Off Date**" means (i) the date specified in the relevant Final Terms or, (ii) if not so specified, the second Scheduled Trading Day immediately following the initially scheduled Base Price Fixing Date.

"**Basket**" means a basket composed of shares of each Share Company in the relative proportions or number of Shares of each Share Company specified in the relevant Final Terms.

"**Basket of Shares**" means a basket composed of Shares in their relative proportions or number of Shares, as specified in the relevant Final Terms.

Basket of Shares may, if so specified in the relevant Final Terms, include one or more Fund Shares, in which case, the relevant provisions in the Fund Linked Instruments shall apply to such Fund Share(s) and the references to "**Share**" or "**Shares**" in this Condition 22 shall include references to "**Fund Share**" or "**Fund Shares**", as applicable.

"**Cash Settlement Amount**" means the cash amount as determined in accordance with Conditions 22.4(b) and 22.6 to be paid as the full or any part of the amount of the final redemption.

"**Cash Settlement Currency**" means the currency specified as such in the relevant Final Terms.

"**Change in Law**" means that, on or after the Issue Date of the Instruments (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) 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 in good faith that (a) it has become illegal to hold, acquire or dispose of one or more Shares, or (b) the Calculation Agent or its affiliates will incur a materially increased cost in performing its obligations in relation to the Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Disrupted Day**" means any Scheduled Trading Day 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 has occurred. The Calculation Agent shall as soon as reasonably practicable under the circumstances, notify the Issuer and the Agent of the occurrence of a Disrupted Day on any day that but for the occurrence of a Disrupted Day would have been the Base Price Fixing Date, a Valuation Date or any other date as is specified in the Final Terms to be applicable, *provided that* failure by the Calculation Agent to notify the parties of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day.

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange 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.

"**Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share 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 Share has temporarily relocated (*provided that* the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means any Scheduled Trading Day on which each Exchange and each 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.

"**Exchange Disruption**" means, 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 Shares on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Share on any relevant Related Exchange.

"**Final Valuation Date**" means the Valuation Date immediately preceding the Maturity Date.

"**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing, and the Issuer performing its obligations with respect to or in connection with, the Share Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means any entity (or entities) engaged in any underlying or hedging transactions relating to the Share Linked Instruments and/or the Shares in respect of the Issuer's obligations under the Share Linked Instruments.

"**Increased Cost of Hedging**" means that the Issuer or any of its agents would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the Share Linked Instruments, or (ii) realise, recover or remit the proceeds of any 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 Increased Cost of Hedging.

"**Knock-out Price**" means, in respect of a Share, such price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Share as is specified in the relevant Final Terms. Where the relevant Share is traded on the Tokyo Stock Exchange, the Knock-out Price shall be either (v) subject to no rounding, (w) rounded down to the nearest whole Japanese Yen, (x) rounded to the nearest whole Japanese Yen with JPY 0.5 being rounded upwards, (y) rounded to the nearest two decimal places with JPY 0.005 being rounded upwards or (z) rounded down to the nearest two decimal places, as specified in the relevant Final Terms.

"**Market Disruption Event**" means, in relation to a Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, in either case, at any time during the one-hour period that ends at the Valuation Time, or (iii) an Early Closure, as determined by the Calculation Agent in its sole and absolute discretion, if, in any such case, that Trading Disruption, Exchange Disruption or Early Closure is, in the determination of the Calculation Agent, material.

"**Market Value Redemption Amount**" means an amount in the Specified Currency determined by the Calculation Agent in its sole and absolute discretion to be the fair market value of such Instrument immediately prior to such early redemption, adjusted to account fully for any reasonable expenses and costs to the Issuer of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity or currency options hedging the Issuer's obligations under the Instrument).

"**Maximum Rate**" has the meaning specified in the relevant Final Terms.

"**Medium Rate**" has the meaning specified in the relevant Final Terms.

"**Minimum Rate**" has the meaning specified in the relevant Final Terms.

"**Observation Period**" means, in respect of a Share, each period commencing on the Observation Period Start Date, prior to any adjustment of such date pursuant to these Share Linked Conditions, if applicable (and including or excluding such Observation Period Start Date, as specified in the relevant Final Terms) and ending on the Observation Period End Date, prior to any adjustment of such date pursuant to these Share Linked Conditions, if applicable (and including or excluding such Observation Period End Date, as specified in the relevant Final Terms).

"**Observation Period End Date**" means, in respect of a Share, each date specified as such in the relevant Final Terms.

"**Observation Period Start Date**" means, in respect of a Share, each date specified as such in the relevant Final Terms.

"**Relevant Benchmark**" means any index by reference to which the amount payable under an Instrument, or the value of an Instrument, is determined, or an index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance.

"**Related Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share 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 Share 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 Share on such temporary substitute exchange or quotation system 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 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 Share.

"**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 Trading Day**" means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"**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.

"**Shares**" and "**Share**" mean, subject to adjustment in accordance with these Share Linked Conditions, the shares or a share specified in the relevant Final Terms and related expressions shall be construed accordingly.

"**Share Closing Price**" means, in respect of a Share and any relevant date, subject to these Share Linked Conditions, an amount equal to the official closing price of such Share quoted on the relevant Exchange as determined by the Calculation Agent on such date.

"**Share Company**" means, in respect of a Share, the company that has issued such Share.

"**Share Performance**" means, in respect of Shares of any Share Company, either (x) a figure or (y) a percentage amount, as specified in the relevant Final Terms, determined by the Calculation Agent by dividing the Share Price as of the Valuation Time of a Share by the Base Price of such Share on the Final Valuation Date.

If so specified in the relevant Final Terms, Share Performance may be either (x) rounded down, (y) rounded up or (z) rounded, to the nearest whole number or any number of decimal places (in case of (z), with half of such whole number or number of decimal places, as applicable, being rounded up) as specified in the relevant Final Terms.

"**Share Price**" means, in respect of a Share and a time on a Scheduled Trading Day and subject to these Share Linked Conditions, the price of such Share on the Exchange at such time on such day as determined by the Calculation Agent.

"**Strike Price**" means, in respect of a Share, a price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Share as is specified in the relevant Final Terms. Where the relevant Share is traded on the Tokyo Stock Exchange, the Strike Price shall be rounded either (v) subject to no rounding, (w) rounded down to the nearest whole Japanese Yen, (x) rounded to the nearest whole Japanese Yen with JPY 0.5

being rounded upwards, (y) rounded to the nearest two decimal places with JPY 0.005 being rounded upwards or (z) rounded down to the nearest two decimal places, as specified in the relevant Final Terms.

"**Trading Disruption**" means any suspension of (in case of the Exchange(s) or Related Exchange(s) being Japanese domestic exchange(s), including, when the relevant Exchange or Related Exchange announces a Special Quotation (*tokubetsu kehai*)) or limitation imposed on trading (by reason of movements in prices exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise) in (i) the Shares on the relevant Exchange or (ii) options contracts or futures contracts on the Shares on any Related Exchange.

"**Valuation Cut-Off Date**" means, (i) the date specified in the relevant Final Terms, or (ii) if not so specified, the second Scheduled Trading Day immediately following the Scheduled Valuation Date.

"**Valuation Date**" means each Valuation Date specified in the relevant Final Terms; *provided that*,

(a) where the Share Linked Instruments relate to a single Share, either (i) or (ii) below, as specified in the relevant Final Terms, applies:

(i) if the specified Valuation Date is not a Scheduled Trading Day or is a Disrupted Day, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Valuation Cut-Off Date is a Disrupted Day. In that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine in its sole and absolute discretion the relevant price as of the Valuation Time on the Valuation Cut-Off Date; or

(ii) if the specified Valuation Date is a Disrupted Day or is not an Exchange Business Day, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Valuation Cut-Off Date is a Disrupted Day or not an Exchange Business Day. In that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine in its sole and absolute discretion the relevant price as of the Valuation Time on the Valuation Cut-Off Date; or

(b) where the Share Linked Instruments relate to a Basket of Shares, either (A) or (B) below, as specified in the relevant Final Terms, applies:

(A) if the specified Valuation Date in respect of any Share is not a Scheduled Trading Day or is a Disrupted Day, the Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Share affected (each an "**Affected Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Share. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Share (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price, in relation to such Share; or

(B) if the specified Valuation Date in respect of any Share is not a Scheduled Trading Day or is a Disrupted Day, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day with respect to all Shares,

unless there is no such Scheduled Trading Day on or prior to the Valuation Cut-Off Date; in that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day is a Disrupted Day for either Share), and (ii) the Calculation Agent shall determine in its sole and absolute discretion the relevant price for such affected Share(s) as of the Valuation Time on the Valuation Cut-Off Date.

"**Valuation Time**" means the Valuation Time specified in the relevant Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to each Share to be valued. 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.

"**Volume Weighted Average Price**" means, in respect of a Share, the weighted average of each executed price on the Exchange by the volume of each price of the whole day, or (if so specified in the relevant Final Terms) any regular or other trading session(s) or any part thereof, of the date as is specified in the relevant Final Terms.

"**Worst Performing Share**" means a Share in the basket whichever has the lowest value calculated in accordance with the provisions in the definition of "Share Performance". If the resultant figure of the foregoing calculation is the same, the Calculation Agent shall in its absolute discretion select which of the Shares shall be the Worst Performing Share.

22.3 ***Share Linked Interest***

If the relevant Final Terms provide that Share Linked Interest Provisions are applicable, the details of the method of the calculation and/or determination of the amount of such interest shall be in the Share Linked Interest Formula specified in such Final Terms, and the dates of payment of such Share Linked Interest shall be specified in such Final Terms.

Where the Share Linked Instruments relate to a single Share, the Share Linked Interest Formula is either (I) or (II) below as specified in the relevant Final Terms.

(I) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(II) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Barrier Level 1, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5;

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date is (x) lower

than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 1 but is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Medium Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(c) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

Where the Share Linked Instruments relate to a Basket of Shares, the Share Linked Interest Formula is either (I) or (II) below as specified in the relevant Final Terms.

(I) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date of each Share is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date of at least one Share is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(II) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date of each Share is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level 1, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5;

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date of at least one Share is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 1 but the Share Price as of the Valuation Time on such Valuation Date of each Share is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Medium Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(c) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Share Price as of the Valuation Time on such Valuation Date of at least one Share is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 2, then the Interest Rate applicable for the

relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

22.4 **Share Linked Redemption**

(a) *Share Linked Automatic Early Redemption*

If the relevant Final Terms provide that Share Linked Automatic Early Redemption is applicable, it shall constitute an Automatic Early Redemption Event if the Calculation Agent determines that, as of any Automatic Early Redemption Valuation Date, either of the following events has occurred:

(i) where the Share Linked Instruments relate to a single Share, the Share Price as of the Valuation Time on the Automatic Early Redemption Valuation Date of the Share is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Knock-out Price; or

(ii) where the Share Linked Instruments relate to a Basket of Shares, (x) the Share Price as of the Valuation Time on the Automatic Early Redemption Valuation Date of the Worst Performing Share is (xx) equal to or higher than or (yy) higher than, as specified in the Final Terms, the Knock-out Price in respect of such Share or (y) the Share Price as of the Valuation Time on the Automatic Early Redemption Valuation Date of each Share in the Basket is equal to or higher than the respective Knock-out Price as determined for each Share, as specified in the relevant Final Terms,

and the Issuer shall redeem the Instruments in whole or in part in an amount per Calculation Amount equal to the Automatic Early Redemption Amount on the relevant Automatic Early Redemption Date.

(b) *Share Linked Final Redemption*

If the relevant Final Terms provide that the Instruments are the Share Linked Redemption Instruments, the Instruments shall be redeemed in accordance with the applicable Share Linked Redemption Formula specified in the relevant Final Terms and/or such amount of cash as calculated substantially in accordance with the applicable Share Linked Redemption Formula. The determination of the applicable method of calculating the Maturity Redemption Amount and/or such Maturity Redemption Amount may be triggered by one or more Barrier Events (closing) or Barrier Events (intraday). The amount of the final redemption may be (i) the Shares to be physically delivered pursuant to Condition 26, (ii) the Cash Settlement Amount or (iii) any combination of them.

Where the Share Linked Instruments relate to a single Share, the Share Linked Redemption Formula is one of the items (I) through (IV) below as specified in the relevant Final Terms.

(I) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Shares plus the Reference Cash Amount (if any).

(II) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Share Price as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Shares plus the Reference Cash Amount (if any).

(III) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Share Price as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if the Share Price as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price and no Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(iii) if the Share Price as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price and a Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Shares plus the Reference Cash Amount (if any).

(IV) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if a Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if a Barrier Event has occurred and Share Price as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(iii) if a Barrier Event has occurred and the Share Price as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Shares plus the Reference Cash Amount (if any).

Where the Share Linked Instruments relate to a Basket of Shares, the Share Linked Redemption Formula is one of the items (I) through (IV) below as specified in the relevant Final Terms.

(I) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Share Closing Price of the Worst Performing Share on the Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price of such Worst Performing Share, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if the Share Closing Price of the Worst Performing Share on the Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price of such Worst Performing Share, and the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(iii) if the Share Closing Price of the Worst Performing Share on the Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price of such Worst Performing Share, and the Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Worst Performing Shares plus the Reference Cash Amount (if any).

(II) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Share Price in respect of each Share as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if (a) at least one Share Price of Shares as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the respective Strike Price and (b) no Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(iii) if (a) at least one Share Price of Shares as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the respective Strike Price, and (b) the Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Worst Performing Shares plus the Reference Cash Amount (if any).

(III) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if a Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if a Barrier Event has occurred, and the Share Price of each Share as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(iii) if a Barrier Event has occurred, and at least one Share Price of Shares as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Worst Performing Shares plus the Reference Cash Amount (if any).

(IV) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Share Price of each Share as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(ii) if a Barrier Event has occurred and at least one Share Price of Shares as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Worst Performing Shares plus the Reference Cash Amount (if any).

(iii) if a Barrier Event has occurred, and at least one Share Price of Shares as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Worst Performing Shares plus the Reference Cash Amount (if any).

For the purpose of this Condition 22.4(b):

"**Deliverable Number**" means, in respect of a Share, the number of such Shares being the largest integral multiple of the Minimum Delivery Lot equal to or less than the Fixed Share Amount and (if so specified in the relevant Final Terms) any such number of Shares as specified in the relevant Final Terms not constituting a Minimum Delivery Lot.

"**Fixed Share Amount**" means, with respect to Share, a share amount per Calculation Amount calculated by the Calculation Agent in accordance with the following formula: *Calculation Amount / Strike Price*.

The Fixed Share Amount may, if so specified in the relevant Final Terms, be either (x) rounded down, (y) rounded up or (z) rounded, to the nearest whole number or any number of decimal places (in case of (z), with half of such whole number or number of decimal places, as applicable, being rounded up) as specified in the relevant Final Terms.

"**Minimum Delivery Lot**" means, in respect of a Share, such number of minimum delivery lot as specified in the Final Terms, subject to any change of the Minimum Delivery Lot.

"**Reference Cash Amount**" means, in respect of a Share, a Cash Settlement Currency cash amount per Calculation Amount, determined by the Calculation Agent in accordance with the following formula:

$$(Fixed\ Share\ Amount - Deliverable\ Number) \times Share\ Price\ as\ of\ the\ Valuation\ Time\ on\ the\ Final\ Valuation\ Date.$$

The resultant figure obtained by the calculation shall be (i) in case of Cash Settlement Currency being Japanese Yen, either (x) rounded down, (y) rounded up or (z) rounded (with half a Japanese Yen being rounded up), to the nearest whole amount and (ii) in case of Cash Settlement Currency being any other currency, either (x) rounded down, (y)

rounded up or (z) rounded (with half a subunit being rounded up), to the nearest whole subunit of such currency, in each case, as specified in the relevant Final Terms.

22.5 ***Correction to Share Prices***

If Correction to Share Prices is specified as applicable in the relevant Final Terms, in the event, with respect to a Share, that any price published on the relevant Exchange and which is utilised by the Calculation Agent for any determination is subsequently corrected and the correction is published by such Exchange on the day of the original publication or, if specified in the relevant Final Terms, on any date thereafter until the Correction Publication Cut-Off Date, then the Calculation Agent may make any determination by using the corrected price instead of the price originally published.

22.6 ***Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation and Insolvency***

(a) "**Potential Adjustment Event**" means any combination of the following as specified in the relevant Final Terms:

(i) a subdivision, consolidation or reclassification of relevant Share (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the relevant Final Terms, a Tender Offer) or a free distribution or dividend of any relevant Share to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of relevant Shares of (a) such Share or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company equally or proportionately with such payments to holders of the relevant Share or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Company 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 (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend;

(iv) a call by a Share Company in respect of relevant Shares that are not fully paid;

(v) a repurchase by the Share Company of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or

(vi) in respect of a Share 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 such Share 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 having, in the opinion of the Calculation Agent, a materially diluting or concentrative effect on the theoretical value of the relevant Shares.

Following the declaration, announcement or determination by a Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Share and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the terms of the Conditions and/or the relevant Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect, and (ii) determine the effective date of that adjustment.

If redemption for Potential Adjustment Event is specified as applicable in the relevant Final Terms, if the Calculation Agent determines, in its sole and absolute discretion, that it is impossible or impractical to determine an appropriate adjustment (or that no such adjustment would give a commercially reasonable result), the Calculation Agent may notify the Issuer of such determination and the Issuer shall redeem the relevant Instruments by giving not less than 3 nor more than 20 Business Days' notice in full at either par or at such Instruments' Market Value Redemption Amount, as specified in the relevant Final Terms.

(b) "**De-listing**" means, in respect of any relevant Shares;

(i) in the case where the Exchange is not located in the United States, such Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the relevant Final Terms, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union); or

(ii) in the case where the Exchange is located in the United States, such Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the relevant Final Terms, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, the American Stock Exchange, the NASDAQ Global Select Market or the NASDAQ Global Market (or their respective successors).

If the Shares are immediately re-listed, re-traded or re-quoted on any exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange in respect of such Shares.

"**Insolvency**" means that that by reason of the voluntary or involuntary dissolution, liquidation, bankruptcy, commencement of civil reconstruction proceedings, commencement of corporate reorganisation proceedings or commencement of special liquidation, winding-up or insolvency of or any analogous proceeding affecting a Share Company, (i) all of the Shares are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Shares become legally prohibited from transferring them.

"**Nationalisation**" means that all the Shares or all or substantially all the assets of the Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

If Nationalisation, De-listing or Insolvency occurs in relation to the Share on or prior to the Final Valuation Date, the Issuer shall either:

where the Share Linked Instruments relate to a single Share or a Basket of Shares:

(I) redeem all Instruments together with accrued interest if any, on the date as specified in the relevant Final Terms (or if not so specified, the fifteenth ($15^{th}$) Business Days following the day on which the Issuer receives notices from the Calculation Agent that such Nationalisation, De-listing or Insolvency has occurred) by paying a cash amount in the Cash Settlement Currency which, the Calculation Agent determines in its sole and absolute discretion, is equal to the fair economic value of the Instruments taking into account the Nationalisation, De-listing or Insolvency, as the case may be, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements; or

(II) redeem all Instruments on or prior to the Maturity Date by (x) paying *pro rata* to the Holders a cash amount in the Cash Settlement Currency which, the Calculation Agent determines in its sole and absolute discretion, is equal to the fair economic value of the Share Linked Instruments taking into account the Nationalisation, De-Listing or Insolvency, as the case may be, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements or (y) physical delivery of the Deliverable Number of the Shares plus a cash adjustment in the Cash Settlement Currency equal to the aggregate market value (as determined by the Calculation Agent in its sole and absolute discretion) of the Shares representing less than one Minimum Delivery Lot, and further subject to Condition 26,

in each case as may be specified in the relevant Final Terms; or

where the Share Linked Instruments relate to a Basket of Shares:

(x) make such adjustment to the redemption, settlement, payment or any other terms of the Share Linked Instruments (including, but not limited to, (a) removal or replacement of any of the Shares in the Basket of Shares, (b) adjustments to the Base Price, Barrier Level, Strike Price and/or Knock-out Price of any of the Shares in the Basket of Shares, and (c) adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to a Share) as it, in its sole and absolute discretion, considers appropriate to preserve the economic value of the Instruments prior to the Nationalisation, Insolvency or De-listing (as the case may be), *provided that*, in addition to or instead of varying the redemption, settlement, payment or any other terms of the Instruments, the Calculation Agent may (i) distribute to the Holders of the outstanding relevant Instruments additional Instruments free of payment, or (ii) distribute to the Holders of the relevant Instruments additional Instruments on a delivery versus payment basis in consideration for a cash amount to be determined by the Calculation Agent in its sole discretion, or

(y) if the Calculation Agent determines, in its sole and absolute discretion, that it is impossible or impractical to determine an appropriate adjustment (or that no such adjustment would give a commercially reasonable result), the Calculation Agent may notify the Issuer of such determination and the Issuer shall redeem the relevant Instruments by giving not less than 3 nor more than 20 Business Days' notice in full at par,

in each case as may be specified in the relevant Final Terms.

(c) "**Merger Event**" means, in respect of any relevant Shares, any combination of the following as specified in the relevant Final Terms:

(i) reclassification or change of Shares that results in a transfer of or an irrevocable commitment to transfer all outstanding Shares, (ii) consolidation, amalgamation or merger of the Share Company with or into another entity (other than a consolidation, amalgamation or merger in which the Share Company is the continuing entity) or any sale or transfer of all or substantially all of the assets or business of the Share Company and for which approval of any shareholder is required (other than the sale or transfer of the assets or business of the Share Company which will be made in connection with the reorganisation of the Share Company into a shareholding company and its subsidiaries will succeed all of such assets or operations of the Share Company) (iii) other takeover offer for the Shares that results in a transfer of or an irrevocable commitment to transfer all the Shares (other than the Shares owned or controlled by the offeror), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than

50 per cent. of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before the Final Valuation Date.

"**Merger Date**" means, in respect of a Merger Event and any relevant Shares, the date upon which all holders of Shares (other than, in the case of a takeover offer, Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Shares in the case of reclassification or change of the Shares or takeover offer for the Shares, or the date upon which the consolidation, amalgamation, merger, sale or transfer in issue is to be submitted to a general meeting of shareholders for approval or the date upon which such consolidation, amalgamation, merger, sale or transfer is expected to become effective, whichever is earlier.

"**Tender Offer**" means either:

(A) 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 Share 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; or

(B) 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 Share 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, in each such case, if, in the sole discretion of the Calculation Agent acting in good faith, such event has a material effect on the Instruments,

as specified in the relevant Final Terms.

If a Merger Event or (if specified as applicable in the relevant Final Terms) a Tender Offer, occurs in relation to the Share, the Calculation Agent shall (i) determine in its sole and absolute discretion to substitute the Share listed on the same Exchange of another issuer comparable to the Share Company in terms of the business, financial conditions and other factors (the "**Substitute Share**", which may be the shares of the company that is a continuing entity as a result of the Merger Event) for the Share and determine such terms of the Conditions and/or the relevant Final Terms as specified in the relevant Final Terms, as the Calculation Agent in its sole and absolute discretion determines appropriate, and (ii) determine the effective date of such substitution. If the substitution of the Share should occur hereunder, references to the Shares shall be deemed to be replaced with those to the Substitute Share and the provisions herein set forth shall be applied to the Substitute Share, *mutatis mutandis*.

Furthermore, if redemption for Merger Event or (if specified as applicable in the relevant Final Terms) Tender Offer is specified as applicable in the relevant Final Terms, if the Calculation Agent determines, in its sole and absolute discretion, that it is impossible or impractical to effect an appropriate substitution (or that no such substitution would give a commercially reasonable result), the Calculation Agent may notify the Issuer of such determination and the Issuer shall redeem the relevant Instruments by giving not less than 3 nor more than 20 Business Days' notice in full at the amount determined in good faith by the Calculation Agent in its sole discretion to be the fair economic value of the Instruments taking into account such Merger Event or Tender Offer, as the case may be, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements.

In the case of (a), (b) and (c) above, the Calculation Agent shall as soon as practicable provide details of any determinations and/or adjustments, as the case may be, made pursuant to specified

in this Condition 22.6 to the Issuer, the Agent and other relevant agent (including that appointed for delivery of Shares). Notice of such details shall be given by the Issue and Paying Agent to the Holders in accordance with the Conditions.

22.7 ***Additional Disruption Events and Administrator/Benchmark Events***

(a) If an Additional Disruption Event and/or an Administrator/Benchmark Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the multiplier and/or any of the other terms of these Conditions and/or the relevant Final Terms to account for the Additional Disruption Event and/or Administrator/Benchmark Event (as applicable) and determine the effective date of that adjustment; or

(ii) redeem the Instruments by giving notice to the Holders of Instruments in accordance with Condition 14. If the Instruments are so redeemed the Issuer will pay an amount to each Holder of Instrument in respect of each Instrument held by him which amount shall be the fair market value of the Instrument taking into account the Additional Disruption Event and/or the Administrator/Benchmark Event less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders of Instruments in accordance with Condition 14.

(b) Upon the occurrence of an Additional Disruption Event and/or an Administrator/Benchmark Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 14 stating the occurrence of the Additional Disruption Event and/or an Administrator/Benchmark Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

22.8 ***Calculations Binding***

The Calculation Agent has been appointed as such in order to determine in its sole discretion the calculations with respect to certain amounts payable under the Instruments and the determination with respect to certain events as more fully specified herein in accordance with the calculation agency agreement entered into between the Issuer and the Calculation Agent which constitutes the "Calculation Agency Agreement". All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the determinations by the Calculation Agent shall, in the absence of manifest error, be binding on the Issuer, the Issue and Paying Agent, the other Paying Agents and the Holders and (in the absence as aforesaid) no liability to the Issuer or the Holders shall attach to the Calculation Agent in connection with the exercise by it of its powers, duties and discretion pursuant to the provisions therein. Any notice to be given by the Calculation Agent shall be deemed to have been given if given in accordance with the Calculation Agency Agreement. The Calculation Agent shall notify the Issue and Paying Agent, the Issuer, and in the case of VPS Instruments, the VPS and the VPS Account Operator of the results of all calculations and determinations conducted or made pursuant to the provisions in these Share Linked Conditions as soon as practicably possible. The Issue and Paying Agent shall give notice to the Holders in accordance with Condition 14 as soon as practicable thereafter.

Failure by the Calculation Agent to notify the parties of the occurrence of certain events shall not affect the validity of the occurrence and effect of such determination.

23. **FX Linked Instruments**

23.1 ***Interpretation***

Under the Programme, the FX Linked Instruments shall mean the Instrument where the Interest Rate, automatic early redemption and/or Maturity Redemption Amount shall be determined depending on the currency exchange rate between specified currencies or where in respect of the Instruments in certain currency, all or some of which interest and/or redemption payments shall be

made in another currency or, if applicable, any other currencies, and include, but not limited to, (i) the Instruments on which all or any of the interest amounts are linked to a specified currency, (ii) the Instruments of which automatic early redemption and/or final redemption are linked to a specified currency, or (iii) the Instruments in certain currency all or some of which interest and/or redemption payments shall be made in another currency or, if applicable, any other currencies, or (iv) any combination of the foregoing. If the relevant Final Terms provide that the relevant Instruments are FX Linked Instruments, the terms and conditions applicable to FX Linked Instruments are the Conditions, including the terms and conditions for FX Linked Instruments set out below (the "**FX Linked Conditions**"), as completed by the relevant Final Terms. In the event of any inconsistency between the Conditions and the FX Linked Conditions, the FX Linked Conditions shall prevail.

23.2 ***Definitions***

For the purposes of these FX Linked Conditions:

"**Additional Disruption Event**" means, if so specified in the relevant Final Terms, (i) a Change in Law, (ii) a Hedging Disruption and/or (iii) Increased Cost of Hedging.

"**Administrator/Benchmark Event**" means, in respect of any Instruments and a Relevant Benchmark (as defined below), any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case, as required under any applicable law or regulation in order for the Issuer, the Calculation Agent or any other entity to perform its or their respective obligations in respect of the Instruments, all as determined by the Issuer.

"**Automatic Early Redemption Amount**" means the Automatic Early Redemption Amount specified in the relevant Final Terms.

"**Automatic Early Redemption Date**" means each Automatic Early Redemption Date specified in the relevant Final Terms.

"**Automatic Early Redemption Valuation Date**" means each Automatic Early Redemption Valuation Date specified in the relevant Final Terms, or if that is not an FX Business Day the first following day which is an FX Business Day, or, if earlier, the Valuation Cut-Off Date.

"**Barrier Rate**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Barrier Rate for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Barrier Rate 1**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Barrier Rate 1 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Barrier Rate 2**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Barrier Rate 2 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Barrier Rate 3**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Barrier Rate 3 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Barrier Rate 4**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Barrier Rate 4 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Barrier Rate 5**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Barrier Rate 5 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Barrier Rate 6**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Barrier Rate 6 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Barrier Rate 7**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Barrier Rate 7 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Base Currency**" means the currency specified as such in the relevant Final Terms.

"**BRL**" means Brazilian Real, the lawful currency of the Federative Republic of Brazil.

"**Calculation Agent Determination**" means, in respect of a Currency Price and any relevant day, that such Currency Price for such relevant day (or a method for determining such Currency Price) will be determined by the Calculation Agent taking into consideration all available information that in good faith it deems relevant.

"**Change in Law**" means that, on or after the Issue Date of the Instruments (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) 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 in good faith that (a) it has become illegal to hold, acquire or dispose of the relevant Base Currency or Subject Currency, or (b) the Calculation Agent or its affiliates will incur a materially increased cost in performing its obligations in relation to the Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Conversion Rate 1**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Conversion Rate 1 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Conversion Rate 2**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Conversion Rate 2 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Conversion Rate 3**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Conversion Rate 3 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Conversion Rate 4**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Conversion Rate 4 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Conversion Rate 5**" means, in respect of a Base Currency and Subject Currency, such exchange rate as specified in the relevant Final Terms as the Conversion Rate 5 for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged).

"**Currency Price**" means, in relation to each Instrument (i) the Currency Price specified in the relevant Final Terms, or (ii) if not so specified in the relevant Final Terms, in respect of each Subject Currency, an amount equal to the Spot Exchange Rate appearing on the FX Price Source

at the Valuation Time on the relevant date for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged). The Currency Price may be derived from two exchange rates, if so specified in the relevant Final Terms, in which case each of the exchange rates shall be (i) the Currency Price 1 and Currency Price 2 specified in the relevant Final Terms, respectively, or (ii) if not so specified in the relevant Final Terms, defined as "**Currency Price 1**" and "**Currency Price 2**", respectively, and shall each be determined as an amount equal to the Spot Exchange Rate appearing on the FX Price Source at the Valuation Time on the relevant date for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged). The Currency Price, Currency Price 1 or Currency Price 2, as the case may be, shall, if so specified in the relevant Final Terms, be (a) rounded down, (b) rounded up or (c) rounded, to the nearest whole amount or the nearest number of decimal places (in case of (c) with half of such whole number or number of decimal places being rounded up).

"**Currency-Reference Dealers**" means, in respect of any relevant day, that the Calculation Agent will request each of the Reference Dealers to provide, as of the applicable Valuation Time on such relevant day, any of (a) mid-market quotations, (b) bid side or (c) ask side, as specified in the relevant Final Terms, as its rate for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged). The highest and the lowest of such quotations will be disregarded and the arithmetic mean of the remaining three quotations will be the relevant rate, as the case may be. *Provided that*, if only four quotations are so provided, then the relevant rate shall be the arithmetic mean of such quotations without regard to the highest and lowest values quoted. If fewer than four quotations but at least two quotations can be obtained then the relevant rate shall be the arithmetic mean of the quotations actually obtained by the Calculation Agent. If only one quotation is available, in that event, the Calculation Agent may determine that such quotation shall be the relevant rate, as the case may be, and if no such quotation is available or if the Calculation Agent determines in its sole discretion that no suitable reference dealer who is prepared to quote is available, the Calculation Agent will determine the relevant rate, as the case may be, in its sole discretion, acting in good faith and in accordance with standard market practice.

"**Disruption Fallback**" means, in respect of a Currency Price and/or any other relevant rate specified in the relevant Final Terms, Calculation Agent Determination, Currency-Reference Dealers, Fallback Reference Price and/or such other sources or methods specified as such or otherwise determined as an alternative basis for determining such Currency Price and/or any other relevant rate specified in the relevant Final Terms as may be provided in the relevant Final Terms. The applicable Disruption Fallback in respect of a Currency Price and/or any other relevant rate specified in the relevant Final Terms shall be as specified in the relevant Final Terms, and if two or more Disruption Fallbacks are specified, such Disruption Fallbacks shall apply in the order specified in the relevant Final Terms, such that if the Calculation Agent determines that the Currency Price and/or any other relevant rate specified in the Final Terms cannot be determined by applying one Disruption Fallback, then the next Disruption Fallback specified shall apply.

"**Fallback Reference Price(s)**" means, in respect of a Currency Price, that the Currency Price for the relevant date will be the alternate price source(s) specified in the relevant Final Terms for such Currency Price, applied in the order specified in the relevant Final Terms.

"**FX0**" means, the Currency Price on FX0 Fixing Date.

"**FX0 Fixing Date**" means the date specified in the relevant Final Terms; *provided that*, if FX0 is not available on initially scheduled FX0 Fixing Date, FX0 shall be determined in accordance with the methods as specified in the relevant Final Terms.

"**FX Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each of the Specified Financial Centres specified in the relevant Final Terms.

"**FX Price Source(s)**" means, in respect of a Currency Price, the price source(s) specified in the relevant Final Terms for Currency Price, or if the relevant rate is not published or announced by

such FX Price Source at the relevant time, the successor or alternative price source or page/publication for the relevant rate.

"**FX Price Source Disruption**" means it becomes impossible or otherwise impracticable to obtain and/or execute the relevant rate(s) required to calculate the Currency Price on the Valuation Date or other relevant date, or, if different, the day on which rates for that Valuation Date or other relevant date, as the case may be, would in the ordinary course be published or announced by the relevant FX Price Source.

"**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing, and the Issuer performing its obligations with respect to or in connection with, the FX Linked Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means any entity (or entities) engaged in any underlying or hedging transactions relating to the FX Linked Instruments and/or the Base Currency or Subject Currency in respect of the Issuer's obligations under the FX Linked Instruments.

"**Increased Cost of Hedging**" means that the Issuer or any of its agents would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the FX Linked Instruments, or (ii) realise, recover or remit the proceeds of any 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 Increased Cost of Hedging.

"**IDR**" means Indonesian Rupiah, the lawful currency of the Republic of Indonesia.

"**INR**" means Indian Rupee, the lawful currency of India.

"**JPY**" means Japanese Yen, the lawful currency of Japan.

"**Knock-out Price**" means the price specified as such in the relevant Final Terms.

"**Local Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business and settle payments in the following cities of the relevant Instruments (unless otherwise specified in the Final Terms):

(i) for BRL Instruments with JPY settlement conditions and BRL Instruments with USD settlement conditions: any of Rio de Janeiro, Brasilia or São Paulo;

(ii) for IDR Instruments with JPY settlement conditions: Jakarta; and

(iii) for INR Instruments with JPY settlement conditions: Mumbai.

"**Maximum Rate**" has the meaning specified in the relevant Final Terms.

"**Medium Rate**" has the meaning specified in the relevant Final Terms.

"**Minimum Rate**" has the meaning specified in the relevant Final Terms.

"**Minus Rate**" means the Minus Rate as specified in the relevant Final Terms to calculate the interest rate pursuant to Condition 23.3 (III).

"**Original Rate**" means the Original Rate as specified in the Final Terms to calculate the interest rate pursuant to Condition 23.3 (III).

"**Price Materiality Event**" means, in respect of a Currency Price and a Valuation Date or other relevant date, that the FX Price Source differs from the Fallback Reference Price by at least the Price Materiality Percentage (and if both an FX Price Source Disruption and a Price Materiality

Event occur or exist on any day, it shall be deemed that an FX Price Source Disruption and not a Price Materiality Event occurred or existed on such day).

"**Price Materiality Percentage**" means the percentage amount as specified in the relevant Final Terms.

"**Reference Dealers**" means, in respect of each Subject Currency, five (5) leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent.

"**Relevant Benchmark**" means any index by reference to which the amount payable under an Instrument, or the value of an Instrument, is determined, or an index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance.

"**Specified Financial Centre(s)**" means, with respect to an FX Business Day, such financial centre or centres as specified in the relevant Final Terms.

"**Spot Exchange Rate**" means the rate, being the bid spot rate, offer spot rate or mid-point between the bid spot rate and the offer spot rate, as specified in the relevant Final Terms.

"**Subject Currency**" means the currency specified as such in the relevant Final Terms.

"**Unscheduled Holiday**" means a day that is not a 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 a time later than 9:00 a.m. local time (of the city specified in the relevant Final Terms) two (2) Local Business Days (unless otherwise specified in the relevant Final Terms) prior to the relevant Valuation Date. For IDR Instruments with JPY settlement conditions, "two (2) Local Business Days" shall be replaced with "five (5) Local Business Days" unless otherwise specified in the relevant Final Terms.

"**Valuation Cut-Off Date**" means, in respect of a Valuation Date, (i) the date specified in the relevant Final Terms, or (ii) if not so specified, the fifth FX Business Day immediately following the original date on which such Valuation Date was scheduled to fall, or, if earlier, the FX Business Day falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, *provided that* the Valuation Cut-Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

"**Valuation Date**" means each Valuation Date specified in the relevant Final Terms or if that is not an FX Business Day the first following day which is an FX Business Day, or, if earlier the Valuation Cut-Off Date. If a Valuation Date falls on the Valuation Cut-Off Date, then, subject to the relevant Final Terms, the next applicable Disruption Fallback shall apply, or, if none is specified, Calculation Agent Determination shall be deemed to apply. If, in respect of a Valuation Date, Unscheduled Holiday is specified as applicable in the relevant Final Terms and an Unscheduled Holiday falls between such Valuation Date and the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, there shall be no adjustment to such Valuation Date.

"**Valuation Time**" means the Valuation Time specified in the relevant Final Terms.

23.3 ***FX Linked Interest***

If the relevant Final Terms provide that the FX Linked Interest Provisions are applicable, the details of the method of the calculation and/or determination of the amount of such interest shall be the FX Linked Interest Formula which shall be one of the items (I) through (IV) below as specified in the relevant Final Terms:

(I) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Currency Price is (x) equal to or greater than or (y) greater than, as

specified in the relevant Final Terms, the Barrier Rate, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Currency Price is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Barrier Rate, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(II) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Currency Price is (x) equal to or greater than or (y) greater than, as specified in the relevant Final Terms, the Barrier Rate 1, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5;

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Currency Price is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Barrier Rate 1 but is (x) equal to or greater than or (y) greater than, as specified in the Final Terms, the Barrier Rate 2, then the Interest Rate applicable for the relevant Interest Period shall be the Medium Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(c) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Currency Price is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Barrier Rate 2, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(III) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

$$Original\ Rate \times (Currency\ Price\ on\ the\ Valuation\ Date\ immediately\ preceding\ the\ relevant\ Interest\ Payment\ Date /FX0) - Minus\ Rate] \times Calculation\ Amount \times Day\ Count\ Fraction.$$

(IV) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion in accordance with the following:

$$Currency\ 1\ Amount \times FXn\ minus\ Currency\ 2\ Amount$$

In other words, the interest amount shall be calculated by applying the Interest Rate to be determined pursuant to the following formula:

*Rate 1 x (FXn / FX Rate) minus Rate 2*

Where:

"**Currency 1 Amount**" has the meaning given in the relevant Final Terms.

"**Currency 2 Amount**" has the meaning given in the relevant Final Terms.

"**Determination Date(s)**" has the meaning given in the relevant Final Terms.

"**FXn**" means the currency pair spot rate expressed as the amount of Currency A which can be bought by the same number of units of Currency B and where the relevant currencies are identified by the Currency and Settlement Rate Options specified in the relevant Final Terms. For the purposes of determining FXn, "**Currency**" and "**Settlement Rate Option**" shall have the meaning given to them in the 1998 FX and Currency Option Definitions (and Annex A thereto) published by ISDA.

"**FX Rate**" has the meaning given in the relevant Final Terms.

"**Rate 1**" has the meaning given in the relevant Final Terms.

"**Rate 2**" has the meaning given in the relevant Final Terms.

23.4 ***FX Linked Redemption***

(a) *FX Linked Automatic Early Redemption*

If the relevant Final Terms provide that FX Linked Automatic Early Redemption is applicable, it shall constitute an Automatic Early Redemption Event if the Calculation Agent determines that the Currency Price on any Automatic Early Redemption Valuation Date is (x) equal to or greater than or (y) greater than, as specified in the Final Terms, the Knock-out Price, and the Issuer shall redeem the Instruments in whole or in part in an amount per Calculation Amount equal to the Automatic Early Redemption Amount on the relevant Automatic Early Redemption Date.

(b) *FX Linked Final Redemption*

If the relevant Final Terms provide that the Instruments are the FX Linked Redemption Instruments, the Instruments shall be redeemed at the amount in such currency in accordance with the FX Linked Redemption Formula which shall be item (I), (II), (III), (IV), (V) or (VI) below as specified in the relevant Final Terms.

(I) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if on the Valuation Date immediately preceding the Maturity Date, the Currency Price is (x) greater than or (y) equal to or greater than, as specified in the relevant Final Terms, the Barrier Rate 3, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount payable in the Base Currency;

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula, payable in the Subject Currency:

$$Calculation\ Amount\ /\ Conversion\ Rate\ 1,$$

*provided that* the results thereof shall be rounded to the nearest whole sub-unit or, if there is no sub-unit, the nearest whole unit of the relevant Subject Currency.

(II) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following formula, payable in the Base Currency:

$$Calculation\ Amount\ multiplied\ by\ Conversion\ Rate\ 2\ /\ Conversion\ Rate\ 3,$$

*provided that* the result thereof shall be rounded to the nearest whole sub-unit, or if there is no sub-unit, the nearest whole unit of the relevant Base Currency.

(III) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if on the Valuation Date immediately preceding the Maturity Date, the Currency Price is (x) greater than or (y) equal to or greater than, as specified in the relevant Final Terms, the Barrier Rate 4, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount payable in the Base Currency;

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula, payable in the Base Currency:

$$Calculation\ Amount\ multiplied\ by\ Conversion\ Rate\ 2 \\ /\ Conversion\ Rate\ 3,$$

*provided that* the results thereof shall be rounded to the nearest whole sub-unit or, if there is no sub-unit, the nearest whole unit of the relevant Base Currency.

(IV) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if on the Valuation Date immediately preceding the Maturity Date, the Currency Price is (A)(x) greater than or (y) equal to or greater than, as specified in the relevant Final Terms, the Barrier Rate 5 and (B)(x) equal to or less than or (y) less than, as specified in the relevant Final Terms, FX0, the Maturity Redemption Amount per Calculation Amount shall be the amount in the Subject Currency calculated in accordance with the following formula:

*Calculation Amount plus Bonus Amount* ("**Bonus Redemption Amount**"),

and shall be paid in the Base Currency calculated in accordance with the following formula:

*Bonus Redemption Amount multiplied by the Currency Price on the Valuation Date immediately preceding the Maturity Date*,

*provided that* the results thereof shall be rounded to the nearest whole sub-unit or, if there is no sub-unit, the nearest whole unit of the relevant Base Currency.

For the avoidance of doubt only, such resulting amount in the Base Currency is equivalent to the amount in the Base Currency that would be obtained by multiplying the Calculation Amount by FX0.

Where:

"**Bonus Amount**" means an amount in the Subject Currency calculated in accordance with the following formula:

*Calculation Amount multiplied by (FX0 / the Currency Price on the Valuation Date immediately preceding the Maturity Date - 1),*

*provided that* the results thereof shall be rounded to the nearest whole sub-unit or, if there is no sub-unit, the nearest whole unit of the relevant Subject Currency.

(ii) if on the Valuation Date immediately preceding the Maturity Date, the Currency Price is (A)(x) equal to or less than or (y) less than, as specified in the relevant Final Terms, Barrier Rate 5 or (B)(x) greater than or (y) equal to or greater than, as specified in the relevant Final Terms, the FX0, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount and payable in the Base Currency calculated in accordance with the following formula:

*Calculation Amount multiplied by the Currency Price on the Valuation Date immediately preceding the Maturity Date,*

*provided that* the results thereof shall be rounded to the nearest whole sub-unit or, if there is no sub-unit, the nearest whole unit of the relevant Base Currency.

(V) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if on the Valuation Date immediately preceding the Maturity Date, the Currency Price is (x) greater than or (y) equal to or greater than, as specified in the relevant Final Terms, the Barrier Rate 6, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount payable in the Subject Currency;

$$Calculation\ Amount\ x\ Conversion\ Rate\ 4,$$

*provided that* the results thereof shall be rounded to the nearest whole sub-unit or, if there is no sub-unit, the nearest whole unit of the relevant Subject Currency.

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula, payable in the Base Currency.

(VI) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if on the Valuation Date immediately preceding the Maturity Date, the Currency Price is (x) greater than or (y) equal to or greater than, as specified in the relevant Final Terms, the Barrier Rate 7, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount payable in the Base Currency;

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be calculated in accordance with the following formula, payable in the Base Currency:

$$Calculation\ Amount\ x\ Currency\ Price\ on\ the\ Valuation\ Date\ immediately\ preceding\ the\ Maturity\ Date\ /\ Conversion\ Rate\ 5,$$

*provided that* the results thereof shall be rounded to the nearest whole sub-unit or, if there is no sub-unit, the nearest whole unit of the relevant Base Currency.

23.5 ***Instruments with Dual or Other Currency Settlement Conditions***

(a) *General*

If the relevant Final Terms provide that the Dual or Other Currency Settlement Conditions is applicable, the Maturity Redemption Amount per Calculation Amount which shall be

payable in the Subject Currency on Maturity Date or, if so specified in the relevant Final Terms, the interest amount payable in the Subject Currency on each Interest Payment Dates shall be calculated or determined pursuant to one of the items (I), (II) or (III) below as specified in the relevant Final Terms:

(I) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date and/or the interest amount per Calculation Amount payable on each Interest Payment Date shall be calculated by the Calculation Agent in accordance with the following formula:

*Maturity Redemption Amount or, if applicable, the Interest Amount in the Base Currency x Currency Price on the applicable Valuation Date*; or

(II) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date and/or the interest amount per Calculation Amount payable on each Interest Payment Date shall be calculated by the Calculation Agent in accordance with the following formula:

*Maturity Redemption Amount or, if applicable, the Interest Amount in the Base Currency / Currency Price on the applicable Valuation Date*; or

(III) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date and/or the interest amount per Calculation Amount payable on each Interest Payment Date shall be the amount specified in the relevant Final Terms.

(b) *BRL Instruments with JPY settlement conditions*

In the cases where the relevant Final Terms provide that this Condition 23.5(b) is applicable, the following provisions shall apply to the settlement conditions:

(i) All payments in respect of the BRL Instruments shall be made in JPY. The JPY amount payable for the relevant payment shall equal to the BRL payment amount multiplied by the Currency Price as of the relevant Valuation Date, calculated and determined by the Calculation Agent and being rounded to the nearest JPY (with 0.5 being rounded up); *provided that*, for the determination of the JPY amount for an early redemption payment on an early redemption for tax reasons or an Event of Default, the Valuation Date shall be deemed to occur on (x) the day that is ten (10) Business Days prior to the day on which the Early Redemption Amount or the Early Termination Amount (as applicable) shall be due and payable or (y) any other day specified in the relevant Final Terms.

(ii) For the calculation and determination of the Currency Price as of the Valuation Date, notwithstanding the definition "Currency Price" in this Condition 23, the Currency Price as of the Valuation Date shall be the price to be determined by the Calculation Agent on the relevant Valuation Date as the inversed number (expressed as the number of JPY per 1.00 BRL and being rounded to the nearest two decimal places (with 0.005 being rounded up)) of either (x) the arithmetic average of bid side and ask side or (y) the ask side, as specified in the relevant Final Terms, of the BRL-PTAX Rate.

For the purpose of this Condition 23.5(b), "**BRL-PTAX Rate**" means, in respect of any date, the JPY/BRL commercial rate, expressed as the number of BRL per 1.00 JPY as reported by Banco Central do Brasil on its website at (http://www.bcb.gov.br/?english) by approximately 1:15 p.m. São Paulo time on such date, and published on Bloomberg page <JPYBRL PTAX Curncy> (or any substitute or successor page), *provided that* the BRL-PTAX Rate found on the Banco Central do Brasil website shall prevail in case of conflict with the BRL-PTAX Rate appearing on Bloomberg page <JPYBRL PTAX Curncy> (or any substitute or successor page).

(c) *IDR Instruments with JPY settlement conditions*

In the cases where the relevant Final Terms provide that this Condition 23.5(c) is applicable, the following provisions shall apply to the settlement conditions:

(i) All payments in respect of the IDR Instruments shall be made in JPY. The JPY amount payable for the relevant payment shall equal to the IDR payment amount multiplied by the Currency Price as of the relevant Valuation Date, calculated and determined by the Calculation Agent and being rounded to the nearest JPY (with 0.5 being rounded up); *provided that*, for the determination of the JPY amount for an early redemption payment on an early redemption for tax reasons or an Event of Default, the Valuation Date shall be deemed to occur on (x) the day that is five (5) Business Days prior to the day on which the Early Redemption Amount or the Early Termination Amount (as applicable) shall be due and payable or (y) any other day specified in the relevant Final Terms.

(ii) For the calculation and determination of the Currency Price as of the Valuation Date, notwithstanding the definition "Currency Price" in this Condition 23, the Currency Price as of the Valuation Date shall be the price to be determined by the Calculation Agent on the relevant Valuation Date as the number (expressed as the number of JPY per 1.00 IDR and being rounded to the nearest six decimal places (with 0.0000005 being rounded up)) in accordance with the following formula:

*USD/JPY Reference Rate divided by USD/IDR Reference Rate*.

For the purpose of the foregoing:

"**Jakarta Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for business and settle payments in Jakarta.

"**USD/IDR Reference Rate**" means, in respect of any date, the USD/IDR spot rate, expressed as the amount of IDR per 1.00 USD, for settlement in two (2) Jakarta Business Days, as published on Reuters page "JISDOR" (or any substitute or successor page for the purpose of displaying the USD/IDR foreign exchange rate), at approximately 10:00 a.m. (Jakarta time), or as soon thereafter as practicable.

"**USD/JPY Reference Rate**" means:

(A) where the relevant Final Terms provide that "bid" is applicable, in respect of any date, the USD/JPY bid rate, expressed as the amount of JPY per 1.00 USD, as published on Bloomberg page "BFIX" or any substitute or successor page, at 12:00 noon (Tokyo time), or as soon thereafter as practicable; or

(B) where the relevant Final Terms provide that "mid" is applicable, the arithmetic mean of bid and offered rate for USD/JPY foreign exchange rate (expressed as the number of JPY per 1.00 USD), at approximately 12:00 noon (Tokyo time) on the relevant date on Bloomberg page "BFIX" (or any substitute or successor page for the purpose of displaying such rate).

(d) *INR Instruments with JPY settlement conditions*

In the cases where the relevant Final Terms provide that this Condition 23.5(d) is applicable, the following provisions shall apply to the settlement conditions:

(i) All payments in respect of the INR Instruments shall be made in JPY. The JPY amount payable for the relevant payment shall equal to the INR payment amount multiplied by the Currency Price as of the relevant Valuation Date, calculated and determined by the Calculation Agent and being rounded to the nearest JPY (with

0.5 being rounded up); *provided that*, for the determination of the JPY amount for an early redemption payment on an early redemption for tax reasons or an Event of Default, the Valuation Date shall be deemed to occur on (x) the day that is five (5) Business Days prior to the day on which the Early Redemption Amount or the Early Termination Amount (as applicable) shall be due and payable or (y) any other day specified in the relevant Final Terms.

(ii) For the calculation and determination of the Currency Price as of the Valuation Date, notwithstanding the definition "Currency Price" in this Condition 23, the Currency Price as of the Valuation Date shall be the price to be determined by the Calculation Agent on the relevant Valuation Date as the number (expressed as the number of JPY per 1.00 INR and being rounded to the nearest four decimal places (with 0.00005 being rounded up)) in accordance with the following formula:

*100 divided by INR/JPY Fixing Rate*.

For the purpose of the foregoing:

"**INR/JPY Fixing Rate**" means, in respect of any date, the rate expressed as the amount of INR per one hundred JPY, as observed on Reuters Screen "FBIL" or any substitute or successor page, at approximately 1:30 p.m. (India Standard Time), or as soon thereafter as practicable.

(e) *BRL Instruments with USD settlement conditions*

In the cases where the relevant Final Terms provide that this Condition 23.5(e) is applicable, the following provisions shall apply to the settlement conditions:

(i) All payments in respect of the BRL Instruments shall be made in USD. The USD amount payable for the relevant payment shall equal to the BRL payment amount divided by the Currency Price as of the relevant Valuation Date, calculated and determined by the Calculation Agent and being rounded to the nearest USD cent (with 0.005 being rounded up); *provided that*, for the determination of the USD amount for an early redemption payment on an early redemption for tax reasons or an Event of Default, the Valuation Date shall be deemed to occur on (x) the day that is five (5) Business Days prior to the day on which the Early Redemption Amount or the Early Termination Amount (as applicable) shall be due and payable or (y) any other day specified in the relevant Final Terms.

(ii) For the calculation and determination of the Currency Price as of the Valuation Date, notwithstanding the definition "Currency Price" in this Condition 23, the Currency Price as of the Valuation Date shall be the BRL/USD-PTAX Rate determined by the Calculation Agent on the relevant Valuation Date.

For the purpose of this Condition 23.5, "**BRL/USD-PTAX Rate**" means, in respect of any date, the BRL/USD offered foreign exchange rate, expressed as the amount of BRL (or fractional amounts thereof) per 1.00 USD, as reported by the Banco Central do Brasil on its website at http://www.bcb.gov.br/?english; see "Cotações e boletins" by approximately 1:15 p.m., São Paulo time on such date, and published on Bloomberg page <BRL PTAX Curncy> (or any substitute or successor page), *provided that* the BRL/USD-PTAX Rate found on the Banco Central do Brasil website shall prevail in case of conflict with the BRL/USD-PTAX Rate appearing on Bloomberg page <BRL PTAX Curncy> (or any substitute successor page).

23.6 ***Occurrence of FX Price Source Disruption***

(a) *General*

If the FX Price Source Disruption occurs on the Valuation Date or other relevant date, as the case may be, and is continuing on such date, the Currency Price on such day shall be determined in accordance with the methods specified as Disruption Fallbacks in the relevant Final Terms. In the event that the Currency Price is calculated and/or determined

pursuant to a formula in which two or more exchange rates are used, Disruption Fallbacks may apply to each exchange rate in a different manner.

(b) *IDR Instruments with JPY settlement conditions*

In the cases where the relevant Final Terms provide that a Specified Currency is IDR and the FX Price Source Disruption occurs on the Valuation Date or other relevant date, as the case may be, and is continuing on such date, the USD/IDR Reference Rate or the USD/JPY Reference Rate on such day shall be determined by the Calculation Agent in good faith and in a commercially reasonable manner. The Currency Price shall be calculated using such USD/IDR Reference Rate or the USD/JPY Reference Rate as determined by the Calculation Agent.

Notwithstanding the definition "FX Price Source Disruption" in this Condition 23, for the sole purpose of this paragraph (b), "**FX Price Source Disruption**" means that (x) the USD/IDR Reference Rate or the USD/JPY Reference Rate does not appear at the relevant time on the relevant Valuation Date or other relevant date, or the Calculation Agent reasonably determines that the rate as published is not representative; or (y) it becomes impossible or otherwise impracticable to obtain the USD/IDR Reference Rate or the USD/JPY Reference Rate on the Valuation Date or other relevant date, as specified in the relevant Final Terms.

(c) *INR Instruments with JPY settlement conditions*

In the cases where the relevant Final Terms provide that a Specified Currency is INR and the FX Price Source Disruption occurs on the Valuation Date or other relevant date, as the case may be, and is continuing on such date, the Currency Price on such day shall be determined by the Calculation Agent in good faith and in a commercially reasonable manner.

Notwithstanding the definition "FX Price Source Disruption" in this Condition 23, for the sole purpose of this paragraph (c), "**FX Price Source Disruption**" means that (x) the INR/JPY Fixing Rate does not appear at the relevant time on the relevant Valuation Date or other relevant date, or the Calculation Agent reasonably determines that the rate as published is not representative; or (y) it becomes impossible or otherwise impracticable to obtain the INR/JPY Fixing Rate on the Valuation Date or other relevant date, as specified in the relevant Final Terms.

23.7 ***Occurrence of Price Materiality Event***

If the Price Materiality Event is specified to apply in the relevant Final Terms, the following provisions shall apply.

If the Price Materiality Event occurs on the Valuation Date or other relevant date, as the case may be, and is continuing on such date, the Currency Price on such day shall be determined in accordance with the relevant Final Terms.

In the event that the Currency Price is calculated and/or determined pursuant to a formula in which two or more exchange rates are used, the Price Materiality Event may not be applicable to all of such exchanges rates and/or Disruption Fallbacks may apply to each exchange rate in a different manner.

23.8 ***Corrections to Published and Displayed Rates***

If Corrections to Published and Displayed Rates are specified to apply in the relevant Final Terms, the following provisions shall apply:

(a) In any case where a Currency Price is based on information obtained from the Reuters Monitor Money Rates Service, or any other financial information service, the Currency Price will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source,

unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

(b) Notwithstanding Condition 23.8(a), in any case where the Currency Price is based on information published or announced by any governmental authority in a relevant country, the Currency Price will be subject to the corrections, if any, to that information subsequently published or announced by that source within five (5) days of the relevant date, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

23.9 ***Successor Currency***

Where the relevant Final Terms specify that "**Successor Currency**" is applicable in respect of a Currency Price, then, either or both of the following paragraphs are applicable:

(a)

(i) each Subject Currency and Base Currency will be deemed to include any lawful successor currency to the Subject Currency or Base Currency (the "**Successor Currency**");

(ii) if the Calculation Agent determines that on or after the Issue Date but on or before any relevant date under the Instruments on which an amount may be payable, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on the Issue Date or any Successor Currency, as the case may be (the "**Original Currency**") for a Successor Currency, then for the purposes of calculating any amounts of the Original Currency or effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency by multiplying the amount of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by the relevant country of the Original Currency for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place, as determined by the Calculation Agent. If there is more than one such date, the date closest to such relevant date will be selected (or such other date as may be selected by the Calculation Agent in its sole and absolute discretion);

(iii) notwithstanding paragraph (ii) above but subject to paragraph (iv) below, the Calculation Agent may (to the extent permitted by the applicable law), in good faith and in a commercially reasonably manner, select such other exchange rate or other basis for the conversion of an amount of the Original Currency to the Successor Currency and, will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Instruments to account for such elimination, conversion, redenomination or exchange of the Subject Currency or Base Currency, as the case may be; and

(iv) notwithstanding the foregoing provisions, with respect to any Subject Currency or Base Currency that is substituted or replaced by the Euro, the consequences of such substitution or replacement will be determined in accordance with applicable law.

(b) In the event that the Issuer is due to make a payment in the Specified Currency in respect of any Instrument and Specified Currency is not available on the foreign exchange markets due to the imposition of exchange controls, Specified Currency's replacement or disuse or other circumstances beyond the Issuer's control, the Issuer will be entitled to satisfy its obligations in respect of such payment by making payment in a currency and at an exchange rate determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner. Any payment made by the Issuer pursuant to Condition 23.9(b) shall constitute valid payment and shall not constitute an Event of Default under Condition 7.

23.10 ***Additional Disruption Events and Administrator/Benchmark Events***

(a) If an Additional Disruption Event and/or an Administrator/Benchmark Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the multiplier and/or any of the other terms of these Conditions and/or the relevant Final Terms to account for the Additional Disruption Event and/or Administrator/Benchmark Event (as applicable) and determine the effective date of that adjustment; or

(ii) redeem the Instruments by giving notice to the Holders of Instruments in accordance with Condition 14. If the Instruments are so redeemed the Issuer will pay an amount to each Holder of Instrument in respect of each Instrument held by him which amount shall be the fair market value of the Instrument taking into account the Additional Disruption Event and/or the Administrator/Benchmark Event less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders of Instruments in accordance with Condition 14.

(b) Upon the occurrence of an Additional Disruption Event and/or an Administrator/Benchmark Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 14 stating the occurrence of the Additional Disruption Event and/or an Administrator/Benchmark Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

23.11 ***Calculations Binding***

The Calculation Agent has been appointed as such in order to determine in its sole discretion the calculations with respect to certain amounts payable under the Instruments and the determination with respect to certain events as more fully specified herein in accordance with the calculation agency agreement entered into between the Issuer and the Calculation Agent which constitutes the "Calculation Agency Agreement". All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the determinations by the Calculation Agent shall, in the absence of manifest error, be binding on the Issuer, the Issue and Paying Agent, the other Paying Agents and the Holders and (in the absence as aforesaid) no liability to the Issuer or the Holders shall attach to the Calculation Agent in connection with the exercise by it of its powers, duties and discretion pursuant to the provisions therein. Any notice to be given by the Calculation Agent shall be deemed to have been given if given in accordance with the Calculation Agency Agreement. The Calculation Agent shall notify the Issue and Paying Agent, the Issuer, and in the case of VPS Instruments, the VPS and the VPS Account Operator of the results of all calculations and determinations conducted or made pursuant to the provisions in these FX Linked Conditions as soon as practicably possible. The Issue and Paying Agent shall give notice to the Holders in accordance with Condition 14 as soon as practicable thereafter.

Failure by the Calculation Agent to notify the parties of the occurrence of certain events shall not affect the validity of the occurrence and effect of such determination.

24. **Fund Linked Instruments**

24.1 ***Interpretation***

Under the Programme, Fund Linked Instruments shall mean Instruments in respect of which the Interest Rate, automatic early redemption and/or Maturity Redemption Amount shall be calculated or determined by reference to a single fund or a basket of funds, and including, without limitation, (i) Instruments on which all or any of the interest amounts are linked to a specified fund or basket of specified funds, (ii) Instruments of which automatic early redemption and/or final redemption are linked to a specified fund or basket of specified funds, or (iii) any combination of the foregoing. If the relevant Final Terms provide that the relevant Instruments are Fund Linked Instruments, the

terms and conditions applicable to Fund Linked Instruments are the Conditions and the additional terms and conditions for Fund Linked Instruments set out in this Condition 24 (the "**Fund Linked Conditions**"), in each case subject to completion by the relevant Final Terms. In the event of any inconsistency between the Conditions and the Fund Linked Conditions, the Fund Linked Conditions shall prevail.

24.2 ***Definitions (Funds other than Exchange Traded Funds)***

"**Affected Fund Interest**" means the Fund Interest affected by any of Fund Event as determined by the Calculation Agent in its sole and absolution discretion.

"**Basket of Funds**" means a basket composed of Funds in the relative proportions or number of Funds, as specified in the relevant Final Terms.

"**Fund**" means, subject to adjustment in accordance with these Fund Linked Conditions, each fund specified in the relevant Final Terms and related expressions shall be construed accordingly.

"**Fund Administrator**" means the fund administrator, manager, trustee or similar person with the primary administrative responsibilities for a Fund according to the relevant Fund Documents.

"**Fund Adviser**" means any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary investment adviser).

"**Fund Documents**" means the constitutive and governing documents, subscription agreements and other agreements of a Fund specifying the terms and conditions relating to the related Fund Interest, as amended from time to time.

"**Fund Event**" has the meaning given to it in Condition 24.3.

"**Fund Interest**" means, subject to adjustment in accordance with these Fund Linked Conditions, each fund interest specified in the relevant Final Terms and related expressions shall be construed accordingly.

"**Fund Redemption Valuation Date**" means, in respect of a Fund Interest, the date as of which a Fund (or its Fund Service Provider that generally determines such value) would determine the net asset value of such Fund Interest for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date.

"**Fund Service Provider**" means any person who is appointed to provide services, directly or indirectly, to a Fund, whether or not specified in the relevant Fund Documents, including without limitation any Fund Administrator, Fund Adviser, operator, management company, depositary, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent or domiciliary agent.

"**Fund Valuation Date**" means a date as of which a Fund (or its Fund Service Provider that generally determines such value) determines the value of the related Fund Interest.

"**Hypothetical Investor**" means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in Fund Interests which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding Fund Interests at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Calculation Agent or any of their affiliates (as determined by the Calculation Agent in the context of the relevant situation).

"**Market Value Redemption Amount**" means an amount in the Specified Currency determined by the Calculation Agent in its sole and absolute discretion to be the fair market value of such Instrument immediately prior to such early redemption, adjusted to account fully for any reasonable expenses and costs to the Issuer of unwinding any underlying and/or related hedging and funding

arrangements (including, without limitation, any equity or currency options hedging the Issuer's obligations under the Instrument).

"**Removal Date**" means, in respect of an Affected Fund Interest, the date on which the Calculation Agent determines that a Hypothetical Investor would receive the Removal Value in respect of a redemption or realisation of such Affected Fund Interest effected as soon as reasonably practicable following the occurrence of the relevant Fund Event.

"**Removal Value**" means, in respect of an Affected Fund Interest, the amount that the Calculation Agent determines a Hypothetical Investor would receive in cash on the redemption or realisation of such Affected Fund Interest at the relevant time, *provided that* if any such redemption proceeds would comprise non-monetary assets the Removal Value may, at the sole and absolute discretion of the Calculation Agent, include only such amount (if any) that the Calculation Agent determines would be received by the Hypothetical Investor in respect of a realisation (in whatsoever manner the Calculation Agent determines appropriate) of such non-monetary assets as soon as reasonably practicable after their receipt.

"**Scheduled Fund Redemption Valuation Date**" means the date as of which a Fund (or its Fund Service Provider that generally determine such value) is scheduled, according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the net asset value of the related Fund Interest for purposes of calculating the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date.

"**Scheduled Fund Valuation Date**" means, in respect of a Fund Interest, a date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the value of the related Fund Interest or, if the Fund only reports its aggregate net asset value, the date as of which such Fund is scheduled to determine its aggregate net asset value.

"**Valuation Date**" means each Valuation Date specified in the relevant Final Terms.

24.3 ***Fund Events***

"**Fund Event**" means the occurrence of each of an Additional Fund Disruption Event, a Fund Disruption Event and/or a Fund Extraordinary Event as determined by the Calculation Agent.

(a) "**Additional Fund Disruption Event**" means each of Change in Law, Fund Hedging Disruption or Increased Cost of Hedging.

"**Change in Law**" means that, on or after the Issue Date of the Instruments (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) 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 or any of its agents acting on its behalf determines in good faith that (x) it has become illegal to hold, acquire or dispose of any Fund Interests, or (y) the Issuer will incur a materially increased cost in performing its obligations under the Fund Linked Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Fund Hedging Disruption**" means that the Issuer or any of its agents is unable, or it is impractical for the Issuer or any of its agents, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary or appropriate to hedge the risk of the Issuer issuing and performing its obligations with respect to the Fund Linked Instruments, or (ii) 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 (x) any

restrictions or increase in charges or fees imposed by a Fund on an investor's ability to redeem the related Fund Interest, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Interest, or (y) any mandatory redemption, in whole or in part, of a Fund Interest imposed by the related Fund (in each case other than any restriction in existence on the Issue Date of the Instruments or, in respect of a Replacement Fund Interest, the relevant replacement date).

"**Increased Cost of Hedging**" means that the Issuer or any of its agents would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the Fund Linked Instruments, or (ii) realise, recover or remit the proceeds of any 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 Increased Cost of Hedging.

"**Fund Disruption Event**" means at any time the occurrence or continuance of any of the following events, as determined by the Calculation Agent in its sole and absolute discretion, if the Calculation Agent determines any such event is material:

(i) *Fund Valuation Disruption*: "**Fund Valuation Disruption**" means (x) the failure of a Scheduled Fund Redemption Valuation Date in respect of a Fund Interest to be a Fund Redemption Valuation Date in respect of such Fund Interest or any continued postponement of such Fund Redemption Valuation Date, or (y) the failure of a Scheduled Fund Valuation Date in respect of a Fund Interest to be a Fund Valuation Date in respect of such Fund Interest or any continued postponement of such Fund Valuation Date;

(ii) *Fund Settlement Disruption*: "**Fund Settlement Disruption**" means a failure by a Fund on any day to pay the full amount (whether expressed as a percentage or otherwise) of any fund redemption proceeds with respect to any Fund Interest scheduled to have been paid on or by such day according to the relevant Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests).

(b) "**Fund Extraordinary Event**" means each of the following events:

(i) *Nationalisation*: "**Nationalisation**" means that all the Fund Interests or all or substantially all the assets of a Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

(ii) *Insolvency*: "**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (x) all the Fund Interests of that Fund are required to be transferred to a trustee, liquidator or other similar official or (y) holders of the Fund Interests of that Fund become legally prohibited from transferring or redeeming them;

(iii) *Fund Insolvency Event*: "**Fund Insolvency Event**" means a Fund or relevant Fund Service Provider (A) is dissolved or has a resolution passed for its dissolution, winding-up or 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) (x) 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 (y) 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 sub-paragraph (x) above and either (1) 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 (2) is not dismissed, discharged, stayed or restrained in each case within fifteen 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 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 fifteen 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 paragraphs (E) and (F) above;

(iv) *NAV Trigger Event*: "**NAV Trigger Event**" means that (x) the aggregate net asset value of a Fund has decreased by an amount equal to or greater than 30 per cent. since the Issue Date of the Instruments or, in respect of a Replacement Fund Interest, the relevant replacement date; or (y) a Fund has violated any leverage restriction that is applicable to, or affecting, it 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 relevant Fund Documents or any contractual restriction binding on or affecting the Fund or any of its assets;

(v) *Adviser Resignation Event*: "**Adviser Resignation Event**" means the resignation, termination of appointment, or replacement of a Fund's Fund Adviser;

(vi) *Fund Modification*: "**Fund Modification**" means any change or modification of the relevant Fund Documents that could reasonably be expected to affect the value of a Fund Interest 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 of the Instruments or, in respect of a Replacement Fund Interest, the relevant replacement date; or the imposition of any fees or charges in relation to redemptions, subscriptions or transfers of Fund Interests;

(vii) *Strategy Breach*: "**Strategy Breach**" means any breach or violation of any strategy or investment guidelines stated in the relevant Fund Documents that is reasonably likely to affect the value of a Fund Interest or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent); or any change of the nature of a Fund, including but not limited to the type of investments, the duration, the credit risk and diversification of the investments to which that Fund is exposed, which, in the opinion of the Calculation Agent, results in a material deterioration of the risk profile of that Fund;

(viii) *Regulatory Action*: "**Regulatory Action**" means (x) the cancellation, suspension or revocation of the registration or approval of a Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund, (y) any change in the legal, tax, accounting, or regulatory treatments of a Fund or its Fund Adviser that is reasonably likely to have an adverse impact on the value of the related Fund Interest or on any investor therein (as determined by the Calculation Agent), or (z) a Fund or any of its Fund Administrator or Fund Adviser becoming subject to 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, Fund Administrator or Fund Adviser;

(ix) *Reporting Disruption*: "**Reporting Disruption**" means (x) occurrence of any event affecting a Fund Interest that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of such Fund Interest in respect of a Scheduled Fund Valuation Date or a Scheduled Fund Redemption Valuation Date, and such event continues for at least two consecutive Scheduled Fund Valuation Dates or Scheduled Fund Redemption Valuation Dates, as the case may be; (y) any failure of a Fund to deliver, or cause to be delivered, (A) information that such Fund has agreed to deliver, or cause to be delivered to the Calculation Agent, including, but not limited to, information to determine the occurrence of a Fund Event and the annual audited financial report and semi-annual financial report, if any, in relation to the related Fund Interests, or (B) information that has been previously delivered to the Calculation Agent, in accordance with such Fund's, or its authorised representative's, normal practice and that the Calculation Agent deems necessary to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the related Fund Interests;

(x) *Fund Service Provider Cessation*: "**Fund Service Provider Cessation**" means that one or more Fund Service Provider(s) in respect of a Fund ceases to provide the service as outlined in the relevant Fund Documents prevailing on the Issue Date of the Instruments or, where the related Fund Interest is a Replacement Fund Interest, the relevant replacement date, and any such Fund Service Provider is not immediately replaced by another service provider acceptable to the Calculation Agent;

(xi) *Fund Administrator Disruption*: "**Fund Administrator Disruption**" means any event or circumstances compromising the independence of a Fund Administrator performing services for a Fund from the relevant Fund Adviser; or

(xii) *Related Agreement Termination*: "**Related Agreement Termination**" means a Fund or any of its Fund Administrator or Fund Adviser is in breach of or has terminated any existing agreement with the Calculation Agent in respect of, but not limited to, retrocession, dealing fees, liquidity and licensing.

Following the occurrence of a Fund Event, the Calculation Agent, in its sole and absolute discretion may take the action described in (i) or (ii) below as it determines to be practicable, after all necessary information has been obtained and/or released by the Fund:

(i) after consultation with the Issuer determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the relevant Final Terms and/or any of the Conditions to account for the Fund Event, which may include, without limitation,

(a) delaying any determination date (including any Valuation Date) and/or any date on which payment might otherwise have to be made under the terms of the relevant Final Terms until it determines that no Fund Event exists;

(b) calculating the value of an Affected Fund Interest with a replacement fund interest (the "**Replacement Fund Interest**") with a value as determined by the Calculation Agent equal to the Removal Value for the Affected Fund Interest and in a fund which in the determination of the Calculation Agent has similar characteristics, investment objectives and policies to those applicable to the Fund in respect of the Affected Fund Interest immediately prior to the occurrence of the Fund Event; or

(ii) after consultation with the Issuer, require the Issuer to thereafter, redeem all, but not some only, of the Instruments, at the Market Value Redemption Amount.

If the Calculation Agent replaces an Affected Fund Interest with a Replacement Fund Interest, such replacement shall take effect on the first reasonably practicable date following the Removal Date for such Affected Fund Interest on which the Calculation Agent determines that a Hypothetical Investor could acquire the Replacement Fund Interest.

Upon the occurrence of a Fund Event, the Issue and Paying Agent on behalf of the Issuer shall give notice as soon as reasonably practicable to the Holders of Instruments in accordance with Condition 14 stating the occurrence of the relevant Fund Event giving details thereof and the action proposed to be taken in relation thereto, *provided that* any failure to give, or non-receipt of, such notice will not affect the validity of such action.

24.4 ***Fund Potential Adjustment Events***

"**Fund Potential Adjustment Event**" means any of the following:

(a) a subdivision, consolidation or reclassification of relevant Fund Interests or a free distribution or dividend of any such Fund Interests to existing holders by way of bonus, capitalisation or similar issue;

(b) a distribution, issue or dividend to existing holders of relevant Fund Interests of (A) such Fund Interests or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the related Fund equally or proportionately with such payments to holders of such Fund Interests or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the related 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 (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(c) an extraordinary dividend as determined by the Calculation Agent;

(d) a repurchase by a Fund of relevant Fund Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise other than where such repurchase is a redemption of Fund Interests initiated by an investor in such Fund Interests and consistent with the relevant Fund Documents; or

(e) any other event that may have, in the opinion of the Calculation Agent, a diluting, concentrative or other on the theoretical value of relevant Fund Interests.

Following the declaration by a Fund of the terms of any Fund Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Fund Potential Adjustment Event has a diluting, concentrative or other effect on the theoretical value of the relevant Fund Interest and, if so, will make the corresponding adjustment, if any, to any one or more of any of the terms of the Conditions and/or the relevant Final Terms as the Calculation Agent in its sole and absolute discretion, determines appropriate to account for that diluting, concentrative or other effect (*provided that* no adjustments will be made to account solely for changes in volatility, expected dividends or liquidity relative to the relevant Fund Interest) and determine the effective date of that adjustment.

Upon the making of any such adjustment by the Calculation Agent, the Issue and Paying Agent on behalf of the Issuer shall give notice as soon as reasonably practicable to the Holders in accordance with Condition 14 stating the adjustment to any of the terms of the Conditions, and/or the relevant Final Terms and giving brief details of the Fund Potential Adjustment Event, *provided that* any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

If redemption for Fund Potential Adjustment Event is specified as applicable in the relevant Final Terms, if the Calculation Agent determines, in its sole and absolute discretion, that it is impossible or impractical to determine an appropriate adjustment (or that no such adjustment would give a commercially reasonable result), the Calculation Agent may notify the Issuer of such determination and the Issuer shall redeem the relevant Instruments in full at either par or at such Instruments' Market Value Redemption Amount, as specified in the relevant Final Terms.

24.5 ***Provisions relating to Exchange Traded Funds***

Conditions 24.6 to 24.11 apply to Exchange Traded Funds.

24.6 ***Definitions (Exchange Traded Funds)***

"**Automatic Early Redemption Amount**" means the Automatic Early Redemption Amount specified in the relevant Final Terms.

"**Automatic Early Redemption Date**" means each Automatic Early Redemption Date specified in the relevant Final Terms.

"**Automatic Early Redemption Valuation Date**" means each Automatic Early Redemption Valuation Date specified in the relevant Final Terms, or if that is not a Scheduled Trading Day or is a Disrupted Day, then the provisions related to a Disrupted Day in the definition "Valuation Date" shall apply as if the relevant Automatic Early Redemption Valuation Date were a Valuation Date.

"**Barrier Event**" shall be either Barrier Event (closing) or Barrier Event (intraday), as specified in the relevant Final Terms.

"**Barrier Event Determination Day**" means, in respect of each Fund Share and each Observation Period:

(a) if the relevant Final Terms provide that the Barrier Event (intraday) provisions shall apply, either:

(i) each day on which the price of such Fund Share is quoted on the relevant Exchange during such Observation Period that is not a Disrupted Day; or

(ii) each day on which the price of such Fund Share is quoted on the relevant Exchange during such Observation Period, regardless of whether or not such day is a Scheduled Trading Day for such Fund Share(and, for the avoidance of doubt, if the Calculation Agent in its sole and absolute discretion determines that a Market Disruption Event is occurring at any time on any Barrier Event Determination Day, it shall disregard the period during which it determines in its sole and absolute discretion that such Market Disruption Event has occurred and is continuing for the purposes of determining whether or not a Barrier Event (intraday) has occurred);

as specified in the relevant Final Terms; or

(b) if the relevant Final Terms provide that the Barrier Event (closing) provisions shall apply, each Scheduled Trading Day for such Fund Share during such Observation Period that is not a Disrupted Day for such Fund Share.

"**Barrier Event (closing)**" shall be deemed to occur if:

(a) where the Fund Linked Instruments relate to a single Fund, the Calculation Agent determines that the Fund Share Closing Price of any Fund Share as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the Final Terms, the corresponding Barrier Level for such Fund Share on such Barrier Event Determination Day;

(b) where the Fund Linked Instruments relate to a Basket of Funds, the Calculation Agent determines in its sole and absolute discretion that the Fund Share Closing Price of at least one of the Fund Shares as of the Barrier Event Valuation Time (closing) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Fund Share on such Barrier Event Determination Day.

"**Barrier Event (intraday)**" shall be deemed to occur if:

(a) where the Fund Linked Instruments relate to a single Fund, the Calculation Agent determines that the Fund Share Price of such Fund Share as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Fund Share on such Barrier Event Determination Day;

(b) where the Fund Linked Instruments relate to a Basket of Funds, the Calculation Agent determines in its sole and absolute discretion that the Fund Share Price of at least one of the Fund Shares as of the Barrier Event Valuation Time (intraday) on any Barrier Event Determination Day is (x) less than or equal to or (y) less than, as specified in the relevant Final Terms, the corresponding Barrier Level for such Fund on such Barrier Event Determination Day.

For the purpose of determining whether a Barrier Event (intraday) has occurred on any day, the definition of Market Disruption Event specified in Condition 24.6 shall be amended such that (i) all references to "during the one hour period that ends at the relevant Valuation Time" shall be deleted, and (ii) if Early Closure is specified to apply in the relevant Final Terms, in the definition of "**Early Closure**" appearing in this Condition 24.6, each reference to "**Valuation Time**" and "**Scheduled Closing Time**" shall be construed as a reference to "**Barrier Event Valuation Time (intraday)**".

"**Barrier Event Valuation Time (closing)**" means, in respect of each Fund Share to be valued, the Scheduled Closing Time on the relevant Exchange on the relevant Barrier Event Determination Day. If the relevant Exchange closes prior to its Scheduled Closing Time, then the Barrier Event Valuation Time (closing) shall be such actual closing time.

"**Barrier Event Valuation Time (intraday)**" means any time during the regular trading session (without regard to any after hours or any other trading outside of the regular session) on the Exchange.

"**Barrier Level**" means, in respect of a Fund Share, a price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Fund Share as is specified in the relevant Final Terms. In the case of a Fund Share traded on the Tokyo Stock Exchange, the Barrier Level shall be, either (x) rounded with JPY 0.5 being rounded upwards, (y) rounded down, or (z) rounded up, to the nearest whole Japanese Yen, as specified in the relevant Final Terms.

"**Barrier Level 1**" means, in respect of a Fund Share, a price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Fund Share as is specified in the relevant Final Terms. In the case of a Fund Share traded on the Tokyo Stock Exchange, the Barrier Level 1 shall be, either (x) rounded with JPY 0.5 being rounded upwards, (y) rounded down, or (z) rounded up, to the nearest whole Japanese Yen, as specified in the relevant Final Terms.

"**Barrier Level 2**" means, in respect of a Fund Share, a price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Fund Share as is specified in the relevant Final Terms. In the case of a Fund Share traded on the Tokyo Stock Exchange, the Barrier Level 2 shall be, either (x) rounded with JPY 0.5 being rounded upwards, (y) rounded down, or (z) rounded up, to the nearest whole Japanese Yen, as specified in the relevant Final Terms.

"**Base Price**" means, in respect of a Fund Share and a time on a Scheduled Trading Day and subject to these Fund Linked Conditions, the price of such Fund Share which may be equal to, either (a), (b), (c), (d), (e) or (f) below, as specified in the relevant Final Terms:

(a) the Volume Weighted Average Price of the Fund Share on the Exchange on the Base Price Fixing Date as determined by the Calculation Agent in its sole discretion in good faith and acting in a commercially reasonable manner;

(b) the Fund Share Closing Price on the Base Price Fixing Date as determined by the Calculation Agent;

(c) the price of such Fund Share at such time on the Base Price Fixing Date as determined by the Calculation Agent;

(d) the net asset value per Fund Share that is expected to be published by the trustor for the Fund (as specified in the relevant Final Terms) on the Base Price Fixing Date;

(e) the Volume Weighted Average Price of the Fund Share on the Exchange, either (p) in the morning session of the Base Price Fixing Date or (q) on the Base Price Fixing Date, as specified in the relevant Final Terms, as determined by the Calculation Agent in its sole discretion in good faith and acting in a commercially reasonable manner; *provided that* there is no Market Disruption Event in the morning session of such date. If the Calculation Agent determines, in its sole discretion in good faith and acting in a commercially reasonable manner, that in the morning session of such date a Market Disruption Event has occurred, then the Base Price shall be determined as such Volume Weighted Average Price during the earliest of the following sessions in which there is no Market Disruption Event: (x) the immediately following afternoon session of the same date (y) the morning session of the next Exchange Business Day and (z) the afternoon session of such same Exchange Business Day in (y) above. If it is not possible to determine the Base Price as set out above then the Calculation Agent shall determine the Base Price in its sole discretion in good faith and acting in a commercially reasonable manner; or

(f) any other price of such Fund Share as specified in the relevant Final Terms, as may be specified in the relevant Final Terms. The resultant price determined by the Calculation Agent shall be (x) rounded down, (y) rounded up or (z) rounded, to the nearest whole number or any number of decimal places (in case of (z), with half of such whole number or number of decimal places, as applicable, being rounded up) as specified in the relevant Final Terms.

"**Base Price Fixing Date**" means the date specified in the relevant Final Terms; *provided that*,

(a) where the Fund Linked Instruments relate to a single Fund, either (i) or (ii) below, as specified in the relevant Final Terms, applies:

(i) if the initially scheduled Base Price Fixing Date is a Disrupted Day, the Base Price Fixing Date shall be the immediately following Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day. In that case, such Base Price Valuation Cut-Off Date shall be deemed to be the Base Price Fixing Date, notwithstanding the fact that such day is a Disrupted Day, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of the Fund Share by reference to such sources as it deems appropriate; or

(ii) if the initially scheduled Base Price Fixing Date is not an Exchange Business Day, the Base Price Fixing Date shall be the Exchange Business Day immediately following the initially scheduled Base Price Fixing Date; or

(b) where the Fund Linked Instruments relate to a Basket of Fund Shares, if the initially scheduled Base Price Fixing Date is a Disrupted Day in relation to any Fund Share, the Base Price Fixing Date shall be the immediately following Scheduled Trading Day that is not a Disrupted Day for each of the Fund Shares, unless each of the Scheduled Trading Days up to and including the Base Price Valuation Cut-Off Date is a Disrupted Day in relation to any Fund Shares. In that case, such Base Price Valuation Cut-Off Date shall be deemed to be the Base Price Fixing Date, notwithstanding the fact that such day is a Disrupted Day for any Fund Shares, and the Calculation Agent shall determine in its sole and absolute discretion the Base Price of each of the Fund Shares by reference to such sources as it deems appropriate.

"**Base Price Valuation Cut-Off Date**" means the date specified in the relevant Final Terms or, if not so specified, the second Scheduled Trading Day immediately following the initially scheduled Base Price Fixing Date.

"**Basket**" or "**Basket of Funds**" means a basket composed of Funds in their relative proportions or number of Funds, as specified in the relevant Final Terms.

"**Cash Settlement Amount**" means the cash amount as determined in accordance with Conditions 24.8(b) and 24.9 to be paid as the full or any part of the amount of the final redemption.

"**Disrupted Day**" means any Scheduled Trading Day 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 has occurred. The Calculation Agent shall, as soon as reasonably practicable under the circumstances, notify the Issuer and the Issue and Paying Agent of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date or (if so specified in the relevant Final Terms) a Base Price Fixing Date. Without limiting the obligation of the Calculation Agent to notify the parties as set forth in the preceding sentence, failure by the Calculation Agent to notify the parties of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day.

"**Early Closure**" means, unless otherwise expressly specified in the relevant Final Terms the closure on any Exchange Business Day of the relevant Exchange 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.

"**ETF**" or "**Fund**" means any fund which is an Exchange Traded Fund as specified in the relevant Final Terms, or if not so specified, any fund which the Calculation Agent determines to be an Exchange Traded Fund.

"**Exchange**" means, in relation to a Fund Share, the exchange or principal trading market for such ETF specified 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 Fund Shares in respect of such ETF has temporarily relocated (*provided that* the Calculation Agent has determined that there is comparable liquidity relative to such Fund Share on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means, any Scheduled Trading Day on which each Exchange and each 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.

"**Final Valuation Date**" means the relevant Valuation Date so specified in the relevant Final Terms.

"**Fund Share Closing Price**" means the last traded price of the relevant Fund Share quoted on the relevant Exchange on the relevant Valuation Date as determined by the Calculation Agent, subject to adjustment provided herein.

"**Fund Share**" means a unit of each ETF, and references to "**holder of Fund Shares**" and "**Fund Shareholder**" shall be construed accordingly.

"**Fund Share Performance**" means, in respect of Fund Shares of any ETF, either (x) a figure or (y) a percentage amount, as specified in the relevant Final Terms, determined by the Calculation Agent by dividing the Fund Share Price as of the Valuation Time of a Fund Share by the Base Price of such Fund Share on the Final Valuation Date.

The Fund Share Performance may, if so specified in the relevant Final Terms, be either (x) rounded down, (y) rounded up or (z) rounded, to the nearest whole number or any number of decimal places

(in case of (z), with half of such whole number or number of decimal places, as applicable, being rounded up) as specified in the relevant Final Terms.

"**Fund Share Price**" means, in respect of a Fund Share and a time on a Scheduled Trading Day and subject to these Fund Linked Conditions, either (i) the price of such Fund Share on the Exchange at such time on such day as determined by the Calculation Agent or (ii) the net asset value per Fund Share that is expected to be published by the trustor for the Fund (as specified in the relevant Final Terms).

"**Knock-out Price**" means, in respect of a Fund Share, such price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Fund Share as is specified in the relevant Final Terms. Where the relevant Fund Share is traded on the Tokyo Stock Exchange, the Knock-out Price shall be, either (x) rounded with JPY 0.5 being rounded upwards, (y) rounded down, or (z) rounded up, to the nearest whole Japanese Yen, as specified in the Final Terms.

"**Market Disruption Event**" means, in respect of a Fund Share:

(I) if the relevant Final Terms provide that this paragraph (I) is applicable:

(a) either of (x) or (y) as specified in the relevant Final Terms:

(x) In respect of a Fund Share, the occurrence or existence of a Trading Disruption or 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 Valuation Time, or an Early Closure;

For the purposes hereof:

"**Trading Disruption**" as used in this paragraph (I)(a)(x) of the definition of "Market Disruption Event", means any suspension of or limitation imposed on trading by the Exchange or any Related Exchange and whether by reason of movements in price exceeding limits permitted by the Exchange or any Related Exchange (i) relating to the Fund Share on the Exchange, or (ii) in futures or options contracts relating to the Fund Shares on any Related Exchange;

"**Exchange Disruption**" as used in this paragraph (I)(a)(x) of the definition of "Market Disruption Event", means 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 Fund Share on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Fund Share on any Related Exchange; or

(y) in respect of a Fund Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, in either case, at any time during the one-hour period that ends at the Valuation Time, or (iii) an Early Closure, as determined by the Calculation Agent in its sole and absolute discretion, if, in any such case, that Trading Disruption, Exchange Disruption or Early Closure is, in the determination of the Calculation Agent, material.

For the purposes hereof:

"**Trading Disruption**" as used in this paragraph (I)(a)(y) of the definition of "Market Disruption Event", means any suspension of (including, when the relevant Exchange announces a Special Quotation (*tokubetsu kehai*)) or limitation imposed on trading (by reason of movements in prices exceeding limits permitted by the relevant Exchange or otherwise) in the Fund Shares on the relevant Exchange; and

"**Exchange Disruption**" as used in this paragraph (I)(a)(y) of the definition of "Market Disruption Event", means 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, the Fund Shares on the Exchange; and

(b) In addition to above, for the purpose of determining the Base Price, or the Fund Share Price of a Fund Share on the Automatic Early Redemption Valuation Date or the Final Valuation Date, "**Market Disruption Event**" shall also mean, in respect of the securities comprised in the Fund, the occurrence or existence of a Trading Disruption or 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 Valuation Time, or an Early Closure.

For the purposes hereof:

"**Trading Disruption**" as used in this paragraph (I)(b) of the definition of "Market Disruption Event", means any suspension of or limitation imposed on trading by the Exchange or any Related Exchange and whether by reason of movements in price exceeding limits permitted by the Exchange or any Related Exchange, where such suspension or limitation occurs: (x) on the Exchange in relation to securities that comprise 20 per cent. or more of the level of the Fund (the percentage contribution of the securities to the level of the Fund shall be based on a comparison of (i) the portion of the level of the Fund attributable to the securities and (ii) the overall level of the Fund, in each case immediately before the occurrence of such Market Disruption Event) or (y) on any Related Exchange, in relation to futures or options contracts relating to securities that comprise 20 per cent. or more of the level of the Fund;

"**Exchange Disruption**" as used in this paragraph (I)(b) of the definition of "Market Disruption Event", means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (x) to effect transactions in, or obtain market values for, securities that comprise 20 per cent. or more of the level of the Fund on the Exchange (the percentage contribution of the securities to the level of the Fund shall be based on a comparison of (i) the portion of the level of the Fund attributable to the securities and (ii) the overall level of the Fund, in each case immediately before the occurrence of such Market Disruption Event) or (y) to effect transactions in, or obtain market values for, futures or options contracts relating to securities that comprise 20 per cent. or more of the level of the Fund on any Related Exchange;

"**Exchange**" as used in this paragraph (I)(b) of the definition of "Market Disruption Event", means the exchange as specified in the relevant Final Terms or any successor thereto and any relevant exchange or quotation system or any successor thereto relating to the securities comprised in the Fund, and "Exchange" as used in the definitions of the terms "Exchange Business Day", "Scheduled Closing Time" and "Valuation Time" hereof shall be construed accordingly; and

"**Related Exchange**" as used in this paragraph (I)(b) of the definition of "Market Disruption Event", means the related exchange as specified in the relevant Final Terms or any successor thereto and any relevant exchange or quotation system or any successor thereto on which futures or options contracts relating to the securities comprised in the Fund, and "Related Exchange" as used in the definitions of the terms "Exchange Business Day", "Scheduled Closing Time" and "Valuation Time" hereof shall be construed accordingly.

(II) if the relevant Final Terms provide that this paragraph (II) is applicable:

In respect of a Fund Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption or (iii) an Early Closure, as determined by the Calculation Agent in

its sole and absolute discretion, if, in any such case, that Trading Disruption, Exchange Disruption or Early Closure is, in the determination of the Calculation Agent, material.

"**Trading Disruption**" means the occurrence of or existence on any day during the one hour period immediately before the end of trading session for stocks for the day on the relevant Exchange or Related Exchange of any suspension of (in case of the Exchange(s) or Related Exchange(s) being Japanese domestic exchange(s)) (including, when the relevant Exchange or Related Exchange announces a Special Quotation (*tokubetsu kehai*)) or limitation imposed on trading (by reason of movements in prices exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise) in (i) the Fund Share on the relevant Exchange or (ii) options contracts or futures contracts on the Fund Shares on any Related Exchange.

"**Exchange Disruption**" means any event on any day during the one hour period immediately before the end of trading session for stocks for the day on an Exchange or a Related Exchange (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 Fund Shares on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Fund Share on any relevant Related Exchange.

The Calculation Agent on behalf of the Issuer shall give notice as soon as practicable to Holders in accordance with Condition 14 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date *provided that* any failure to give, or non-receipt of, such notice will not affect the validity of any such Disrupted Day.

"**Market Value Redemption Amount**" means an amount in the Specified Currency determined by the Calculation Agent in its sole and absolute discretion to be the fair market value of such Instrument immediately prior to such early redemption, adjusted to account fully for any reasonable expenses and costs to the Issuer of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity or currency options hedging the Issuer's obligations under the Instrument).

"**Maximum Rate**" has the meaning specified in the relevant Final Terms.

"**Medium Rate**" has the meaning specified in the relevant Final Terms.

"**Minimum Rate**" has the meaning specified in the relevant Final Terms.

"**Observation Period**" means, in respect of a Fund Share, each period commencing on the Observation Period Start Date, prior to any adjustment of such date pursuant to these Fund Linked Conditions, if applicable (and including or excluding such Observation Period Start Date, as specified in the relevant Final Terms) and ending on the Observation Period End Date, prior to any adjustment of such date pursuant to these Fund Linked Conditions, if applicable (and including or excluding such Observation Period End Date, as specified in the relevant Final Terms).

"**Observation Period End Dat**e" means, in respect of a Fund Share, each date specified as such in the relevant Final Terms.

"**Observation Period Start Date**" means, in respect of a Fund Share, each date specified as such in the relevant Final Terms.

"**Related Exchange**" means, in relation to a Fund Share, each exchange or principal trading market specified as such for such Fund Share in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which futures or options contracts relating to the Fund Shares have temporarily relocated (*provided that* the Calculation Agent has determined that there is comparable liquidity relative to such futures or options contracts relating to the Fund Shares on such temporary substitute exchange or quotation system 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 each exchange or principal trading market where trading has a material effect (as determined by the Calculation Agent) on the overall market for such futures or options contracts relating to the Fund Shares.

"**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 Trading Day**" means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"**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.

"**Strike Price**" means, in respect of a Fund Share, a price equal to the Base Price multiplied by such percentage figure as is specified in the relevant Final Terms or any other price for such Fund Share as is specified in the relevant Final Terms. Where the relevant Fund Share is traded on the Tokyo Stock Exchange, the Strike Price shall be, either (x) rounded with JPY 0.5 being rounded upwards, (y) rounded down, or (z) rounded up, to the nearest whole Japanese Yen, as specified in the Final Terms.

"**Valuation Cut-Off Date**" means, (i) the date specified in the relevant Final Terms, or (ii) if not so specified, the eighth Scheduled Trading Day immediately following the Scheduled Valuation Date or if earlier the Scheduled Trading Day falling on or immediately preceding the second Business Day immediately preceding the date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Valuation Date, *provided that* the Valuation Cut-Off Date shall not fall prior to the original date on which such Valuation Date was scheduled to fall.

"**Valuation Date**" means each Valuation Date specified in the relevant Final Terms or if that is not a Scheduled Trading Day or is a Disrupted Day, then, unless otherwise expressly specified in the relevant Final Terms:

(a) where the Fund Linked Instruments relate to a single Fund, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days up to and including the Valuation Cut-Off Date is a Disrupted Day. In that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine its good faith estimate of the relevant price of a Fund Share as of the Valuation Time on the Valuation Cut-Off Date; or

(b) where the Fund Linked Instruments relate to a Basket of Funds, (A) the Valuation Date for each Fund Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date (or, if earlier, the Valuation Cut-Off Date) and the Valuation Date for each Fund Share affected (each an "**Affected Fund Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Fund Share, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Fund Share. In that case, or if such Valuation Date falls on the Valuation Cut-Off Date owing to the original date on which it was scheduled to fall not being a Scheduled Trading Day for such Fund Share, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for such Fund Share (notwithstanding the fact that such day may be a Disrupted Day) and (ii) the Calculation Agent shall determine its good faith estimate of the price for the Affected Fund Share as of the Valuation Time on the Valuation Cut-

Off Date, and otherwise in accordance with the above provisions, or (B) (if so specified in the relevant Final Terms) the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day with respect to all Fund Shares, unless there is no such Scheduled Trading Day on or prior to the Valuation Cut-Off Date; in that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day is a Disrupted Day for either Fund Share), and (ii) the Calculation Agent shall determine in its sole and absolute discretion the relevant price for such affected Fund Share(s) as of the Valuation Time on the Valuation Cut-Off Date.

"**Valuation Time**" means the Valuation Time specified in the relevant Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to each Fund Share to be valued. 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.

"**Volume Weighted Average Price**" means, in respect of the Fund Share, the weighted average of each executed price on the Exchange by volume of each price of the whole day, or (if so specified in the relevant Final Terms) any regular or other trading session(s) or any part thereof, of the date as is specified in the relevant Final Terms.

"**Worst Performing Fund Share**" means a Fund Share in the basket whichever has the lowest value calculated in accordance with the provisions in the definition of "Fund Share Performance" specified in this Condition 24.6. If the resultant figure of the foregoing calculation is the same, the Calculation Agent shall in its absolute discretion select which of the Fund Shares shall be the Worst Performing Fund Share.

24.7 ***Fund Linked Interest***

If the relevant Final Terms provide that the Fund Linked Interest provisions are applicable, the details of the method of the calculation and/or determination of the amount of such interest shall be the Fund Linked Interest Formula specified in such Final Terms, and the dates of payment of such Fund Linked Interest shall be specified in such Final Terms.

Where the Fund Linked Instruments relate to a single Fund Share, the Fund Linked Interest Formula is either (I) or (II) below as specified in the relevant Final Terms.

(I) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date is (x) lower than or (y) equal to or lower than, as specified in the Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(II) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Barrier Level 1, then the Interest Rate applicable for the relevant

Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5;

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 1 but is (x) equal to or higher than or (y) higher than, as specified in the Final Terms, the Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Medium Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(c) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

Where the Fund Linked Instruments relate to a Basket of Funds, the Fund Linked Interest Formula is either (I) or (II) below as specified in the relevant Final Terms.

(I) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date of each Fund Share is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date of at least one Fund Share is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

(II) The interest amount per Calculation Amount payable on each Interest Payment Date shall be determined by the Calculation Agent in its sole discretion as follows:

(a) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date of each Fund Share is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level 1, then the Interest Rate applicable for the relevant Interest Period shall be the Maximum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5;

(b) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date of at least one Fund Share is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 1 but the Fund Share Price as of the Valuation Time on such Valuation Date of each Fund Share is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Barrier Level 2, then the Interest Rate applicable for the relevant

Interest Period shall be the Medium Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5; or

(c) If on the Valuation Date immediately preceding the relevant Interest Payment Date, the Fund Share Price as of the Valuation Time on such Valuation Date of at least one Fund Share is (x) lower than or (y) equal to or lower than, as specified in the relevant Final Terms, the Barrier Level 2, then the Interest Rate applicable for the relevant Interest Period shall be the Minimum Rate as specified in the relevant Final Terms and the Interest Amount shall be determined in accordance with Condition 5.

24.8 ***Fund Linked Redemption***

(a) *Fund Linked Automatic Early Redemption*

If the relevant Final Terms provide that Fund Linked Automatic Early Redemption is applicable, it shall constitute an Automatic Early Redemption Event if the Calculation Agent determines that, as of any Automatic Early Redemption Valuation Date, either of the following events occurs:

(i) where the Fund Linked Instruments relate to a single Fund, the Fund Share Price as of the Valuation Time on the Automatic Early Redemption Valuation Date of the Fund Share is (x) equal to or higher than or (y) higher than, as specified in relevant Final Terms, the Knock-out Price; or

(ii) where the Fund Linked Instruments relate to a Basket of Funds, (x) the Fund Share Price as of the Valuation Time on the Automatic Early Redemption Valuation Date of the Worst Performing Fund Share is (xx) equal to or higher than or (yy) higher than, as specified in the relevant Final Terms, the Knock-out Price or (y) the Fund Share Price of each Fund Share in the Basket is equal to or higher than the respective Knock-out Price as determined for each Fund Share, as specified in the relevant Final Terms.

and the Issuer shall redeem the Instruments in whole or in part in an amount per Calculation Amount equal to the Automatic Early Redemption Amount on the relevant Automatic Early Redemption Date.

(b) *Fund Linked Final Redemption*

If the relevant Final Terms provide that the Instruments are the Fund Linked Redemption Instruments, the Instruments shall be redeemed in accordance with the Fund Linked Redemption Formula specified in the relevant Final Terms applicable and/or such amount of cash as calculated substantially in accordance with the applicable Fund Linked Redemption Formula. The determination of the applicable method of calculating the Maturity Redemption Amount and/or such Maturity Redemption Amount may be triggered by one or more Barrier Events (closing) or Barrier Events (intraday). The amount of the final redemption may be (i) the Fund Shares to be physically delivered pursuant to Condition 26, (ii) the Cash Settlement Amount or (iii) any combination of them.

Where the Fund Linked Instruments relate to a single Fund, the Fund Linked Redemption Formula is one of the items (I) through (III) below as specified in the relevant Final Terms.

(I) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(ii) otherwise, the Maturity Redemption Amount per Calculation Amount shall be Redemption ETF Number of the Fund Shares plus the Reference Cash Amount (if any).

(II) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if a Barrier Event has occurred and Fund Share Price as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(iii) if a Barrier Event has occurred, and the Fund Share Price as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be Redemption ETF Number of the Fund Shares plus the Reference Cash Amount (if any).

(III) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Barrier Event has not occurred, and the Fund Share Price as of the Valuation Time on the Final Valuation Date is (x) equal to or less than or (y) less than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if a Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be Redemption ETF Number of the Fund Shares plus the Reference Cash Amount (if any); or

(iii) the Fund Share Price as of the Valuation Time on the Final Valuation Date is (x) higher than or (y) equal to or higher than, as specified in the relevant Final Terms, the Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Redemption ETF Number of the Fund Shares plus the Reference Cash Amount (if any).

Where the Fund Linked Instruments relate to a Basket of Funds, the Fund Linked Redemption Formula is one of the items (I) through (III) below as specified in the relevant Final Terms.

(I) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Fund Share Closing Price of the Worst Performing Fund Share on the Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price of such Worst Performing Fund Share, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if the Fund Share Closing Price of the Worst Performing Fund Share on the Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price of such Worst Performing Fund Share, and the Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(iii) if the Fund Share Closing Price of the Worst Performing Fund Share on the Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price of such Worst Performing Fund Share, and the Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be Redemption ETF Number of the Worst Performing Fund Shares plus the Reference Cash Amount (if any).

(II) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if the Fund Share Price in respect of each Fund Share as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the Strike Price of such Worst Performing Fund Share, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if (a) at least one Fund Share Price of Fund Shares as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the respective Strike Price and (b) no Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(iii) if (a) at least one Fund Share Price of Fund Shares as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the respective Strike Price, and (b) the Barrier Event has occurred, the Maturity Redemption Amount per Calculation Amount shall be Redemption ETF Number of the Worst Performing Fund Shares plus the Reference Cash Amount (if any).

(III) The Maturity Redemption Amount per Calculation Amount payable on the Maturity Date shall be calculated by the Calculation Agent in accordance with the following:

(i) if a Barrier Event has not occurred, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount;

(ii) if a Barrier Event has occurred and Fund Share Price as of the Valuation Time on the Final Valuation Date is (x) equal to or higher than or (y) higher than, as specified in the relevant Final Terms, the respective Strike Price, the Maturity Redemption Amount per Calculation Amount shall be the Calculation Amount; or

(iii) if a Barrier Event has occurred and the Fund Share Price as of the Valuation Time on the Final Valuation Date is (x) less than or (y) equal to or less than, as specified in the relevant Final Terms, the Strike Price of the relevant Share, the Maturity Redemption Amount per Calculation Amount shall be Deliverable Number of the Fund Shares plus the Reference Cash Amount (if any).

For the purpose of this Condition 24.8(b):

"**Fixed ETF Number**" means, with respect to a Fund Share, the number of such Fund Shares per Calculation Amount calculated by the Calculation Agent in accordance with the following formula:

$$(Calculation\ Amount\ /\ Strike\ Price)$$

The Fixed ETF Number may, if so specified in the relevant Final Terms, be either (x) rounded down, (y) rounded up or (z) rounded, to the nearest whole number or any number

of decimal places (in case of (z), with half of such whole number or number of decimal places, as applicable, being rounded up) as specified in the relevant Final Terms.

"**Minimum Trading Lot**" means, in respect of a Fund Share, such number of Fund Shares tradable on the Exchange as specified in the relevant Final Terms.

"**Redemption ETF Number**" means, in respect of a Fund Share, the number of such Fund Shares being the largest integral multiple of the Minimum Trading Lot equal to or less than the Fixed ETF Number and (if so specified in the relevant Final Terms) any such number of Fund Shares as specified in the relevant Final Terms not constituting a Minimum Trading Lot.

"**Reference Cash Amount**" means, in respect of a Fund Share, a cash amount per Calculation Amount, determined by the Calculation Agent in accordance with the following formula:

$$(Fixed\ ETF\ Number - Redemption\ ETF\ Number) \times Fund\ Share\ Price\ as\ of\ the\ Valuation\ Time\ on\ the\ Final\ Valuation\ Date,$$

*provided that* (x) the resultant figure obtained by the calculation shall be (i) in case of the Specified Currency being Japanese Yen, either (x) rounded down, (y) rounded up or (z) rounded (with half a Japanese Yen being rounded up), to the nearest whole amount and (ii) in case of the Specified Currency being any other currency, either (x) rounded down, (y) rounded up or (z) rounded (with half a subunit being rounded up), to the nearest whole subunit of such currency, in each case, as specified in the relevant Final Terms, and, if it is specified as applicable in the relevant Final Terms, and, if it is specified as applicable in the relevant Final Terms, the resultant figure of the parentheses shall be rounded down to the nearest five decimal places.

24.9 ***Potential Adjustment Event, De-listing, Insolvency Event, Material Underlying Event, Merger Event and Nationalisation***

(a) "**Potential Adjustment Event**" means, any of following:

(i) a subdivision, consolidation or reclassification of the relevant number of units of the Fund Shares or amount of Fund Shares, or a free distribution or dividend of any such Fund Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing Fund Shareholders of (A) an additional amount of such Fund Shares, or (B) other 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 such Fund Shareholders, or (C) 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 case, in each 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 relevant Fund Shares whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Shares initiated by an investor in such Fund Shares that is consistent with the relevant Fund Documents; or

(v) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the unit of the relevant Fund Shares or amount of Fund Shares.

"**Extraordinary Dividend**" means, in respect of a Fund Share, either (i) any (annual) dividend distributed where the difference of the theoretical percentage dividend yield resulting from the dividends distributed by the index constituents and the percentage

dividend yield of the Fund is greater than or equal to any per cent as specified in the relevant Final Terms, or (ii) any other dividend as may be specified in the relevant Final Terms, as specified in the relevant Final Terms.

If in the opinion of the Calculation Agent, Potential Adjustment Event occurs in relation to the Fund Share or the Fund, the Calculation Agent, in its sole and absolute discretion, will (i) calculate the corresponding adjustment, if any, to the relevant Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect and (ii) determine the effective date of that adjustment. Where, in the sole and absolute determination of the Calculation Agent, the Potential Adjustment Event is such that any adjustments pursuant to the foregoing would be inappropriate with regard to any hedging arrangements of the Issuer in connection with the Instruments, the Issuer may require the Calculation Agent to treat such Potential Adjustment Event as a Material Underlying Event.

The Calculation Agent shall as soon as practicable provide details of any determinations and/or adjustments, as the case may be, made pursuant to specified in Condition 24.9 to the Issuer, the Agent and other relevant agent (including that appointed for delivery of Fund Shares). Notice of such details shall be given by the Issue and Paying Agent to the Holders in accordance with the Terms and Conditions.

If redemption for Potential Adjustment Event is specified as applicable in the relevant Final Terms, if the Calculation Agent determines, in its sole and absolute discretion, that it is impossible or impractical to determine an appropriate adjustment (or that no such adjustment would give a commercially reasonable result), the Calculation Agent may notify the Issuer of such determination and the Issuer shall redeem the relevant Instruments in full at either par or at such Instruments' Market Value Redemption Amount, as specified in the relevant Final Terms.

(b) "**De-listing**" means, in respect of a Fund Share, that the relevant Exchange announces that pursuant to the rules of such Exchange, such Fund Share ceases (or will cease) to be listed, traded or publicly quoted on such Exchange for any reason (other than a Merger Event) and are not immediately relisted, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

"**Insolvency Event**" means, that either (x) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (A) all the Fund Shares of that Fund are required to be transferred to a trustee, liquidator or other similar official or (B) Fund Shareholders of that Fund become legally prohibited from transferring them, or (y) notice is or has been given by or on behalf of the trustor for the Fund that the Fund is to be terminated, revoked, wound up, liquidated, dissolved or is to otherwise cease to exist or that the Fund is subject to any analogous proceedings under any applicable bankruptcy, insolvency or similar law, as specified in the relevant Final Terms.

"Material Underlying Event" means, if specified as applicable in the relevant Final Terms, any of the following: (i) the investment objectives and/or policies in respect of the ETF are materially changed; (ii) an illegality occurs or a relevant authorisation or licence is revoked in respect of the ETF and/or the ETF is required by a competent authority (other than any Fund Shareholders) to redeem any Fund Shares and/or (if so specified in the relevant Final Terms) the Issuer is required by a competent authority to dispose of any Fund Share held in connection with any hedging arrangements relating to the Instruments; (iii) there is a change in any relevant jurisdiction in respect of any payments made by the ETF in respect of any Fund Share as a result of which the amounts paid or to be paid by the Issuer in connection with hedging arrangements relating to the Instruments are materially reduced or otherwise adversely affected; and/or (iv) any other event occurs in relation to the ETF and/or the Fund Shares which is materially prejudicial to the Issuer in connection with the issue of the Instruments or any hedging arrangements relating to the Instruments.

If in the opinion of the Calculation Agent a De-listing, Insolvency Event or Material Underlying Event occurs in relation to the Fund Shares or the Fund, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the relevant Final Terms to account for the De-listing, Insolvency Event or Material Underlying Event, as the case may be, and to determine the effective date of that adjustment; or

(ii) redeem the Instruments by giving notice to the Holders in accordance with Condition 14. If the Instruments are so redeemed, the Issuer will pay to each Holder the Market Value Redemption Amount or the par value of the Instruments (as specified in the relevant Final Terms) on the date notified to the Holders in accordance with Condition 14.

The Calculation Agent shall as soon as practicable provide details of any determinations and/or adjustments, as the case may be, made hereunder to the Issuer, the Delivery Agent and the Issue and Paying Agent. The Issue and Paying Agent will make such details available to the Holders at its specified office.

(c) "**Merger Date**" means 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.

"**Merger Event**" means, if specified as applicable in the relevant Final Terms, with respect to the ETF, any (i) reclassification or change of the ETF that results in a transfer of or an irrevocable commitment to transfer all outstanding ETF, (ii) consolidation or binding ETF exchange of the Fund with or into another fund (other than a consolidation or binding ETF exchange in which the Fund is the continuing fund which does not result in a reclassification of all of such ETF outstanding) or any sale or transfer of all or substantially all of the assets or business of the Fund and for which approval of any Fund Shareholders is required, (iii) other takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any fund to purchase or otherwise obtain 100 per cent. of the outstanding ETF of the Fund that results in a transfer of or an irrevocable commitment to transfer all of such ETF (other than such ETF owned or controlled by such other fund), or (iv) consolidation or binding ETF exchange of the Fund with or into another fund in which the Fund is the continuing entity and which does not result in a reclassification or change of all such ETF outstanding but results in the outstanding ETF (other than the ETF owned or controlled by such other fund) immediately prior to such event collectively representing less than 50 per cent. of the outstanding ETF immediately following such event, in each case if the Merger Date is on or before the Final Valuation Date.

If a Merger Event occurs in relation to the ETF, the Calculation Agent shall (i) determine in its sole and absolute discretion to substitute the ETF listed on the Exchange of another issuer comparable to the Fund in terms of the business, financial conditions and other factors (the "**Substitute ETF**", which may be the units of the company that is a continuing entity as a result of the Merger Event) for the ETF and determine such terms of the Conditions and/or the relevant Final Terms as specified in the relevant Final Terms, as the Calculation Agent in its sole and absolute discretion determines appropriate, and (ii) determine the effective date of such substitution. If the substitution of the ETF should occur hereunder, references to the ETF shall be deemed to be replaced with those to the Substitute ETF and the provisions herein set forth, shall be applied to the Substitute ETF, *mutatis mutandis*.

Furthermore, if redemption for Merger Event is specified as applicable in the relevant Final Terms, if the Calculation Agent determines that such substitution that it could make under the previous two sentences will not produce a commercially reasonable result, the Instruments shall be redeemed by giving not less than 3 nor more than 20 Business Days' notice at the amount determined in good faith by the Calculation Agent in its sole discretion to be the fair economic value of the Instruments taking into account such Merger

Event, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements.

(d) "**Nationalisation**" means, if specified as applicable in the relevant Final Terms, with respect to the ETF, that all the Fund Shares or all or substantially all the assets of an ETF are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

If Nationalisation occurs in relation to the ETF on or prior to the Final Valuation Date, the Issuer shall redeem all Instruments (unless otherwise expressly specified in the relevant Final Terms) together with accrued interest if any, on the date as specified in the relevant Final Terms (or if not specified, the fifteenth ($15^{th}$) Business Day following the day on which the Issuer receives notices from the Calculation Agent that such Nationalisation has occurred), by paying a cash amount in the Specified Currency which, the Calculation Agent determines in its sole and absolute discretion, is equal to the fair economic value of the Instruments taking into account the Nationalisation, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements.

24.10 ***Correction of Price with respect to the ETF***

If specified as applicable in the relevant Final Terms, in the event with respect to the ETF that any price published on the Exchange or any Related Exchange and which is utilised by the Calculation Agent for any determination is subsequently corrected and the correction is published by such Exchange or Related Exchange on the day of the original publication or, if specified in the relevant Final Terms, on any date thereafter until the Correction Publication Cut-Off Date, then the Calculation Agent may make any determination by using the corrected price instead of the price originally published.

24.11 ***Calculations Binding***

The Calculation Agent has been appointed as such in order to determine in its sole discretion the calculations with respect to certain amounts payable under the Instruments and the determination with respect to certain events as more fully specified herein in accordance with the calculation agency agreement entered into between the Issuer and the Calculation Agent which constitutes the "Calculation Agency Agreement". All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the determinations by the Calculation Agent shall, in the absence of manifest error, be binding on the Issuer, the Issue and Paying Agent, the other Paying Agents and the Holders and (in the absence as aforesaid) no liability to the Issuer or the Holders shall attach to the Calculation Agent in connection with the exercise by it of its powers, duties and discretion pursuant to the provisions therein. Any notice to be given by the Calculation Agent shall be deemed to have been given if given in accordance with the Calculation Agency Agreement. The Calculation Agent shall notify the Issue and Paying Agent, the Issuer, and in the case of VPS Instruments, the VPS and the VPS Account Operator of the results of all calculations and determinations conducted or made pursuant to the provisions in these Fund Linked Conditions as soon as practicably possible. The Issue and Paying Agent shall give notice to the Holders in accordance with Condition 14 as soon as practicable thereafter.

Failure by the Calculation Agent to notify the parties of the occurrence of certain events shall not affect the validity of the occurrence and effect of such determination.

25. **Commodity Linked Redemption Instruments**

25.1 *Interpretation*

Under the Programme, a Commodity Linked Redemption Instrument shall be an Instrument where the Maturity Redemption Amount shall be calculated or determined by reference to a specified commodity. If the relevant Final Terms provide that the relevant Instruments are Commodity Linked Redemption Instruments, the terms and conditions applicable to the Commodity Linked Redemption Instruments are the Conditions, including the terms and conditions for Commodity Linked Redemption Instruments set out in this Condition 25 (the "**Commodity Linked**

**Conditions**"), as completed by the relevant Final Terms. In the event of any inconsistency between the Conditions and the Commodity Linked Conditions, the Commodity Linked Conditions shall prevail.

25.2 *Commodity Linked Final Redemption*

Unless previously redeemed or purchased and cancelled and subject as provided below, each Instrument will be redeemed by the Issuer on the Maturity Date at a JPY amount determined by the Calculation Agent as follows:

$$\text{Maturity Redemption Amount per Specified Denomination} = N \text{ x } \left[\frac{Gold_{final} \text{ x } FX_{final}}{Gold_{initial} \text{ x } FX_{initial}}\right]$$

The resultant figure shall be rounded to the nearest Japanese Yen with 0.5 Yen upwards.

Where;

"**N**" means the Specified Denomination;

"**Gold$_{initial}$**" means the Commodity Reference Price of the Relevant Commodity as determined by the Calculation Agent on the Trade Date and as specified in the relevant Final Terms;

"**Gold$_{final}$**" means the Commodity Reference Price of the Relevant Commodity as determined by the Calculation Agent on the Valuation Date;

"**FX$_{initial}$**" means the USD/JPY spot exchange rate (as expressed in an amount of JPY per unit of USD) as determined by the Calculation Agent on the Trade Date and as specified in the relevant Final Terms;

"**FX$_{final}$**" means the USD/JPY spot exchange rate (as expressed in an amount of JPY per unit of USD) which appears on the Reuters Screen page USDJPYFIXM=WM (or such page as may replace that page) at approximately 4:00 p.m., London time on the Valuation Date. In case $FX_{final}$ is not available, the Calculation Agent shall make the determination in its sole discretion acting in good faith and in a commercially reasonable manner;

"**Commodity Business Day**" means a day that is (or would have been, but for the occurrence of a Commodity Market Disruption Event) a day on which that the London Gold Market is open for trading during its regular trading session, notwithstanding the London Gold Market closing prior to its scheduled closing time;

"**Commodity Business Day Convention**" means the Following Business Day Convention;

"**Commodity Market Disruption Event**" means with respect to a day, the occurrence or continuation of either of the following:

(i) Price Source Disruption;

(ii) Gold Trading Disruption;

(iii) Disappearance of the Commodity Reference Price;

(iv) Material Change in Formula; or

(v) Material Change in Content

For the purposes hereof:

"**Price Source Disruption**" means (A) the failure of the Price Source to announce or publish the Commodity Reference Price (or the information necessary for determining the Commodity Reference Price) or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

"**Gold Trading Disruption**" means the material suspension of, or the material limitation imposed on, trading in Gold or any futures contracts or options contracts relating to Gold;

For these purposes:

(A) a suspension of the trading in Gold or any futures contracts or options contracts relating to Gold on any Commodity Business Day shall be deemed to be material only if:

(i) all trading in Gold or any futures contracts or options contracts relating to Gold is suspended for the entire Valuation Date; or

(ii) all trading in Gold or any futures contracts or options contracts relating to Gold is suspended subsequent to the opening of trading on the Valuation Date, trading does not recommence prior to the regularly scheduled close of trading in Gold or any futures contracts or options contracts relating to Gold on such Valuation Date and such suspension is announced less than one hour preceding its commencement; and

(B) a limitation of trading in Gold or any futures contracts or options contracts relating to Gold on any Commodity Business Day shall be deemed to be material only if the London Gold Market establishes limits on the range within which the price of Gold or any futures contracts or options contracts relating to Gold may fluctuate and the closing or settlement price of Gold or any futures contracts or options contracts relating to Gold on such day is at the upper or lower limit of that range;

"**Disappearance of the Commodity Reference Price**" means the disappearance of, or of trading in, Gold or the disappearance or permanent discontinuance or unavailability of the Commodity Reference Price notwithstanding the availability of the relevant Price Source;

"**Material Change in Formula**" means, in respect of the Instruments, the occurrence since the Trade Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price;

"**Material Change in Content**" means the occurrence since the Trade Date of a material change in the content, composition or constitution of Gold or any futures contracts or options contracts relating to Gold;

"**Commodity Reference Price**" means GOLD-P.M. FIX, meaning that the price for the Trade Date and the Valuation Date will be that day's afternoon Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorised to effect such delivery, stated in U.S. Dollars, as calculated by the London Gold Market and displayed on Reuters Screen page "GOFO" that displays prices effective on the Trade Date and the Valuation Date;

"**LBMA**" means the London Bullion Market Association or its successor;

"**London Gold Market**" means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Gold;

"**Price Source**" means the publication (or such other origin of reference) containing (or reporting) the Commodity Reference Price;

"**Relevant Commodity**" means Gold;

"**Relevant Financial Centre Day**", for the purposes of these Commodity Linked Conditions, means a day on which commercial banks and foreign exchange markets settle payments in London, New York and Tokyo.

"**Trade Date**" has the meaning specified in the relevant Final Terms; and

"**Valuation Date**" means the date specified as such in the relevant Final Terms or, if that is not a Commodity Business Day, the immediately succeeding Commodity Business Day *provided that* the London Gold Market opens for trading for its regular trading session and there is no Commodity

Market Disruption Event on that day. If the Calculation Agent determines, in its sole discretion, that the London Gold Market fails to open for trading for its regular trading session or there is a Commodity Market Disruption Event on that day, then the Valuation Date shall be postponed until the next Commodity Business Day on which the London Gold Market opens for trading for its regular trading session and there is no Commodity Market Disruption Event, *provided that*, notwithstanding anything in the Conditions to the contrary, if the Valuation Date has not occurred on or prior to the second Commodity Business Day following the originally designated Valuation Date, then the Calculation Agent shall determine the Commodity Reference Price in its sole discretion on that day, taking into consideration the latest available quotation for the Commodity Reference Price and any other information that in its sole discretion it deems relevant, regardless of whether the London Gold Market fails to open for trading for its regular trading session or there is a Commodity Market Disruption Event on that day. The Valuation Date is subject to adjustment in accordance with the Commodity Business Day Convention.

25.3 In the event of an early redemption of the Instruments in accordance with Condition 6.2, the Early Redemption Amount shall mean the Early Redemption Amount (Market Value) (as defined in Condition 6.2).

25.4 ***Additional Disruption Events and Administrator/Benchmark Events***

(a) If an Additional Disruption Event and/or an Administrator/Benchmark Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the multiplier and/or any of the other terms of these Conditions and/or the relevant Final Terms to account for the Additional Disruption Event and/or Administrator/Benchmark Event (as applicable) and determine the effective date of that adjustment; or

(ii) redeem the Instruments by giving notice to the Holders of Instruments in accordance with Condition 14. If the Instruments are so redeemed the Issuer will pay an amount to each Holder of Instrument in respect of each Instrument held by him which amount shall be the fair market value of the Instrument taking into account the Additional Disruption Event and/or the Administrator/Benchmark Event less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders of Instruments in accordance with Condition 14.

(b) Upon the occurrence of an Additional Disruption Event and/or an Administrator/Benchmark Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 14 stating the occurrence of the Additional Disruption Event and/or an Administrator/Benchmark Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

For the purposes of this Condition 25.4:

"**Additional Disruption Event**" means, if so specified in the relevant Final Terms, (i) a Change in Law, (ii) a Hedging Disruption and/or (iii) Increased Cost of Hedging.

"**Administrator/Benchmark Event**" means, in respect of any Instruments and a Relevant Benchmark (as defined below), any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case, as required under any applicable law or regulation in order for the Issuer, the Calculation Agent or any other entity to perform its or their respective obligations in respect of the Instruments, all as determined by the Issuer.

"**Change in Law**" means that, on or after the Issue Date of the Instruments (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law),

or (ii) 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 in good faith that (a) it has become illegal to hold, acquire or dispose of the Relevant Commodity, or (b) the Calculation Agent or its affiliates will incur a materially increased cost in performing its obligations in relation to the Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing, and the Issuer performing its obligations with respect to or in connection with, the Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means any entity (or entities) engaged in any underlying or hedging transactions relating to the Instruments and/or the Index in respect of the Issuer's obligations under the Instruments.

"**Increased Cost of Hedging**" means that the Issuer or any of its agents would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the Instruments, or (ii) realise, recover or remit the proceeds of any 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 Increased Cost of Hedging.

"**Relevant Benchmark**" means any index by reference to which the amount payable under an Instrument, or the value of an Instrument, is determined, or an index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance.

## 26. Physical Delivery Instruments

### 26.1 *Interpretation*

The following provisions (the "**Physical Delivery Instrument Conditions**") apply to Instruments specified as being Physical Delivery Instruments in the relevant Final Terms or where Physical Delivery is specified in the relevant Final Terms.

If specified as applicable in the relevant Final Terms, the terms and conditions applicable to Physical Delivery Instruments are the Conditions and the additional terms and conditions for Physical Delivery Instrument Conditions, in each case subject to completion by the relevant Final Terms. In the event of any inconsistency between the Conditions and the Physical Delivery Instrument Conditions, the Physical Delivery Instrument Conditions shall prevail.

### 26.2 *Delivery of Entitlement and Asset Transfer Notices*

(a) *General*

In order to obtain delivery of the Entitlement(s) in respect of any Instrument:

(i) if such Instrument is represented by a Global Instrument, the relevant Holder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Delivery Agent, the Issue and Paying Agent and the Issuer not later than the close of business in each place of receipt on the Cut-Off Date, a duly completed Asset Transfer Notice substantially in the form agreed between the Issuer and other relevant party(ies) at the relevant time (the "**Asset Transfer Notice**"); and

(ii) if such Instrument is in definitive form, the relevant Holder must deliver to the Delivery Agent or any Paying Agent, with a copy to the Issue and Paying Agent

and the Issuer not later than the close of business in each place of receipt on the Cut-Off Date, a duly completed Asset Transfer Notice.

Forms of the Asset Transfer Notice may be obtained during normal business hours from the specified office of any Paying Agent.

An Asset Transfer Notice may only be delivered (i) if such Instrument is represented by a Global Instrument, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be or (ii) if such Instrument is in definitive form in writing.

If such Instrument is in definitive form, such Instrument must be delivered together with the duly completed Asset Transfer Notice.

The Delivery Agent (on behalf of the Issuer) shall at the risk of the relevant Holder deliver the Entitlement in respect of each Instrument in such commercially reasonable manner as the Delivery Agent shall, in its sole discretion, determine to be appropriate for such delivery.

All expenses including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities, transfer and/or other taxes or duties (together "**Expenses**") arising from the redemption of the Instruments and the delivery of any Entitlement shall be for the account of the relevant Holder and no delivery and/or transfer of any Entitlement shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Holder.

An Asset Transfer Notice must:

(i) specify the name, address and contact telephone number of the relevant Holder and the person from whom the Issuer may obtain details for the delivery of the Entitlement if such delivery is to be made otherwise than in the manner specified in the relevant Final Terms;

(ii) in the case of Instruments represented by a Global Instrument, specify the nominal amount of Instruments which are the subject of such notice and the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with such Instruments and irrevocably instruct and authorise Euroclear or Clearstream, Luxembourg, as the case may be, to debit the relevant Holder's account with such Instruments on or before the Maturity Delivery Date;

(iii) include an undertaking to pay all Expenses and, in the case of Instruments represented by a Global Instrument, an authority to debit a specified account of the Holder at Euroclear or Clearstream, Luxembourg, as the case may be, in respect thereof and to pay such Expenses;

(iv) include such details as are required by the relevant Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and number of the Holder's account to be credited with any cash payable by the Issuer, in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement, as a result of the occurrence of a Settlement Disruption Event and the Issuer electing to pay the Disruption Cash Settlement Price or in respect of any Cash Settlement Amounts and/or Reference Cash Amounts;

(v) certify that the beneficial owner of each Instrument is not a U.S. person (as defined in the Asset Transfer Notice), the Instrument is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof; and

(vi) authorise the production of such notice in any applicable administrative or legal proceedings.

No Asset Transfer Notice may be withdrawn after receipt thereof by Euroclear, Clearstream, Luxembourg or a Delivery Agent, or Paying Agent as provided above. After delivery of an Asset Transfer Notice, the relevant Holder may not transfer the Instruments which are the subject of such notice.

In the case of Instruments represented by a Global Instrument, upon receipt of such notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person specified therein as the Holder is the holder of the specified nominal amount of Instruments according to its books.

Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Issue and Paying Agent the series number and number of Instruments the subject of such notice, the relevant account details (if applicable) and the details for the delivery of the Entitlement in respect of each such Instrument. Upon receipt of such confirmation, the Issue and Paying Agent will inform the Issuer thereof. Euroclear or Clearstream, Luxembourg, as the case may be, will on or before the Maturity Delivery Date, debit the securities account of the relevant Holder with the Instruments the subject of the relevant Asset Transfer Notice.

Failure properly to complete and deliver an Asset 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 in the Physical Delivery Instrument Conditions shall be made, in the case of Instruments represented by a Global Instrument, by Euroclear or Clearstream, Luxembourg, as the case may be, after consultation with the Delivery Agent and the Issuer and shall be conclusive and binding on the Issuer and the relevant Holder or in the case of Instruments in definitive form, by the relevant Paying Agent after consultation with the Issue and Paying Agent and the Issuer and shall be conclusive and binding on the Issuer and the relevant Holder.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of Euroclear or Clearstream, Luxembourg, as the case may be, or the relevant Delivery Agent or Paying Agent, as the case may be, in each case in consultation with the Issue and Paying Agent and the Issuer, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above.

Euroclear, Clearstream, Luxembourg or the relevant Delivery Agent or Paying Agent, as applicable, shall use its best efforts promptly to notify the Holder submitting an Asset Transfer Notice if, in consultation with the Issue and Paying Agent and the Issuer, it has determined that such Asset Transfer Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Delivery Agent, the Paying Agents, Euroclear, Clearstream, Luxembourg or the Issue and Paying Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

The Entitlement will be delivered at the risk of the relevant Holder, in the manner provided above on the Maturity Date (such date, subject to adjustment in accordance with these Physical Delivery Instrument Conditions, the "**Maturity Delivery Date**") *provided that* the Asset Transfer Notice is duly delivered to Euroclear, Clearstream, Luxembourg, a Delivery Agent or a Paying Agent, as the case may be, with a copy to the Issue and Paying Agent and the Issuer, as provided above, not later than the close of business in each place of receipt on the Cut-Off Date.

If an Asset Transfer Notice is delivered to Euroclear or Clearstream, Luxembourg or a Delivery Agent or a Paying Agent, as the case may be, with a copy to the Issue and Paying Agent and the Issuer, later than the close of business in each place of receipt on the Cut-Off Date, then the Entitlement will be delivered as soon as practicable after the Maturity Date (in which case, such date of delivery shall be the Maturity Delivery Date) at the risk

of such Holder in the manner provided above. *Provided that* if in respect of an Instrument an Asset Transfer Notice is not delivered to Euroclear or Clearstream, Luxembourg or a Delivery Agent or a Paying Agent, as the case may be, with a copy to the Issue and Paying Agent and the Issuer, later than the close of business in each place of receipt on the 90th calendar day following the Cut-Off Date the Issuer's obligations in respect of such Instrument shall be discharged and no further liability in respect thereof shall attach to the Issuer. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Maturity Delivery Date falling after the originally designated Maturity Delivery Date and no liability in respect thereof shall attach to the Issuer.

Delivery of the Entitlement in respect of the Instruments is subject to all applicable laws, regulations and practices in force on the Maturity Delivery Date and neither the Issuer nor the Delivery Agent or Paying Agents 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 or practices. Neither the Issuer nor the Delivery Agents nor the Paying Agents shall under any circumstances be liable for any acts or defaults of Euroclear or Clearstream, Luxembourg in relation to the performance of their duties in relation to the Instruments.

For such period of time after the Maturity Delivery Date as any person other than the relevant Holder shall continue to be the legal owner of the securities, obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer nor any other such person shall (i) be under any obligation to deliver or procure delivery to the relevant Holder or any subsequent beneficial owner of such Instrument any letter, certificate, notice, circular or any other document, except as provided herein, payment whatsoever received by that person in respect of such securities or obligations (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such securities or obligations during the Intervening Period or (iii) be under any liability to the relevant Holder, or any subsequent beneficial owner of such Instrument in respect of any loss or damage which the relevant Holder, or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being the legal owner of such securities or obligations during such Intervening Period.

Where the Entitlement comprises shares, any dividend or other distribution in respect of such Entitlement will be payable to the party that would receive such dividend or other distribution according to market practice for a sale of the Share executed on the Maturity Delivery Date and to be delivered in the same manner as the Entitlement. Any such dividend or other distribution to be paid to a Holder shall be paid to the account specified in the relevant Asset Transfer Notice.

Where the Entitlement is, in the determination of the Issuer, an amount other than an amount of Relevant Assets capable of being delivered, the Holders will receive an Entitlement comprising of the nearest number (rounded down) of Relevant Assets capable of being delivered by the Issuer (taking into account that a Holder's entire holding may be aggregated at the Issuer's discretion for the purpose of delivering the Entitlements), and in respect of the amount of Relevant Assets not capable of being delivered (the "**Fractional Entitlement**") an amount in the Specified Currency (as calculated by the Calculation Agent) equal to such Fractional Entitlement, calculated as specified in the relevant Final Terms.

(b) *Physical Delivery through JASDEC*

In the event that the relevant Final Terms provides that the Physical Delivery through JASDEC is applicable, the following provisions shall apply:

The Delivery Agent on behalf of the Issuer shall deliver the Entitlement to the Holders through the facilities of the Japan Securities Depository Center on the Maturity Date or, if the Maturity Date is not a JASDEC Settlement Business Day, the first following JASDEC Settlement Business Day.

In order to obtain delivery of the Entitlement, each Holder shall deliver to Euroclear or Clearstream, Luxembourg, as the case may be, with a copy to the Delivery Agent, a confirmation which shall:

(i) specify the name and address of the Holder;

(ii) specify the nominal amount of the Instruments which are the subject of such confirmation and the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with the Instruments;

(iii) irrevocably instruct and authorise Euroclear or Clearstream, Luxembourg, as the case may be, to debit the Holder's account with the Instruments on the Delivery Date;

(iv)

(A) if the Issuer elects to transfer the Entitlement by means of instrument of transfer, specify the name and address of the person or persons to be shown on such instrument of transfer and the name and address of the bank, broker or other person to whom such instrument of transfer is to be delivered; or

(B) if the Issuer elects to transfer the Entitlement in the manner of electric delivery of such Entitlement, the name and address of the bank, broker or other person to whom such Entitlement are to be delivered;

(v) specify the number of the Holder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be credited with any cash amount, including cash adjustment, if any, to settle the Instruments hereunder; and

(vi) authorise the production of such confirmation in any applicable administrative or legal proceedings;

For the avoidance of doubt, the term "confirmation" shall include such other form of notice which Euroclear and/or Clearstream, Luxembourg, may from time to time request from the Holders. In such case, Euroclear and/or Clearstream, Luxembourg, will notify the Holders of the required form of notice and whether the information to be included in such notice differs from that specified above.

No confirmation may be withdrawn after receipt thereof by Euroclear or Clearstream, Luxembourg, as the case may be. After delivery of such notice, no Holder may transfer the Instruments. Upon receipt of such notice from a Holder, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person specified therein as the Holder is the holder of the Instruments according to its books.

Failure properly to complete and deliver a confirmation may result in such confirmation being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided herein shall be made by Euroclear or Clearstream, Luxembourg, as the case may be, and shall be conclusive and binding on the Issuer and the Holders.

Subject as provided herein, the delivery of the Entitlement in respect of the Instruments in the electronic manner will be delivered at the risk of a Holder to such bank, broker or other person as the Holder has specified in the confirmation.

In the case of the delivery of the Entitlement, the settlement through the facilities of the JASDEC on the Maturity Date or (if the Maturity Date is not a JASDEC Settlement Business Day) the first following JASDEC Settlement Business Day, will take place only if the above mentioned confirmation is delivered on or before the fourth (4th) Business Day before the Maturity Date (or such other Business Day as Euroclear or Clearstream, Luxembourg may from time to time specify). If any Holder fails to deliver such confirmation to Euroclear or Clearstream, Luxembourg, as the case may be, on or before such Business Day, then the instrument of transfer or the Entitlement shall be delivered to such Holder as soon as practicable after the Maturity Date (in which case,

such date of delivery shall be the Delivery Date) at the risk of such Holder. For the avoidance of doubt, the Holder shall not be entitled to any payment, whether of interest or otherwise, in the event of such Delivery Date occurring after the Maturity Date.

Neither the Issuer nor the Delivery Agent shall be under any obligation to register or procure the registration of a Holder or a bank, broker or other person acting on behalf of a Holder or any other person as the registered Holder of the Entitlement.

26.3 ***Settlement Disruption Event***

(a) *General*

If, prior to the delivery of the Entitlement in accordance with these Physical Delivery Instrument Conditions, a Settlement Disruption Event is subsisting, then the Maturity Delivery Date in respect of such Instrument shall be postponed until the next Settlement Business Day on which no Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Holder, in accordance with Condition 14. Such Holder shall not be entitled to any payment, whether of interest or otherwise, on such Instrument as a result of any delay in the delivery of the Entitlement pursuant to these Physical Delivery Instrument Conditions. Where delivery of the Entitlement has been postponed as provided in the Physical Delivery Instrument Conditions the Issuer shall not be in breach of these Conditions and no liability in respect thereof shall attach to the Issuer.

For so long as delivery of the Entitlement in respect of any Instrument is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Instrument by payment to the relevant Holder of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election (the "**Election Notice**") is given to the Holders in accordance with Condition 14.

(b) *Physical Delivery through JASDEC*

If the relevant Final Terms provides that the physical delivery through JASDEC is applicable, the following provisions shall apply:

(i) If the Delivery Agent determines in its sole and absolute discretion that any Settlement Disruption Event or, if the Relevant Asset is a beneficiary interest in an ETF, any Fund Temporary Suspension Event is subsisting on the Maturity Date, then:

(A) If the relevant Final Terms provides that this paragraph (i)(A) is applicable, the delivery of the Entitlement shall be postponed to the date on which neither Settlement Disruption Event nor, if applicable, Fund Temporary Suspension Event is subsisting immediately following the Maturity Date, so long as such date occurs on any of the JASDEC Business Days immediately following the Maturity Date but on or prior to the JASDEC Cut-Off Date. If the date on which neither Settlement Disruption Event nor, if applicable, Fund Temporary Suspension Event is subsisting has not occurred by the JASDEC Cut-Off Date immediately following the Maturity Date, then (i) the Issuer or the Delivery Agent on behalf of the Issuer shall determine in its sole and absolute discretion on such JASDEC Cut-Off Date whether or not the Entitlement can be delivered in any other commercially reasonable manner on a date within a reasonable period and notify the Calculation Agent of such determination; and (ii)(x) if such determination is affirmative, the Delivery Agent on behalf of the Issuer shall deliver the Entitlement to the Holders in the manner and on the date so determined by the Delivery Agent, or (y) if such determination is negative, the Issuer shall, in lieu of delivering the Entitlement plus the Fractional Entitlement (if any) in respect of the Instruments, redeem each of all Instruments by paying the

cash amount in Japanese Yen which, the Calculation Agent determines in its sole and absolute discretion, is equal to the fair market value of the Entitlement plus the Fractional Entitlement (if any) as of the final Valuation Date or if the relevant Final Terms provides for no such Valuation Date, the date on which the Delivery Agent notifies the Calculation Agent of its determination pursuant to (i) above less *pro rata* share of the cost to the Issuer of unwinding or amending any related underlying hedging arrangements, such redemption being made on such date as determined by the Calculation Agent within a reasonable period.

(B) If the relevant Final Terms provides that this paragraph (i)(B) is applicable, the delivery of the Entitlement shall be postponed to the date immediately following the Maturity Date on which neither Settlement Disruption Event nor, if applicable, Fund Temporary Suspension Event is subsisting. *Provided, however, that* the Delivery Agent on behalf of the Issuer may determine in its sole and absolute discretion on such time in lieu of transferring the relevant number of the Entitlement in respect of the Instruments then outstanding, to direct the Issuer to redeem all such Instruments by paying *pro rata* a cash amount in Japanese Yen equal to the fair economic value as of the final Valuation Date, as determined by the Calculation Agent in its sole and absolute discretion, of the Entitlement (the "**Untransferred Entitlement Cash Portion**") plus the Fractional Entitlement. The Issuer shall promptly give notice thereof to the Holder in accordance with Condition 14.

The date on which the Entitlement shall be delivered hereunder is referred to as the "Delivery Date". No Holder shall be entitled to any additional payment whether of interest or otherwise on the Instruments in the event of such Delivery Date occurring after the Maturity Date or redemption of the Instruments, and no liability in respect thereof shall attach to the Issuer, the Delivery Agent or Calculation Agent.

(ii) Notwithstanding the provisions of Condition 26.3(b)(i)(A) above and subject as provided in Condition 26.2(b) above, if, on the Valuation Date immediately prior to the Maturity Date, the Calculation Agent determines in its sole and absolute discretion that for any reason whatsoever the Issuer cannot deliver the requisite number of the Relevant Asset to the Holders on the Delivery Date, the Issuer shall, in lieu of delivering the requisite number of the Relevant Asset in respect of the Instruments, redeem all Instruments on the Maturity Date by paying pro rata to the Holders a cash amount in Japanese Yen which, the Calculation Agent determines in its sole and absolute discretion, is equal to the fair economic value of the relevant number of the Relevant Asset deliverable as of such final Valuation Date. Notice setting out the relevant matters shall be given to the Holders in advance in accordance with Condition 14.

26.4 ***Additional Disruption Events and Administrator/Benchmark Events***

(a) If an Additional Disruption Event and/or an Administrator/Benchmark Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the multiplier and/or any of the other terms of these Conditions and/or the relevant Final Terms to account for the Additional Disruption Event and/or Administrator/Benchmark Event (as applicable) and determine the effective date of that adjustment; or

(ii) redeem the Instruments by giving notice to the Holders of Instruments in accordance with Condition 14. If the Instruments are so redeemed the Issuer will pay an amount to each Holder of Instrument in respect of each Instrument held by him which amount shall be the fair market value of the Instrument taking into account the Additional Disruption Event and/or the Administrator/Benchmark

Event less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders of Instruments in accordance with Condition 14.

(b) Upon the occurrence of an Additional Disruption Event and/or an Administrator/Benchmark Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 14 stating the occurrence of the Additional Disruption Event and/or an Administrator/Benchmark Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

26.5 ***Option to Vary Settlement***

If the relevant Final Terms indicate that the Issuer has an option to vary settlement in respect of the Instruments, the Issuer may at its sole and unfettered discretion in respect of each such Instrument,

(i) elect not to pay the relevant Holders the Maturity Redemption Amount, and in lieu thereof to deliver or procure delivery of the Entitlement; or

(ii) elect not to deliver or procure delivery of the Entitlement to the relevant Holders, and in lieu thereof make payment of the Maturity Redemption Amount,

in each case, to the relevant Holders on the Maturity Date. Notification of such election will be given to Holders in accordance with Condition 14.

26.6 ***Definitions***

For the purposes of these Physical Delivery Instrument Conditions:

"**Additional Disruption Event**" means, if so specified in the relevant Final Terms, (i) a Change in Law, (ii) a Hedging Disruption and/or (iii) Increased Cost of Hedging.

"**Administrator/Benchmark Event**" means, in respect of any Instruments and a Relevant Benchmark (as defined below), any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case, as required under any applicable law or regulation in order for the Issuer, the Calculation Agent or any other entity to perform its or their respective obligations in respect of the Instruments, all as determined by the Issuer.

"**Change in Law**" means that, on or after the Issue Date of the Instruments (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) 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 in good faith that (a) it has become illegal to hold, acquire or dispose of the relevant underlying, or (b) the Calculation Agent or its affiliates will incur a materially increased cost in performing its obligations in relation to the Instruments (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Cut-Off Date**" is specified in the relevant Final Terms.

"**Delivery Agent**" means, in respect of a Series of Instruments, the Delivery Agent appointed by the Issuer as specified in the relevant Final Terms. If the Delivery Agent ceases to exist or is incapable or unwilling to act as such, the Issuer will appoint the London office of a leading bank engaged in the London interbank market to act as such in its place. The Delivery Agent may not resign its duties without a successor having been appointed as aforesaid.

"**Disruption Cash Settlement Price**" means, in respect of each nominal amount of Instruments equal to the Calculation Amount, an amount equal to either (i) the fair market value of some or all

of the Relevant Assets comprising the Entitlement (the "**Affected Relevant Assets**") in respect of such Instruments (but not taking into account any interest accrued on such Instruments and paid pursuant to Condition 5 and Condition 8) on such day as shall be selected by the Issuer in its sole and absolute discretion *provided that* such day is not more than 15 days before the date that the Election Notice is given as provided above less the cost to the Issuer and/or its affiliates or agents of the Issuer of unwinding or adjusting any underlying or related hedging arrangements (including the cost of funding in respect of such hedging arrangements), or (ii) the net proceeds of sale of the Affected Relevant Assets, as may be specified in the relevant Final Terms and in each case all as calculated by the Delivery Agent in its sole and absolute discretion.

"**Entitlement**" means, in respect of each nominal amount of the Instruments equal to the Calculation Amount, the Relevant Asset of the number specified in the relevant Final Terms or, if applicable, the Relevant Asset of the number calculated pursuant to the method or formula provided in the applicable Share Linked Conditions relating to redemption of Share Linked Redemption Instruments or Fund Linked Conditions relating to redemption of Fund Linked Redemption Instruments and the relevant Final Terms, which shall be physically transferable subject to these Physical Delivery Instrument Conditions.

"**ETF**" means the fund in which beneficial interests are traded on the Exchange and more fully specified in the relevant Final Terms as the Relevant Asset.

"**Fund Temporary Suspension Event**" means the occurrence or existence of a temporary suspension of the acquisition of beneficiary interest in the relevant ETF, including, without limitation, the conversion of securities comprising the ETF into beneficiary interest, under the terms of the ETF.

"**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing, and the Issuer performing its obligations with respect to or in connection with, the Physical Delivery Instruments, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means any entity (or entities) engaged in any underlying or hedging transactions relating to the Physical Delivery Instruments and/or the underlying in respect of the Issuer's obligations under the Physical Delivery Instruments.

"**Increased Cost of Hedging**" means that the Issuer or any of its agents would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of the Issuer issuing and performing its obligations with respect to the Physical Delivery Instruments, or (ii) realise, recover or remit the proceeds of any 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 Increased Cost of Hedging.

"**JASDEC**" means the Japan Securities Depository Center (or any successor thereof).

"**JASDEC Business Day**" means any day on which JASDEC is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"**JASDEC Cut-Off Date**" has the meaning specified in the relevant Final Terms.

"**JASDEC Settlement Business Day**" means a Business Day which is a JASDEC Business Day.

"**Relevant Asset**" has the meaning specified in the relevant Final Terms.

"**Relevant Benchmark**" means any index by reference to which the amount payable under an Instrument, or the value of an Instrument, is determined, or an index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance.

"**Settlement Business Day**" means a day as specified in the relevant Final Terms.

"**Settlement Disruption Event**" means an event beyond the control of the Issuer and/or the Delivery Agent (including but not limited to the non-delivery of the counterparty to a hedge agreement entered into by the Issuer to hedge the Instruments), as a result of which the Delivery Agent and/or the Issuer cannot, in respect of each of the Instruments, procure delivery of some or all of the Relevant Assets comprising the Entitlement.

## PROVISIONS RELATING TO THE INSTRUMENTS WHILST IN GLOBAL FORM

(A) *Relationship of Accountholders with Clearing Systems*

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC or any other clearing system as the holder of an Instrument represented by a Global Instrument must look solely to Euroclear, Clearstream, Luxembourg, DTC or such other clearing system (as the case may be) for such person's share of each payment made by the Issuer to the bearer of such Global Instrument (or the registered holder of the Global Registered Instrument, as the case may be), and in relation to all other rights arising under the Global Instruments, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Instruments for so long as the Instruments are represented by such Global Instrument or Global Registered Instrument and such obligations of the Issuer will be discharged by payment to the bearer of such Global Instrument (or the registered holder of the Global Registered Instrument, as the case may be), in respect of each amount so paid. References in these provisions relating to the Instruments in global form to "**holder**" or "**accountholder**" are to those persons shown in the records of the relevant clearing system as a holder of an Instrument.

(B) *Form and Exchange — Bearer Global Instruments*

(1) *TEFRA D or TEFRA C*: The relevant Final Terms shall specify whether U.S. Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") or U.S. Treasury Regulation § 1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") shall apply. Each Tranche of Bearer Instruments is represented upon issue by a Temporary Global Instrument, unless the relevant Final Terms specifies otherwise or the TEFRA C Rules apply.

Where the relevant Final Terms applicable to a Tranche of Bearer Instruments specifies that TEFRA is not applicable or that the TEFRA C Rules apply, such Tranche is (unless otherwise specified in the relevant Final Terms) represented upon issue by a Permanent Global Instrument.

Interests in a Temporary Global Instrument may be exchanged for:

(i) interests in a Permanent Global Instrument; or

(ii) if so specified in the relevant Final Terms, Definitive Bearer Instruments and/or (if so specified in the relevant Final Terms) Registered Instruments.

Exchanges of interests in a Temporary Global Instrument for Definitive Bearer Instruments or, as the case may be, a Permanent Global Instrument will be made only on or after the Exchange Date (as specified in the relevant Final Terms) and (unless the relevant Final Terms specifies that the TEFRA C Rules are applicable to the Instruments or TEFRA does not apply) provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Instrument or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received. An exchange for Registered Instruments will be made at any time or from such date as may be specified in the relevant Final Terms, in each case, without any requirement for certification.

Whenever any interest in a Temporary Global Instrument is to be exchanged for an interest in a Permanent Global Instrument, the Issuer shall procure:

(i) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Instrument, duly authenticated and, in the case of an NGI, effectuated, to the bearer of the Temporary Global Instrument; or

(ii) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Instrument in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg

and/or any other relevant clearing system and received by the Issue and Paying Agent against, in the case of a CGI, presentation and (in the case of final exchange) surrender of the Temporary Global Instrument at the specified office of the Issue and Paying Agent or, in the case of partial exchange of an NGI, confirmation from the common service provider that Euroclear and Clearstream, Luxembourg have made appropriate entries in their records to reflect the relevant exchange and, in the case of final exchange of an NGI, surrender of the Temporary Global Instrument at the specified office of the Issue and Paying Agent or destruction of the Temporary Global Instrument by the common safekeeper in accordance with the Issue and Paying Agency Agreement, in any such case within 7 days of the bearer requesting such exchange.

(2) *Limitation on entitlement under a Temporary Global Instrument after Exchange Date:* Holders of interests in any Temporary Global Instrument shall not (unless, upon due presentation of such Temporary Global Instrument for exchange (in whole but not in part only) for a Permanent Global Instrument or for delivery of Definitive Bearer Instruments and/or Registered Instruments, 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 Instruments represented by such Temporary Global Instrument which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.

(3) *Certification of non-U.S. beneficial ownership*: Unless the relevant Final Terms specifies that the TEFRA C Rules are applicable to the Instruments or that TEFRA does not apply and subject to paragraph (2) above, if any date on which a payment of interest is due on the Instruments of a Tranche occurs whilst any of the Instruments of that Tranche are represented by a Temporary Global Instrument, the related interest payment will be made on the Temporary Global Instrument only to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Instrument or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received. Payments of amounts due in respect of a Permanent Global Instrument or (subject to paragraph (2) above) a Temporary Global Instrument (if the relevant Final Terms specifies that the TEFRA C Rules are applicable to the Instruments or that TEFRA does not apply) will be made through Euroclear or Clearstream, Luxembourg or any other relevant clearing system without any requirement for certification.

(4) *Exchange for Definitive Bearer Instruments*: Interests in a Permanent Global Instrument will be exchanged (subject to the period allowed for delivery as set out in (i) below), in whole but not in part only and at the request of the Holder of such Global Instrument, for Definitive Bearer Instruments and/or (if so specified in the relevant Final Terms) Registered Instruments, (a) if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) an Event of Default as defined in Condition 7 occurs and the Instruments become due and payable or, (c) at any time on the request of the bearer, if so specified in the relevant Final Terms. Whenever a Permanent Global Instrument is to be exchanged for Definitive Bearer Instruments and/or Registered Instruments, the Issuer shall procure the prompt delivery of such Definitive Bearer Instruments and/or Registered Instruments, duly authenticated and where and to the extent applicable, with Receipts, Coupons and Talons attached (each as defined in Condition 1.2 and Condition 1.3), in an aggregate principal amount equal to the principal amount of such Permanent Global Instrument to the Holder of the Permanent Global Instrument against its surrender at the specified office of the Issue and Paying Agent within 30 days of the Holder requesting such exchange. Furthermore, if,

(i) Definitive Bearer Instruments have not been delivered in accordance with the foregoing by 5.00 p.m. (London time) on the thirtieth day after the Holder has requested exchange, or

(ii) the Permanent Global Instrument (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Permanent Global Instrument has occurred and, in either case, payment in full of

the amount of the Redemption Amount (as defined in Condition 6.14) together with all accrued interest thereon has not been made to the Holder in accordance with the Conditions on the due date for payment, then such Permanent Global Instrument (including the obligation to deliver Definitive and/or Registered Instruments) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (i) above) or at 5.00 p.m. (London time) on such due date (in the case of (ii) above) and the Holder of the Permanent Global Instrument will have no further rights thereunder (but without prejudice to the rights which the such Holder or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg (or any other relevant clearing system) as being entitled to interests in the Instruments will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Instrument became void, they had been the Holders of Definitive Bearer Instruments in an aggregate principal amount equal to the principal amount of Instruments they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg or other relevant clearing system (as the case may be).

(C) *Form and Exchange — Global Registered Instruments*

(1) *Global Registered Instrument:* The Regulation S Instruments of each Tranche will initially be represented by a Regulation S Global Instrument and the Rule 144A Instruments will initially be represented by a Rule 144A Global Instrument. On the relevant issue date, Global Registered Instruments will be (i) registered in the name of, and deposited with, a common depositary (or a nominee for a common depositary) on behalf of Euroclear and Clearstream, Luxembourg; and/or (ii) in the case of a Regulation S Global Registered Instrument to be held under the New Safekeeping Structure, registered in the name of, and deposited with, a common safekeeper (or a nominee for a common safekeeper) on behalf of Euroclear and Clearstream, Luxembourg; and/or (iii) registered in the name of Cede & Co. as nominee for, and deposited with a custodian for, DTC; and/or (iv) registered and deposited with any other agreed clearing system, as specified in the relevant Final Terms.

By acquisition of beneficial interests in the Regulation S Global Instrument, the purchaser thereof will be deemed to represent, among other things, that it acquired such beneficial interest in accordance with Regulation S and that it will only offer, sell, pledge or otherwise transfer such beneficial interest in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S. By acquisition of a beneficial interest in the Rule 144A Global Instrument, the purchaser thereof will be deemed to represent, among other things, that it is a QIB that is also a QP and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Rule 144A Global Instrument. See "*Transfer Restrictions*".

(2) *Exchange*: Each Global Registered Instrument will become exchangeable in whole, but not in part, for Definitive Registered Instruments if (a) (in the case of a Regulation S Global Instrument deposited with Euroclear or Clearstream, Luxembourg) Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business, (b) (in the case of a Rule 144A Global Instrument deposited with DTC) if (A) the Issuer has been notified that DTC is no longer willing or able to discharge properly its responsibilities as depositary with respect to such Global Registered Instrument or (B) ceases to be a "clearing agency" registered under the Exchange Act or is at any time no longer eligible to act as such and, in each case, the Issuer is unable to locate and appoint a qualified successor within 90 days of receiving such notice, (c) any of the circumstances described in Condition 7 occurs, or (d) at any time at the request of the registered Holder if so specified in the relevant Final Terms.

(3) *Transfer*: Interests in a Global Registered Instrument may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Global Registered Instrument. No beneficial owner of an interest in a Global Registered Instrument will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear, Clearstream, Luxembourg and/or DTC to the extent

applicable. Registered Instruments are also subject to the restrictions on transfer and will bear a legend regarding such restrictions. See "*Subscription and Sale*" and "*Transfer Restrictions*".

No beneficial interest in the Regulation S Global Instrument may be transferred to a person who takes delivery in the form of a beneficial interest in the Rule 144A Global Instrument unless (i) the transfer is to person that is a QIB and that is also a QP, (ii) such transfer is made in reliance on Rule 144A, and (iii) the transferor provides the Registrar with a written certification substantially in the form set out in the Issue and Paying Agency Agreement to the effect that the transferor reasonably believes that the transferee is a QIB that is also a QP, that the transfer is being made in a transaction meeting the requirements of Rule 144A and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. No beneficial interest in the Rule 144A Global Instrument may be transferred to a person who takes delivery in the form of a beneficial interest in the Regulation S Global Instrument unless the transfer is to a non-U.S. person in an offshore transaction in reliance on Regulation S and the transferor provides the relevant Registrar with a written certification substantially in the form set out in the Issue and Paying Agency Agreement to the effect that the transfer is being made to a person who is not a U.S. person in accordance with Regulation S.

Any beneficial interest in the Regulation S Global Instrument that is transferred to a person who takes delivery in the form of an interest in the Rule 144A Global Instrument will, upon transfer, cease to be an interest in the Regulation S Global Instrument and become an interest in the Rule 144A Global Instrument, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in the Rule 144A Global Instrument for as long as it remains such an interest. Any beneficial interest in the Rule 144A Global Instrument that is transferred to a person who takes delivery in the form of an interest in the Regulation S Global Instrument will, upon transfer, cease to be an interest in the Rule 144A Global Instrument and become an interest in the Regulation S Global Instrument and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in the Regulation S Global Instrument for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of such Global Registered Instruments, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

(4) *Payments:* Payments of principal, interest and any other amount in respect of the Global Registered Instruments will, in the absence of provision to the contrary, be made to the common depositary or common safekeeper (in the case of Regulation S Global Registered Instruments to be held under the New Safekeeping Structure) (or a nominee for the common depositary or common safekeeper) for Euroclear and Clearstream, Luxembourg and/or the nominee of DTC, as the case may be, as the registered holders of the Global Registered Instruments. None of the Issuer, the Issue and Paying Agent, the other Paying Agents or the Registrars will have any responsibility or liability for an aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Registered Instruments or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Definitive Registered Instruments will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 9.2(c)) immediately preceding the due date for payment in the manner provided in that Condition.

Whenever a Global Registered Instrument is to be exchanged for Definitive Registered Instruments, such Definitive Registered Instruments will be issued in an aggregate principal amount equal to the principal Definitive amount of such Global Registered Instrument within five business days of the delivery, by or on behalf of the registered Holder of the Global Registered Instrument, Euroclear and/or Clearstream, Luxembourg and/or DTC to the relevant Registrar of such information as is required to complete and deliver such Definitive Registered Instruments (including, without limitation, the names and addresses of the persons in whose names the Definitive Registered Instruments are to be registered and the principal amount of each such

person's holding) against the surrender of such Global Registered Instrument at the Specified Office of the relevant Registrar. Such exchange will be effected in accordance with the provisions of the Issue and Paying Agency Agreement and the regulations concerning the transfer and registration of Instruments scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the relevant Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If (a) Definitive Registered Instruments have not been issued and delivered by 5.00 p.m. (London time) on the thirtieth day after the date on which the same are due to be issued and delivered in accordance with the terms of a Global Registered Instrument or (b) any of the Instruments evidenced by the Global Registered Instrument have become due and payable in accordance with the Conditions or the date for final redemption of the Instruments has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the Holder of such Global Registered Instrument on the due date for payment in accordance with the terms of such Global Registered Instrument, then the Global Registered Instrument (including the obligation to deliver Definitive Registered Instruments) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the Holder will have no further rights thereunder (but without prejudice to the rights which the Holder or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg (or other relevant clearing system) as being entitled to interests in the Instruments will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Global Registered Instrument became void, they had been the registered Holders of Instruments in an aggregate principal amount equal to the principal amount of Instruments they were shown as holding in the records of Euroclear, Clearstream, Luxembourg or other relevant clearing system (as the case may be).

(D) *Amendment to Conditions*

The Temporary Global Instruments, Permanent Global Instruments and Global Registered Instruments contain provisions that apply to the Instruments that they represent, some of which modify the effect of the Conditions of the Instruments set out in this Base Prospectus. The following is a summary of certain of those provisions:

(1) *Meetings*: The holder of a Permanent Global Instrument or of the Instruments represented by a Global Registered Instrument shall (unless such Permanent Global Instrument or Global Registered Instrument represents only one Instrument) be treated as being two persons for the purposes of any quorum requirements of a meeting of holders and, at any such meeting, the holder of a Permanent Global Instrument shall be treated as having one vote in respect of each minimum Denomination of Instruments for which such Global Instrument may be exchanged. (All holders of Registered Instruments are entitled to one vote in respect of each Instrument comprising such holder's holding, whether or not represented by a Global Registered Instrument).

(2) *Cancellation*: Cancellation of any Instrument represented by a Permanent Global Instrument that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Instrument.

(3) *Purchase*: Instruments represented by a Permanent Global Instrument may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

(4) *Issuer's Options*: Any option of the Issuer provided for in the Conditions of the Instruments while such Instruments are represented by a Permanent Global Instrument or a Global Registered Instrument shall be exercised by the Issuer giving notice to the Holders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Instruments drawn in the case of a partial exercise of an option and accordingly no drawing of Instruments shall be required. In the event that any option of the Issuer is exercised in

respect of some but not all of the Instruments of any Series, the rights of accountholders with a clearing system in respect of the Instruments will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be).

(5) *Holders' Options*: Any option of the Holders provided for in the Conditions of any Instruments while such Instruments are represented by a Permanent Global Instrument or a Global Registered Instrument may be exercised by the Holder of such Permanent Global Instrument or Global Registered Instrument, giving notice to the Issue and Paying Agent within the time limits relating to the deposit of Instruments with a Paying Agent or the Registrar, in the case of a Global Registered Instrument substantially in the form of the notice available from any Paying Agent (or the Registrar, in the case of a Global Registered Instrument), except that the notice shall not be required to contain the serial numbers of the Instruments in respect of which the option has been exercised, and stating the principal amount of Instruments in respect of which the option is exercised and at the same time presenting for notation the Permanent Global Instrument or the Global Registered Instrument to the Issue and Paying Agent, or to a Paying Agent acting on behalf of the Issue and Paying Agent, (or the Registrar, in the case of a Global Registered Instrument).

(6) *Notices*: So long as any Instruments are represented by a Permanent Global Instrument or Global Registered Instrument and such Permanent Global Instrument or Global Registered Instrument is held on behalf of a clearing system, notices to the Holders of Instruments of that Series may be given by delivery of the relevant notice to the clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the Holder of the Permanent Global Instrument or Global Registered Instrument and, in any case, such notices shall be deemed to have been given to the Holders in accordance with the Conditions upon delivery to Euroclear and/or Clearstream, Luxembourg and/or DTC and/or any other relevant clearing system except that so long as the Instruments are admitted to trading on the regulated market of the Luxembourg Stock Exchange and the rules of that exchange so require, notice shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

(7) *Record Date*: Each payment in respect of a Global Registered Instrument will be made to the person shown as the Holder in the relevant Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Registered Instrument is being held is open for business.

(8) *Payments*: In the case of any payments in respect of a Temporary Global Instrument, Permanent Global Instrument or Global Registered Instrument, references in the Conditions to presentation and surrender of an Instrument will be to presentation and surrender of the Temporary Global Instrument, Permanent Global Instrument or Global Registered Instrument, as the case may be, and the relevant payment date shall be a day which is an Applicable Financial Centre Day.

(9) *Interest Calculation*: While any Instrument is represented by either one or both Global Instruments or a Global Registered Instrument, the "Specified Denomination" for the purposes of Condition 5.12 shall be the principal amount evidenced by such Global Instrument(s) or Global Registered Instrument, as applicable, less, in respect of any Instalment Instrument, any principal amount on which interest shall have ceased to accrue in accordance with Condition 5.11 or, in the case of a Partly Paid Instrument, the Paid Up Amount of such Instrument or otherwise as indicated in the relevant Final Terms except that the Paid Up Amount shall be deemed to be nil for Instruments which have been forfeited by the Issuer on or after the Forfeiture Date as provided for in Condition 1.8.

(E) *Partly Paid Instruments*

While any Partly Paid Instalments due from the holder of Partly Paid Instruments are overdue, no interest in a Permanent Global Instruments or Global Registered Instrument representing such Instruments may be exchanged for an interest in a Permanent Global Instrument or for Definitive Bearer Instruments or a Registered Instrument (as the case may be). If any holder fails to pay any instalment due on any Partly Paid Instruments within the time specified, the Issuer may forfeit such Instruments and shall have no further obligation to such holder in respect of them.

## FORM OF FINAL TERMS

*The Final Terms in respect of each Tranche of Instruments will be in the following form, duly completed to reflect the particular terms of the relevant Instruments and their issue.*

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS –** The Instruments 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 (the "**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 ("**EU MiFID II**") or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.][2]

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS –** The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); and (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the EU Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA. Consequently no key information document required by the EU PRIIPs Regulation as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.][3]

[**EU MiFID II PRODUCT GOVERNANCE / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer['s/s'] product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties and professional clients only, each as defined in [EU MiFID II / Directive 2014/65/EU ("**EU MiFID II**")]; and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Instruments (a "**distributor**") should take into consideration [the/each] manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels. / [*Other target market assessment – provide relevant details.*]]

[**UK MiFIR PRODUCT GOVERNANCE / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Instruments has led to conclusion that: (i) the target market for the Instruments is only eligible counterparties, as defined in the Handbook Conduct of Business Sourcebook ("**COBS**") of the United Kingdom Financial Conduct Authority (the "**FCA**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the [EUWA/European Union (Withdrawal) Act 2018] ("**UK MiFIR**"); and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. [*Consider any negative*

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[2] Include these legends if the Instruments are or may constituted "packaged" products and no key information document (KID) required by the EU PRIIPs Regulation has been prepared. Omit if the Instruments clearly do not constitute "packaged" products for the purposes of the EU PRIIPs Regulation or a key information document (KID) has been prepared.

[3] Include these legends if the Instruments are or may constituted "packaged" products and no key information document (KID) required by the UK PRIIPs Regulation has been prepared. Omit if the Instruments clearly do not constitute "packaged" products for the purposes of the UK PRIIPs Regulation or a key information document (KID) has been prepared.

*target market*]. Any [person subsequently offering, selling or recommending the Instruments (a "**distributor**") / distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels. / [*Other target market assessment – provide relevant details.*]]

[**SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION** – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Instruments are ["prescribed capital markets products"]/[capital markets products other than "prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018)]

Final Terms dated [•]

**KOMMUNALBANKEN AS**

**Legal Entity Identifier: I7ETN0QQO2AHZZGHJ389**

Issue of
**[Aggregate Principal Amount of Tranche] [Title of Instruments]**

**UNDER THE**
**PROGRAMME FOR THE ISSUANCE OF DEBT INSTRUMENTS**

**PART A - CONTRACTUAL TERMS**

*Option 1: First Tranche of the Series is issued under the current Base Prospectus*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 17 March 2022 [and the supplement(s) to the base prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Instruments described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Base Prospectus.

*Option 2: The following alternative language applies, instead of the above text, if the first Tranche of an issue which is being increased was issued under the Conditions set out in a prospectus with an earlier date:*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the base prospectus dated [19 March 2021 / 20 March 2020 / 22 March 2019 / 6 April 2018 / 7 April 2017 / 8 April 2016 / 10 April 2015 / 17 April 2014 / 18 April 2013 [and the supplement thereto dated 13 August 2013] / 18 April 2012 / 19 April 2011 / 20 April 2010 / 22 April 2009 / 24 April 2008]. This document constitutes the Final Terms of the Instruments described herein for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and, save in respect of the Conditions, must be read in conjunction with the base prospectus dated 17 March 2022 [and the supplement(s) to the base prospectus dated [•]], which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Regulation. The Conditions are incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Instruments is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Conditions.

*End of options*

The Base Prospectus [and the Conditions] [is/are] available for viewing at Kommunalbanken AS, Haakon VIIs gate 5b, 0161 Oslo, Norway and Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom [and the websites of the Luxembourg Stock Exchange (www.bourse.lu) and the Issuer (https://www.kbn.com/en/about-us/company-information)] and copies may be obtained from Kommunalbanken AS, Haakon VIIs gate 5b, 0161 Oslo, Norway and Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

[*Include whichever of the following apply or specify as "Not Applicable". Text appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.*]

| | | | |
|---|---|---|---|
| 1. | (i) | Series Number: | [•] |
| | (ii) | Tranche Number: | [•] |
| | (iii) | Date on which the Instruments become fungible: | Not Applicable/The Instruments shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] Instruments due [•] issued on [•] on [[•]/the Issue Date/exchange of the Temporary Global Instrument for interests in the Permanent Global Instrument, as described in these Final Terms] *(to be completed as appropriate for the details of the relevant Instruments)* |
| 2. | Specified Currency: | | [•] |
| 3. | Aggregate Principal Amount: | | |
| | (i) | Series: | [•] |
| | (ii) | Tranche: | [•] |
| 4. | Issue Price: | | [•] per cent. of the Aggregate Principal Amount [plus accrued interest from [*insert date*] *(if applicable)*] |
| 5. | (i) | Specified Denominations: | [•] [*In the case of any Instruments which are to be admitted to trading on a regulated market within the EEA, or offered to the public in a Member State of the EEA, in circumstances which require the publication of a prospectus under the Prospectus Regulation, or offered to the public in the UK, in circumstances which require the publication of a prospectus under the Prospectus Regulation as it forms part of domestic law of the UK by virtue of the EUWA, the minimum specified denomination shall be EUR100,000 (or its equivalent in any other currency as at the date of issue of the Instruments) and, in the case of Rule 144A Instruments and any Instruments issued as part of a Tranche of Instruments that contain both Regulation S Instruments and Rule 144A Instruments, at least U.S.$100,000 (or equivalent in another currency).*]<br><br>*(N.B. Where multiple denominations above EUR100,000 or equivalent are being used the following sample wording should be followed: "EUR100,000 and integral multiples of EUR1,000 in excess thereof up to EUR199,000. No Instruments in definitive form will be issued with a denomination above EUR199,000.")* |
| | (ii) | Calculation Amount: | [•] |
| 6. | (i) | Issue Date: | [•] |
| | (ii) | Interest Commencement Date: | *Specify*/Issue Date/Not Applicable |

| | | |
|---|---|---|
| 7. | Maturity Date: | [•] [subject to adjustment for [payment purposes only]/[calculation of interest and payment purposes] in accordance with [*specify applicable Business Day Convention*]]/[with no adjustment] [*Specify date or (for Floating Rate Instruments or Renminbi denominated Fixed Rate Instruments where Interest Payment Dates are subject to modification) Interest Payment Date falling in or nearest to the relevant month and year*]<br><br>(*Instruments (including Instruments denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).*) |
| 8. | Types of Instruments: | Fixed Rate/Floating Rate/Fixed Interest Discounted Issue/Zero Coupon/Index Linked/Share Linked/FX Linked/Fund Linked/Commodity Linked |
| 9. | Interest Basis: | [[•] per cent. Fixed Rate]<br><br>[BBSW / BKBM / Compounded Daily €STR / EONIA / EURIBOR / Compounded Daily SONIA / SONIA Index / Compounded SOFR / SOFR Index / NIBOR / STIBOR / U.S. Federal Funds Rate]+/- [•] per cent. Floating Rate]<br><br>[Zero Coupon]<br><br>[Index Linked Interest]<br><br>[Share Linked Interest]<br><br>[FX Linked Interest]<br><br>[Fund Linked Interest]<br><br>(further particulars specified below) |
| 10. | Redemption/Payment Basis: | [Subject to any purchase and cancellation or early redemption, the Instruments will be redeemed on the Maturity Date at [100 per cent.]/[[•] per cent.] of their nominal amount]<br><br>[Index Linked Redemption]<br><br>[Share Linked Redemption]<br><br>[FX Linked Redemption]<br><br>[Fund Linked Redemption]<br><br>[Physical Delivery]<br><br>[Commodity Linked Redemption]<br><br>[Partly Paid] |

| | | |
|---|---|---|
| | | [Instalment] |
| 11. | Change of Interest or Redemption/Payment Basis: | Applicable/Not Applicable [*Specify the date when any fixed to floating rate change occurs or refer to paragraphs 15 and 16 below and identify these.*] |
| 12. | Put/Call Options: | [Not Applicable]<br><br>[Investor Put]<br><br>[Issuer Call]<br><br>[(further particulars specified below)] |
| 13. | Status of the Instruments: | Senior/Senior Non-Preferred |
| 14. | Substitution and Variation (Condition 6.18): | Applicable/Not Applicable (*Relevant for Senior Non-Preferred Instruments only; for Senior Instruments specify "Not Applicable"*) |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | | |
|---|---|---|---|
| 15. | **Fixed Rate Instrument Provisions** | | Applicable/Not Applicable *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Interest Rate: | [•] per cent. per annum [payable [annually/semi - annually/quarterly/monthly] in arrear] |
| | (ii) | Interest Payment Date(s): | [•] [[•], [•] and [•]] in each year from and including [•] up to and including [•]/the Maturity Date |
| | (iii) | Adjustment of Interest Payment Date(s) for payment purposes: | No Adjustment/Interest Payment Dates will not be adjusted for calculation of interest; however, for payment purposes only, the [Eurodollar Convention/FRN Convention/Following Business Day Convention/ Modified Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention will apply]/[*Insert the following option for Renminbi Instruments if Interest Payment Date is to be modified*: Interest Payment Date will be adjusted for calculation of interest and for payment purposes in accordance with the [Eurodollar Convention/FRN Convention/Following Business Day Convention/ Modified Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]] |
| | (iv) | Fixed Coupon Amount[(s)]: | [•] per Calculation Amount/Each Fixed Coupon Amount shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 being rounded upwards |
| | (v) | Broken Amount(s): | [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]/Not Applicable |
| | (vi) | Day Count Fraction: | Actual/Actual (ISDA) / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 |

| | | | |
|---|---|---|---|
| | | | / 30E/360 (ISDA) |
| | (vii) | Determination Dates: | [•] in each year [*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*] *(N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*/Not Applicable |
| 16. | **Floating Rate Instrument Provisions** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) | Interest Period(s): | [•] |
| | (ii) | Specified Period: | [•]/Not Applicable *(Specified Period and Interest Payment Dates are alternatives. A Specified Period, rather than Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")* |
| | (iii) | Interest Payment Dates: | Interest shall be payable [annually/semi-annually/quarterly/monthly] in arrear on [•] in each year commencing on the First Interest Payment Date, up to and including [•]/the Maturity Date/Not Applicable *(Specified Period and Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")* |
| | (iv) | First Interest Payment Date: | [•] |
| | (v) | Business Day Convention: | Eurodollar Convention/FRN Convention/ Following Business Day Convention/ Modified Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention |
| | (vi) | Manner in which the Interest Rate(s) is/are to be determined: | Screen Rate Determination/ISDA Determination |
| | (vii) | Screen Rate Determination: | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | | • Reference Rate: | BBSW / BKBM / Compounded Daily €STR / EONIA / EURIBOR / Compounded Daily SONIA / SONIA Index / Compounded SOFR / SOFR Index / NIBOR / STIBOR / U.S. Federal Funds Rate |
| | | • Interest Determination Date(s): | [•]<br><br>[*For example, the day which is [•] Business Days before the first day of the Interest Period, or, in the case of SONIA, the date falling "p" London Banking Days prior to the start of each Interest Payment Date.*<br><br>*The Conditions define "Business Day" as a day* |

*(other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business and settle payments in each Applicable Financial Centre in respect of the relevant Instruments. For the purposes of Condition 5.7A, "Business Day" means any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each Applicable Financial Centre and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed.*

*If the Final Terms specify the TARGET System as an Applicable Financial Centre, it means a day on which the TARGET System is operating*]

- Relevant Screen Page: [•] [*For example, Reuters, EURIBOR 01/ FEDFUNDS1 Page*] / Not Applicable [*For example, the Conditions do not require a Relevant Screen Page to be specified for SOFR or €STR*]
- Relevant Time: [•] [*For example, 11:00 a.m. London time/Brussels time/Stockholm time / 12:00 p.m. Oslo time*] / Not Applicable
- Relevant Financial Centre: [•] [*For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)*] / Not Applicable
- Variable Rate: Applicable. The Interest Rate shall be [added to /subtracted from] the Variable Rate(s) set out below:

  [•] / Not Applicable
- "p": [•] [London Banking Days/TARGET Settlement Days/U.S. Government Securities Business Days] / Not Applicable

  (*In the case of SONIA, "p" shall not be less than five London Banking Days without the prior agreement of the Calculation Agent and in the case of €STR, "p" shall not be less than five TARGET Settlement Days without the prior agreement of the Calculation Agent*)

(viii) ISDA Determination: Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

- ISDA Definitions: 2006 ISDA Definitions/2021 ISDA Definitions
- Floating Rate Option: [•] / CHF-SARON / EUR-EuroSTR / EUR-EuroSTR Compounded Index / GBP SONIA / GBP SONIA Compounded Index / HKD-HONIA / USD-SOFR / USD-SOFR Compounded Index (*The Floating Rate Option should be one that is included in the 2021 ISDA Interest Rate Derivatives Definitions Floating Rate Matrix or*

*the 2006 ISDA Definitions, as applicable*)

- Designated Maturity: [•]

  (*This should be specified as being "Not Applicable" in the case of GBP-SONIA, USD-SOFR, EUR-EuroSTR, CHF-SARON, HK-HONIA, GBP-SONIA Compounded Index, USD-SOFR Compounded Index and EUR-EuroSTR Compounded Index*)

- Reset Date: [•]/As specified in the ISDA Definitions/The first day of the relevant Interest Period

- Compounding: Applicable/Not Applicable (*If not applicable delete the remaining sub-paragraphs of this paragraph*)

  Compounding Method: [Compounding with Lookback:

  Lookback: [•] Applicable Business Days (*which shall not be less than five (5) without the prior agreement of the Calculation Agent*)]

  [Compounding with Observation Period Shift:

  Observation Period Shift: [•] Observation Period Shift Business Days (*which shall not be less than five (5) without the prior agreement of the Calculation Agent*)

  Observation Period Shift Additional Business Days: [•]/Not Applicable]

  [Compounding with Lockout:

  Lockout: [•] Lockout Period Business Days (*which shall not be less than five (5) without the prior agreement of the Calculation Agent*)

  Lockout Period Business Days: [•]/Applicable Business Days]

- Averaging: Applicable/Not Applicable (*If not applicable delete the remaining sub-paragraphs of this paragraph*)

  Averaging Method: [Averaging with Lookback:

  Lookback: [•] Applicable Business Days (*which shall not be less than five (5) without the prior agreement of the Calculation Agent*)]

  [Averaging with Observation Period Shift:

  Observation Period Shift: [•] Observation Period Shift Business days (*which shall not be less than five (5) without the prior agreement of the Calculation Agent*)

  Observation Period Shift Additional Business Days: [•]/Not Applicable]

| | | | |
|---|---|---|---|
| | | | [Averaging with Lockout:<br><br>Lockout: [•] Lockout Period Business Days (*which shall not be less than five (5) without the prior agreement of the Calculation Agent*)<br><br>Lockout Period Business Days: [•]/Applicable Business Days] |
| | | • Index Provisions: | Applicable/Not Applicable (*If not applicable delete the remaining sub-paragraphs of this paragraph*) |
| | | Index Method: | Compounded Index Method with Observation Period Shift<br><br>Observation Period Shift: [•] Observation Period Shift Business days<br><br>Observation Period Shift Additional Business Days: [•]/[Not Applicable] |
| | | • Variable Rate: | Applicable. The Interest Rate shall be [added to / subtracted from] the Variable Rate(s) set out below:<br><br>[•]/Not Applicable |
| | (ix) | Linear Interpolation: | Not Applicable/Applicable – the Interest Rate for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*) |
| | (x) | Margin(s): | [+/-][•] per cent. per annum |
| | (xi) | Minimum Interest Rate: | [•] per cent. per annum/Not Applicable |
| | (xii) | Maximum Interest Rate: | [•] per cent. per annum/Not Applicable |
| | (xiii) | Day Count Fraction: | Actual/Actual (ISDA) / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA) |
| | (xiv) | Weighted Average Reference Rate: | Applicable/Not Applicable<br><br>[Banking Days: [•]] |
| 17. | **Fixed Interest Discounted Issue Instrument Provisions** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) | Amortisation Yield: | [•] per cent. per annum, compounded [annually/semi-annually] |
| | (ii) | Reference Price: | Issue Price/[•] |
| | (iii) | Day Count Fraction: | Actual/Actual (ISDA) / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA) |
| 18. | **Zero Coupon Instrument Provisions** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this* |

| | | | |
|---|---|---|---|
| | | | *paragraph*) |
| | (i) | Amortisation Yield: | [•] per cent. per annum |
| | (ii) | Reference Price: | Issue Price/[•] |
| | (iii) | Day Count Fraction: | Actual/Actual (ISDA) / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA) |
| 19. | **Index Linked Interest Instrument Provisions** | | Applicable/Not Applicable *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Index/Basket of Indices/ Index Sponsor/ Reference Source: | [The ["Index"]/["Basket of Indices"] means [•]] (*include weightings of the relevant underlying in the basket*)<br><br>[The Index is a Unitary Index/Multi-Exchange Index]<br><br>[The Index Sponsor for the Index is [•]]<br><br>[The Index Currency for the Index is [•]]<br><br>[The Reference Source for the Index is [•]] |
| | (ii) | Index Linked Interest Formula: | Condition 21.3 [(I)/(II)/(III)] shall apply. |
| | | (*If Condition 21.3 (I) or (II) applies*): | [For the purpose of each item of the Index Linked Interest Formula, [(x)/(y)] shall apply.] |
| | | (*If Condition 21.3 (III) applies*): | |
| | | [CMS Rate: | Floating Rate Option is [•] |
| | | Initial Index Level: | [•] |
| | | Leverage: | [•] |
| | | Rate 1: | [•] |
| | | Rate 2: | [•] |
| | | Rate 3: | [•] |
| | | Rate 4: | [•]] |
| | (iii) | Interest Payment Dates: | [•] in each year from and including [•] to and including [•]/the Maturity Date [subject to adjustment in accordance with the Business Day Convention]/[*specify other*]/[Not Applicable] (*N.B. If final Interest Payment Date is different from final Interest Period End Date, consider amending the definition of Maturity Date*)<br><br>[The amount of interest payable shall be [adjusted in accordance with the Business Day Convention]/[unadjusted]/[*specify other*]]/[Not Applicable]. (*N.B. If the Business Day Convention is applicable to the Interest Payment Dates, consider inserting this paragraph to specify whether the adjustment of the Interest Payment* |

| | | |
|---|---|---|
| | | *Date because of the Business Day Convention shall affect the amount of interest.*) |
| (iv) | Business Day Convention: | Eurodollar Convention/FRN Convention/ Following Business Day Convention/ Modified Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention |
| (v) | Minimum Rate/Amount of Interest: | [•] per cent. per annum [*specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| (vi) | Medium Rate/Amount of Interest: | [•] per cent. per annum [*specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| (vii) | Maximum Rate/Amount of Interest: | [•] per cent. per annum [*specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| (viii) | Day Count Fraction: | Actual/Actual (ISDA) / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA) |
| (ix) | Exchange(s): | [•]/As specified in paragraph (b) of the definition of "Exchange" in Condition 21.2 |
| (x) | Related Exchange: | [•]/All Exchanges<br><br>[Paragraph [(a)/(b)] of the definition of "Related Exchange" in Condition 21.2 shall apply] |
| (xi) | Valuation Date(s): | [•]<br><br>[Paragraph [(a)/(b)(i)/(b)(ii)] of the definition of "Valuation Date" in Condition 21.2 shall apply] |
| (xii) | Valuation Cut-Off Date(s): | [•]/Paragraph (ii) of the definition of "Valuation Cut-Off Date" in Condition 21.2 shall apply |
| (xiii) | Barrier Level: | [•]/Barrier Level 1: [•]; Barrier Level 2: [•]/Not Applicable (*N.B. If a percentage of a fixed level consider rounding*) |
| (xiv) | Base Price: | As defined in Condition 21.2/Not Applicable (*N.B. If a percentage of a fixed level consider rounding*) |
| (xv) | Base Price Fixing Date: | [•]/Not Applicable<br><br>[Paragraph [(I)/(II)/(III)] of the definition of "Base Price Fixing Date" in Condition 21.2 shall apply] |
| (xvi) | Base Price Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Base Price Valuation Cut-Off Date" in Condition 21.2 shall apply |
| (xvii) | Correction Publication Cut-Off Date: | Condition 21.5 shall apply/The immediately following business day of the original date of publication/[*specify other*] |
| (xviii) | Additional Disruption Events: | Change in Law is Applicable/Not Applicable |

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| | | | Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |
| 20. | **Share Linked Interest Instrument Provisions** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) | Share(s)/ Basket of Share(s): | [•] (*always include name of the Share Company and ISIN*) (*include weightings of the relevant underlying in the basket*) |
| | (ii) | Share Linked Interest Formula: | Condition 22.3 [(I)/(II)] shall apply. For the purpose of each item of the Share Linked Interest Formula, [(x)/(y)] shall apply |
| | (iii) | Interest Payment Dates: | [•] in each year from and including [•] to and including [•]/[the Maturity Date] [subject to adjustment in accordance with the Business Day Convention/*specify other*/Not Applicable *(N.B. If final Interest Payment Date is different from final Interest Period End Date, consider amending the definition of Maturity Date)]*<br><br>[The amount of interest payable shall be [adjusted in accordance with the Business Day Convention]/[unadjusted]/[*specify other*]]/[Not Applicable] (*N.B. If the Business Day Convention is applicable to the Interest Payment Dates, consider inserting this paragraph to specify whether the adjustment of the Interest Payment Date because of the Business Day Convention shall affect the amount of interest*) |
| | (iv) | Business Day Convention: | Eurodollar Convention/FRN Convention/Following Business Day Convention/ Modified Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention |
| | (v) | Minimum Rate/Amount of Interest: | [•] per cent. per annum [*Specify amount of interest payable on each Interest Payment Date*] |
| | (vi) | Medium Rate/Amount of Interest: | [•] per cent. per annum [*Specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| | (vii) | Maximum Rate/Amount of Interest: | [•] per cent. per annum [*Specify amount of interest payable on each Interest Payment Date*] |
| | (viii) | Day Count Fraction: | Actual/Actual (ISDA) / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA) |
| | (ix) | Exchange(s): | [•] |
| | (x) | Related Exchange: | [•]/All Exchanges |
| | (xi) | Valuation Date(s): | [•] |

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| | (xii) | Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Valuation Cut-Off Date" in Condition 22.2 shall apply |
| | (xiii) | Valuation Time: | [•]/Not Applicable |
| | (xiv) | Barrier Level: | [•]/Barrier Level 1: [•]; Barrier Level 2: [•]/Not Applicable *(N.B. If a percentage of a fixed level consider rounding)*<br><br>[For the purpose of [Barrier Level/Barrier Level 1/Barrier Level 2], [(i)/(ii)/(iii)/(iv)/(v)] of the definition in Condition 22.2 shall apply] (*Only specify in case of a Share traded on the Tokyo Stock Exchange*)] |
| | (xv) | Base Price: | Paragraph [(I)/(II)(III)] of the definition of "Base Price" in Condition 22.2 shall apply/Not Applicable<br><br>*(N.B. If a percentage of a fixed level consider rounding)* |
| | (xvi) | Base Price Fixing Date: | [•]/Not Applicable<br><br>For the purpose of "Base Price Fixing Date", [paragraph (a)(i)/(a)(ii)/(a)(iii)/(b)(i)/(b)(ii)] of the definition in Condition 22.2 shall apply |
| | (xvii) | Base Price Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Base Price Valuation Cut-Off Date" in Condition 22.2 shall apply |
| | (xviii) | Volume Weighted Average Price: | Whole day/Regular trading session/Other trading sessions(s)/[•] |
| | (xix) | Correction in Share Price: | Applicable/Not Applicable [*If not applicable, delete the remaining of this sub-paragraph*] |
| | (xx) | Correction Publication Cut-Off Date: | Applicable/Not Applicable<br><br>[The immediately following business day of the original date of publication/[*specify other*]] |
| | (xxi) | Additional Disruption Events: | Change in Law is Applicable/Not Applicable<br><br>Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |
| 21. | **FX Linked Interest Instrument Provisions** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) | FX Linked Interest Formula: | Condition 23.3 [(I)/(II)/(III)/(IV)] shall apply. |
| | | (*If Condition 23.3(I) or (II) applies*) | [For the purpose of each item of the FX Linked Interest Formula, [(x)/(y)] shall apply] *(N.B. If rounding is required, consider rounding.)* |
| | | (*If Condition 23.3 (III) applies*) | [For the purpose of Condition *23.3* (III)] [FX0 means [•]] |

(*If Condition 23.3 (IV) applies*):

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| | [Currency 1 Amount: | [•] |
| | Currency 2 Amount: | [•] |
| | FXn: | [Currency A is [•] / Currency B is [•]] |
| | Settlement Rate Option: | [Currency A is [•] / Currency B is [•]] |
| | Determination Date(s) | [•] |
| | FX Rate: | [•] |
| | Rate 1: | [•] |
| | Rate 2: | [•]] |
| (ii) | Base Currency/Subject Currency: | [•]/[•] |
| (iii) | Currency Price: | [•]/Paragraph (ii) of the definition "Currency Price" in Condition 23.2 shall apply<br><br>[Condition 23.5(b)(ii)[(x)/(y)] shall apply] (*if Condition 23.5(b) is specified as applicable in item 32 below*)<br><br>[The Currency Price shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)]]/[Rounding not applicable] |
| | [Currency Price 1: | [•]<br><br>[The Currency Price 1 shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)]]/[Rounding not applicable] |
| | Currency Price 2: | [•]<br><br>[The Currency Price 2 shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)]]/[Rounding not applicable]] |
| (iv) | Spot Exchange Rate: | [•] [Bid spot rate/Offer spot rate/Mid-point between the bid spot rate and the offer spot rate] |
| (v) | FX0 Fixing Date: | [•]/Not Applicable |
| (vi) | Disruption Fallbacks: | FX Price Source Disruption: [the provisions of Condition 23.6[(a)/(b)/(c)] shall apply]<br><br>Fallback Reference Price: [Applicable, [first/second/third], [•] (*specify alternate price source(s)*)/Not Applicable]<br><br>Calculation Agent Determination: [Applicable, |

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| | | [first/second/third]/Not Applicable]<br><br>Currency-Reference Dealers: [Applicable, [first/second/third], (Paragraph [(a)/(b)/(c)] of the definition of "Currency-Reference Dealers" in Condition 23.2 shall apply)/Not Applicable]<br><br>[*N.B. If the relevant price is calculated otherwise (including calculation using cross exchange rates), ignore the foregoing of this item (vi) and specify the details of alternative method of calculation*] |
| (vii) | Price Materiality Event: | Applicable, the provisions of Condition 23.7 shall apply/Not Applicable<br><br>[Price Materiality Percentage: [•]<br><br>Calculation Agent Determination: [first/second/third]<br><br>Currency-Reference Dealers: [first/second/third], (Paragraph [(a)/(b)/(c)] of the definition of "Currency-Reference Dealers" in Condition 23.2 shall apply)<br><br>Fallback Reference Price: [first/second/third], [•] (*specify alternate price source(s)*)] |
| (viii) | FX Price Source(s): | The Bloomberg page "BFIX"/The Reuters Screen page "FBIL"/The Reuters Screen page "ABSIRFIX01"/The Reuters Screen page "ECB37"/The Bloomberg Page <JPYBRL PTAX Curncy>/The Bloomberg Page <BRL PTAX Curncy>/The Bloomberg Page <INRRRTYN index>/*specify other* |
| (ix) | Specified Financial Centre(s): | [•] |
| (x) | Interest Payment Dates: | [•] in each year from and including [•] to and including [•]/[the Maturity Date] [subject to adjustment in accordance with the Business Day Convention/*specify other*/Not Applicable *(N.B. If final Interest Payment Date is different from final Interest Period End Date, consider amending the definition of Maturity Date)*<br><br>[The amount of interest payable shall be [adjusted in accordance with the Business Day Convention]/[unadjusted]/[*specify other*]]/[Not Applicable]. (*N.B. If the Business Day Convention is applicable to the Interest Payment Dates, consider inserting this paragraph to specify whether the adjustment of the Interest Payment Date because of the Business Day Convention shall affect the amount of interest.*) |
| (xi) | Business Day Convention: | Eurodollar Convention/FRN Convention/Following Business Day Convention/ Modified Business Day Convention/Modified Following Business Day Convention/Preceding |

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| | | | Business Day Convention |
| | (xii) | Minimum Rate/Amount of Interest: | [•] per cent. per annum [*specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| | (xiii) | Medium Rate/Amount of Interest: | [•] per cent. per annum [*specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| | (xiv) | Maximum Rate/Amount of Interest: | [•] per cent. per annum [*specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| | (xv) | Minus Rate/Amount of Interest: | [•] per cent. per annum [*specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| | (xvi) | Original Rate/Amount of Interest: | [•] per cent. per annum [*specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| | (xvii) | Day Count Fraction: | Actual/Actual (ISDA) / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA) |
| | (xviii) | Valuation Date(s): | [•] [If "Unscheduled Holiday" is applicable, specify Condition 23.2 "Unscheduled Holiday" is applicable and the name of the city whose local time shall be used for the purposes of the definition of Unscheduled Holiday.] |
| | (xix) | Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Valuation Cut-Off Date" in Condition 23.2 shall apply |
| | (xx) | Valuation Time: | [•] |
| | (xxi) | Barrier Rate: | [•]/Barrier Rate 1: [•]; Barrier Rate 2: [•]] *(N.B. If a percentage of a fixed level consider rounding)* |
| | (xxii) | Other Currency Settlement Conditions: | Applicable, Condition 23.5[(a)(I) / (a)(II) / (a)(III) / (b) / (c) / (d) / (e)] shall apply/Not Applicable |
| | (xxiii) | Successor Currency: | Condition 23.9[(a)/(b)] shall apply/Both Conditions 23.9(a) and 23.9(b) shall apply/Not Applicable |
| | (xxiv) | Corrections to Published or Displayed Rates: | Applicable/Not Applicable |
| | (xxv) | Additional Disruption Events: | Change in Law is Applicable/Not Applicable<br><br>Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |
| 22. | **Fund Linked Interest Instrument Provisions** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) | Fund/Basket of Fund(s): | [•] [The Fund is an Exchange Traded Fund] (*include weightings of the relevant underlying in* |

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| | | *the basket*) |
| (ii) | Fund Linked Interest Formula: | Condition 24.7 [(I)/(II)] shall apply. For the purpose of each item of the Fund Linked Interest Formula, [(x)/(y)] shall apply |
| (iii) | Market Disruption Event: | Paragraph [I/II] of the definition of "Market Disruption Event" in Condition 24.6 shall apply |
| (iv) | Interest Payment Dates: | [•] in each year from and including [•] to and including [•]/[the Maturity Date] [subject to adjustment in accordance with the Business Day Convention/*specify other*/Not Applicable] *(N.B. If final Interest Payment Date different from final Interest Period End Date, consider amending the definition of Maturity Date)*<br><br>The amount of interest payable shall be [adjusted in accordance with the Business Day Convention]/[unadjusted]/[*specify other*]]/[Not Applicable] *(N.B. If the Business Day Convention is applicable to the Interest Payment Dates, consider inserting this paragraph to specify whether the adjustment of the Interest Payment Date because of the Business Day Convention shall affect the amount of interest.)* |
| (v) | Business Day Convention: | Eurodollar Convention/ FRN Convention/ Following Business Day Convention/ Modified Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention |
| (vi) | Minimum Rate/Amount of Interest: | [•] per cent. per annum [*Specify amount of interest payable on each Interest Payment Date*]/Not Applicable |
| (vii) | Medium Rate/Amount of Interest: | [[•] per cent. per annum/Not Applicable] [*Specify amount of interest payable on each Interest Payment Date*]/[Not Applicable] |
| (viii) | Maximum Rate/Amount of Interest: | [[•] per cent. per annum [*Specify amount of interest payable on each Interest Payment Date*]]/[Not Applicable] |
| (ix) | Day Count Fraction: | Actual/Actual (ISDA) / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA) |
| (x) | Fund Interests: | [•] |
| (xi) | Fund Share Price: | Paragraph [(i)/(ii)] of the definition of "Fund Share Price" in Condition 24.6 shall apply |
| (xii) | Exchange(s): | [•] |
| (xiii) | Related Exchange: | [•]/All Exchanges |
| (xiv) | Valuation Date(s): | [•]<br><br>For the purpose of "Valuation Date", [paragraph (a)(i)/ (a)(ii)/(b)]of the definition in Condition 22.2 |

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| | | shall apply |
| (xv) | Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Valuation Cut-Off Date" in Condition 24.6 shall apply |
| (xvi) | Valuation Time: | [•] |
| (xvii) | Barrier Level: | [•]/Barrier Level 1: [•]; Barrier Level 2: [•]/Not Applicable *(N.B. If a percentage of a fixed level consider rounding)*<br><br>[For the purpose of [Barrier Level/Barrier Level 1/Barrier Level 2], [(x)/(y)/(z)] of the definition in Condition 24.6 shall apply] (*Only specify in case of a Fund Share traded on the Tokyo Stock Exchange*) |
| (xviii) | Base Price: | [[Paragraph [(a)/(b)/(c)/(d)/(e)[(p)/(q)]/(f)] of the definition of "Base Price" in Condition 24.6 shall apply, [•] (*specify the price if paragraph (f) applies*)] *(N.B. If a percentage of a fixed level consider rounding)* |
| (xix) | Base Price Fixing Date: | [•]/Not Applicable<br><br>For the purpose of "Base Price Fixing Date", [paragraph (a)(i)/ (a)(ii)/(b)] of the definition in Condition 24.6 shall apply |
| (xx) | Base Price Valuation Cut-Off Date: | [•]/Not Applicable |
| (xxi) | Volume Weighted Average Price: | Whole day/Regular trading session/Other trading sessions(s)/[•] |
| (xxii) | Correction to ETF Price: | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| (xxiii) | Correct Publication Cut-Off Date: | Applicable/Not Applicable<br><br>[The immediately following business day of the original date of publication/[*specify other*] |

**PROVISIONS RELATING TO REDEMPTION**

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| 23. | Notice periods for Condition 6.2 (*Early Redemption for Taxation Reasons*): | As set out in Condition 6.2/Minimum period: [•] days; Maximum period: [•] days/[•] days |
| 24. | **Call Option** | Applicable/Not Applicable *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| (i) | Optional Redemption Date(s): | [•] [with no adjustment]/[subject to adjustment in accordance with the [*include specified Business Day Convention*]] |
| (ii) | Optional Redemption Amount(s) (Call) of [each Instrument/all Instruments]: | Outstanding Principal Amount/Amortised Face Amount (*for Instruments which are non-interest bearing*)/[•] per Calculation Amount/[•] |
| (iii) | If redeemable in part: | [Not Applicable] (*If not applicable, delete the* |

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| | | | *remaining sub-paragraphs of this paragraph*) |
| | (a) | Minimum Redemption Amount: | [•] per Calculation Amount/Not Applicable |
| | (b) | Maximum Redemption Amount: | [•] per Calculation Amount/Not Applicable |
| (iv) | Notice period: | | As set out in Condition 6.3/[•] days/Minimum period: [•]; Maximum period: [•] |
| 25. | **Put Option** | | Applicable/Not Applicable *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| (i) | Optional Redemption Date(s): | | [•][with no adjustment]/[subject to adjustment in accordance with the [*include specified Business Day Convention*]] |
| (ii) | Optional Redemption Amount(s) of each Instrument: | | [•] per Calculation Amount |
| (iii) | Notice period: | | As set out in Condition 6.6/[•] days/Minimum period: [•]; Maximum period: [•] |
| 26. | **Automatic Early Redemption** | | Applicable (see further item [30(a)/31(a)/32(a)/34(a)] below)/Not Applicable |
| 27. | **Maturity Redemption Amount of each Instrument** | | [•] per Calculation Amount<br><br>[See further item [30/31/32/33/34/35] below] *(If the Instruments are Index Linked Redemption Instruments, Share Linked Redemption Instruments, FX Linked Redemption Instruments, Fund Linked Redemption Instruments or Commodity Linked Redemption Instruments)* |
| 28. | **MREL Disqualification Event Option:** | | Applicable/Not Applicable (*Relevant to Senior Non-Preferred Instruments only; for Senior Instruments specify "Not Applicable")* |
| 29. | **Early Redemption Amount** | | |
| (i) | Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or for an MREL Disqualification Event: | | [[•] per Calculation Amount/Early Redemption Amount (Market Value)/Amortised Face Amount]<br><br>[Condition 6.9 shall apply] (*select this option if the Instruments are Fixed Interest Discounted Issue Instruments*)<br><br>[For the purposes of determining the Valuation Date referred to in item 33(iv) below, Condition [23.5(b)(i)[(x)/(y)] / 23.5(c)(i)[(x)/(y)] / 23.5(d)(i)[(x)/(y)] / 23.5(e)(i)[(x)/(y)]] shall apply] (*select this option if Condition 23.5(b), (c) (d) or (e) is specified as applicable in item 33 below*) |
| (ii) | Early Redemption Amount(s) per Calculation Amount payable on event of default or other early redemption: | | [[•] per Calculation Amount/Amortised Face Amount]<br><br>[Condition 6.9 shall apply (*select this option if the Instruments are Fixed Interest Discounted Issue* |

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| | | | *Instruments*)] |
| | | | [For the purposes of determining the Valuation Date referred to in item 33(iv) below, Condition [23.5(b)(i)[(x)/(y)] / 23.5(c)(i)[(x)/(y)] / 23.5(d)(i)[(x)/(y)] / 23.5(e)(i)[(x)/(y)]] shall apply] (*select this option if Condition 23.5(b), (c), (d) or (e) is specified as applicable in item 33 below*) |
| 30. | **Index Linked Redemption Instruments** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | | | (a) Index Linked Automatic Early Redemption: Applicable/Not Applicable *(If not applicable, delete the paragraph below of this sub-paragraph)* |
| | | | [For the purpose of the Automatic Early Redemption Event, Condition 21.4(a)[(i)(x)/(i)(y)/(ii)(x)/(ii)(y)] shall apply] |
| | | | (b) Index Linked Final Redemption: Applicable/Not Applicable |
| | (i) | Index/Basket of Indices/ Index Sponsor(s)/Reference Source: | [The ["Index"]/["Basket of Indices"] means [•]] (*include weightings of the relevant underlying in the basket*) |
| | | | [The Index is a Unitary Index/Multi-Exchange Index] |
| | | | [The Index Sponsor for the Index is [•]] |
| | | | [The Index Currency for the Index is [•]] |
| | | | [The Reference Source for the Index is [•]] |
| | | | [As specified in item 19(i) in "Index Linked Interest Instrument Provisions" above] |
| | (ii) | Index Linked Redemption Formula: | Condition 21.4(b)[(I)/(II)/(III)/(IV)] shall apply |
| | | | (*Specify rounding if necessary*) |
| | | (*If Condition 21.4(b)(III) or (IV) applies*): | [For the purpose of each item in the Index Linked Redemption Formula, [(x)/(y)] shall apply] |
| | | | *(N.B. If the Maturity Redemption Amount is other than 100 per cent. of the nominal value the Instruments will be securities giving rise to payment or delivery obligations linked to an underlying asset for the purposes of the Prospectus Regulation and the requirements of Annex 17 to Commission Delegated Regulation (EU) 2019/980 will apply)* |
| | (iii) | Automatic Early Redemption Amount: | [•] per Calculation Amount |
| | | | *(N.B. If the Automatic Early Redemption Amount is other than 100 per cent. of the nominal value the Instruments will be securities giving rise to* |

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| | | *payment or delivery obligations linked to an underlying asset for the purposes of the Prospectus Regulation and the requirements of Annex 17 to Commission Delegated Regulation (EU) 2019/980 will apply)*<br><br>[For the avoidance of doubt, the Instruments shall be redeemed in whole but not in part.] |
| (iv) | Automatic Early Redemption Date(s): | [•] |
| (v) | Automatic Early Redemption Valuation Date(s): | [•] |
| (vi) | Rounding (Index Performance): | [[Rounded down / Rounded up / Rounded to the [nearest [whole number [(with 0.5 being rounded up)]] / [nearest [•] decimal places [(with [half of such number of decimal places] being rounded up)]]]<br><br>[Not Applicable] |
| (vii) | Exchange(s): | [•]/As specified in item 19(ix) of "Index Linked Interest Instrument Provisions" above |
| (viii) | Related Exchange: | [•]/All Exchanges/ As specified in item 19(x) of "Index Linked Interest Instrument Provisions" above<br><br>[Paragraph [(a)/(b)] of the definition of "Related Exchange" in Condition 21.2 shall apply.] |
| (ix) | Valuation Date(s): | [•]/As specified in item 19(xi) of "Index Linked Interest Instrument Provisions" above<br><br>[Paragraph [(a)/(b)(i)/(b)(ii)] of the definition of "Valuation Date" in Condition 21.2 shall apply.] |
| (x) | Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Valuation Cut-Off Date" in Condition 21.2 shall apply/As specified in item 19(xii) of "Index Linked Interest Instrument Provisions" above |
| (xi) | Observation Period: | Applicable/Not Applicable |
| | (a) Observation Period Start Date: | [Including/Excluding] [•]/Not Applicable |
| | (b) Observation Period End Date: | [Including/Excluding] [•]/Not Applicable |
| (xii) | Barrier Event: | Not Applicable/Barrier Event (intraday), Early Closure Applicable/Not Applicable/Barrier Event (closing)<br><br>[For the purpose of the definition of the Barrier Event Determination Day in Condition 21.2, [paragraph (a)(i)/(a)(ii)] shall apply.] (*specify if Barrier Event (intraday) is applicable*)<br><br>[For the purpose of definition of the Barrier Event |

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| | | | (closing) in Condition 21.2, [paragraph (a)(x)/(a)(y)/(b)(x)/(b)(y)] shall apply.]<br><br>[For the purpose of definition of the Barrier Event (intraday) in Condition 21.2, [paragraph (a)(x)/(a)(y)/(b)(x)/(b)(y)] shall apply.] |
| | (xiii) | Barrier Level: | [•]/Not Applicable *(N.B. If a percentage of a fixed level consider rounding)* |
| | (xiv) | Knock-out Price: | [•]/Not Applicable *(N.B. If a percentage of a fixed level consider rounding)* |
| | (xv) | Strike Price: | 100% of Base Price/*specify other*/Not Applicable (*N.B. If a percentage of a fixed level consider rounding*) |
| | (xvi) | Base Price: | As defined in Condition 21.2/As specified in item 19(xiv) of "Index Linked Interest Instrument Provisions" above/Not Applicable |
| | (xvii) | Base Price Fixing Date: | [•]/Not Applicable<br><br>[Paragraph [(I)/(II)/(III)] of the definition of "Base Price Fixing Date" in Condition 21.2 shall apply.]<br><br>[As specified in item 19(xv) of "Index Linked Interest Instrument Provisions" above] |
| | (xviii) | Base Price Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Base Price Valuation Cut-Off Date" in Condition 21.2 shall apply/As specified in item 19(xvi) of "Index Linked Interest Instrument Provisions" above |
| | (xix) | Correction Publication Cut-Off Date: | Condition 21.5 shall apply/As specified in item 19(xviii) of "Index Linked Interest Instrument Provisions" above/ The immediately following business day of the original date of publication/*specify other* |
| | (xx) | Additional Disruption Events: | Change in Law is Applicable/Not Applicable<br><br>Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |
| 31. | **Share Linked Redemption Instruments** | | (a) Share Linked Automatic Early Redemption: Applicable/Not Applicable *(If not applicable, delete the paragraph below of this sub-paragraph)*<br><br>[For the purpose of the Automatic Early Redemption Event, Condition 22.4(a) [(i)(x)/(i)(y)/(ii)(x)(xx)/ (ii)(x)(yy)/(ii)(y)] shall apply]<br><br>(b) Share Linked Final Redemption: Applicable/Not Applicable |
| | (i) | Share/Basket of Shares: | [•] (*always include name of the Share Company and ISIN*)/As specified in item 20(i) "Share Linked |

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| | | Interest Instrument Provisions" above (*include weightings of the relevant underlying in the basket*) |
| (ii) | Share Linked Redemption Formula: | Condition 22.4(b)[(I)/(II)/(III)/(IV)] shall apply<br><br>[For the purpose of each item in the Share Linked Redemption Formula, [(x)/(y)] shall apply]<br><br>[Please also refer to the Physical Delivery Instruments provisions at item 36 below.]<br><br>*(N.B. If the Maturity Redemption Amount is other than 100 per cent. of the nominal value the Instruments will be securities giving rise to payment or delivery obligations linked to an underlying asset for the purposes of the Prospectus Regulation and the requirements of Annex 17 to Commission Delegated Regulation (EU) 2019/980 will apply)* |
| (iii) | (Rounding) Fixed Share Amount: | [[Rounded down / Rounded up / Rounded to the [nearest [whole number [(with 0.5 being rounded up)]]/[nearest [•] decimal places [(with [half of such number of decimal places] being rounded up)]]]]<br><br>[Rounding Not Applicable] |
| (iv) | Cash Settlement Currency: | JPY/[•] |
| (v) | (Rounding) Reference Cash Amount: | [Rounded down / Rounded up / Rounded to the nearest whole amount (with half a Japanese Yen being rounded up)]/[rounded to the nearest [*whole subunit of the Cash Settlement Currency*] *(*with half a [*subunit*] being rounded up)] |
| (vi) | Minimum Delivery Lot: | Not Applicable/*Insert details*<br><br>[[•] number of Shares shall not constitute a Minimum Delivery Lot] |
| (vii) | Automatic Early Redemption Amount: | [•] per Calculation Amount<br><br>*(N.B. If the Automatic Early Redemption Amount is other than 100 per cent. of the nominal value the Instruments will be securities giving rise to payment or delivery obligations linked to an underlying asset for the purposes of the Prospectus Regulation and the requirements of Annex 17 to Commission Delegated Regulation (EU) 2019/980 will apply)*<br><br>[For the avoidance of doubt, the Instruments shall be redeemed in whole but not in part.] |
| (viii) | Automatic Early Redemption Date: | [•] |
| (ix) | Automatic Early Redemption Valuation Date: | [•] |

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| (x) | Share Performance: | [Not Applicable] (*select Not Applicable if the Share Linked Instruments relate to a single Share*)<br><br>[•] [[Rounded down / Rounded up / Rounded to the [nearest [whole number [(with 0.5 being rounded up)]] / [nearest [•] decimal places [(with [half of such number of decimal places] being rounded up)]]] / [Rounding Not Applicable] |
| (xi) | Exchange(s): | [•]/As specified in item 20(ix) of "Share Linked Interest Instrument Provisions" above |
| (xii) | Related Exchange: | [•]/All Exchanges/As specified in item 20(x) of "Share Linked Interest Instrument Provisions" above |
| (xiii) | Valuation Date(s): | [•]/As specified in item 20(xi) of "Share Linked Interest Instrument Provisions" above<br><br>For the purpose of "Valuation Date", [paragraph (a)(i)/(a)(ii)/(b)] of the definition in Condition 22.2 shall apply |
| (xiv) | Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Valuation Cut-Off Date" in Condition 22.2 shall apply/As specified in item 20(xii) of "Share Linked Interest Instrument Provisions" above |
| (xv) | Valuation Time: | [•]/Not Applicable/As specified in item 20(xiii) of "Share Linked Interest Instrument Provisions" above |
| (xvi) | Observation Period: | Applicable/Not Applicable |
| | (a) Observation Period Start Date: | [Including/Excluding] [•]/Not Applicable |
| | (b) Observation Period End Date: | [Including/Excluding] [•]/Not Applicable |
| (xvii) | Barrier Event: | Not Applicable/Barrier Event (intraday), Early Closure Applicable/Not Applicable/Barrier Event (closing)<br><br>[For the purpose of the definition of the "Barrier Event Determination Day" in Condition 22.2, [(a)(i)/(a)(ii)/(a)(iii)/(b)(i)/(b)(ii)] shall apply] (*specify if Barrier Event (intraday) is applicable*)<br><br>[For the purpose of definition of the "Barrier Event (closing)" in Condition 22.2, [(a)(x)/(a)(y)/(b)(x)/(b)(y)] shall apply]<br><br>[For the purpose of definition of the "Barrier Event (intraday)" in Condition 22.2, [(a)(x)/(a)(y)/(b)(x)/(b)(y)] shall apply] |
| (xviii) | Barrier Level: | [•]/Not Applicable (*N.B. If a percentage of a fixed level consider rounding*)<br><br>[For the purpose of "Barrier Level", [(i)/(ii)/(iii)/(iv)/(v)] of the definition in Condition |

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| | | 22.2 shall apply] (*Only specify in case of a Share traded on the Tokyo Stock Exchange*) |
| (xix) | Strike Price: | [•]/[Base Price x [*specify percentage*]/Not Applicable *(N.B. If a percentage of a fixed level consider rounding)*<br><br>[For the purpose of "Strike Price", [(v)/(w)/(x)/(y)/(z)] of the definition in Condition 22.2 shall apply] (*Only specify in case of a Share traded on the Tokyo Stock Exchange*) |
| (xx) | Base Price: | [Paragraph [(I)/(II)/(III)] of the definition of "Base Price" in Condition 22.2 shall apply/Not Applicable/As specified in item 20(xv) of "Share Linked Interest Instrument Provisions" above<br><br>[For the purpose of Paragraph (I) sub-paragraph [(i)/(ii)/(iii)] shall apply with respect to rounding]<br><br>(*N.B. If rounding is required, consider rounding.*) |
| (xxi) | Base Price Fixing Date: | [•]/Not Applicable/As specified in item 20(xvi) of "Share Linked Interest Instrument Provisions" above<br><br>For the purpose of "Base Price Fixing Date", [(a)(i)/ (a)(ii)/(a)(iii)/(b)(i)/(b)(ii)] in Condition 22.2 shall apply |
| (xxii) | Base Price Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Base Price Valuation Cut-Off Date" in Condition 22.2 shall apply/As specified in item 20(xvii) of "Share Linked Interest Instrument Provisions" above |
| (xxiii) | Knock-out Price: | Base Price x [*specify percentage*]/[•]/Not Applicable (*N.B. if a percentage of a fixed level consider rounding*)<br><br>[For the purpose of "Knock-out Price", [(v)/(w)/(x)/(y)/(z)] of the definition in Condition 22.2 shall apply] (*Only specify in case of a Share traded on the Tokyo Stock Exchange*) |
| (xxiv) | Volume Weighted Average Price: | Whole day/Regular trading session/Other trading sessions(s)/[•] |
| (xxv) | Potential Adjustment Event: | [•] (*Indicate items in Condition 22.6(a) to be applicable*) |
| (xxvi) | Redemption for Potential Adjustment Event: | Applicable/Not Applicable<br><br>(*specify if Redemption for Potential Adjustment Event is applicable*) [In case of redemption as a result of Potential Adjustment Event, [Redemption at par/Market Value Redemption Amount] shall apply] |
| (xxvii) | Nationalisation, De-Listing, Insolvency: | In case of redemption as a result of Nationalisation, De-Listing or Insolvency, [*indicate items in Condition 22.6(b) to be* |

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| | | | *applicable*] |
| | (xxviii) | Merger Event/Tender Offer: | Merger Event: [•] *(Indicate items in Condition 22.6(c) to be applicable.)*<br><br>Tender Offer: [Applicable. For the purpose of the definition of the Tender Offer, [(A)/(B)] shall apply./Not Applicable] |
| | (xxix) | Redemption for Merger Event/Tender Offer: | Applicable/Not Applicable |
| | (xxx) | Correction to Share Price: | Applicable/Not Applicable<br><br>[*If not applicable, delete the remaining of this sub-paragraph*] |
| | (xxxi) | Correct Publication Cut-Off Date: | Applicable/Not Applicable<br><br>[The immediately following business day of the original date of publication/[*specify other*]] |
| | (xxxii) | Additional Disruption Events: | Change in Law is Applicable/Not Applicable<br><br>Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |
| 32. | **FX Linked Redemption Instruments** | | (a) FX Linked Automatic Early Redemption: Applicable/Not Applicable *(If not applicable, delete the paragraph below of this sub-paragraph)*<br><br>[For the purpose of the Automatic Early Redemption Event, Condition 23.4(a)[(x)/(y)] shall apply]<br><br>(b) FX Linked Final Redemption: |
| | (i) | Formula for calculating Maturity Redemption Amount including back up provisions: | Condition 23.4(b)[(I)/(II)/(III)/(IV)/(V)/(VI)] shall apply<br><br>(*if Condition* 23.4(b)*(I), (III), (IV), (V) or (VI) is applicable*) [For the purpose of each item in the FX Linked Redemption Formula, [(A)/(B)] [(x)/(y)] shall apply]<br><br>*(N.B. If rounding is required, consider rounding.)*<br><br>*(N.B. If the Maturity Redemption Amount is other than 100 per cent. of the nominal value the Instruments will be securities giving rise to payment or delivery obligations linked to an underlying asset for the purposes of the Prospectus Regulation and the requirements of Annex 17 to Commission Delegated Regulation (EU) 2019/980 will apply)* |
| | (ii) | FX0: | [•]/Not Applicable *(N.B. If a percentage of a fixed level consider rounding)* |

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| (iii) | Automatic Early Redemption Amount: | [•] per Calculation Amount<br><br>[For the avoidance of doubt, the Instruments shall be redeemed in whole but not in part.] |
| (iv) | Automatic Early Redemption Date: | [•] |
| (v) | Automatic Early Redemption Valuation Date: | [•] |
| (vi) | Knock-out Price: | [•] *(N.B. If a percentage of a fixed level consider rounding)* |
| (vii) | Base Currency/Subject Currency: | [•]/[•] |
| (viii) | Currency Price: | [•]/Paragraph (ii) of the definition "Currency Price" in Condition 23.2 shall apply<br><br>[The Currency Price shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)]]/[Rounding not applicable] |
| | [Currency Price 1: | [•]<br><br>[The Currency Price 1 shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)].] / [Rounding not applicable] |
| | Currency Price 2: | [•]<br><br>[The Currency Price 2 shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)]]/[Rounding not applicable]] |
| (ix) | Spot Exchange Rate: | [•] [Bid spot rate/Offer spot rate/Mid-point between the bid spot rate and the offer spot rate] |
| (x) | Disruption Fallbacks: | FX Price Source Disruption: [the provisions of Condition 23.6[(a)/(b)/(c)] shall apply]<br><br>Fallback Reference Price: [Applicable, [first/second/third], [•] (*specify alternate price source(s)*)/Not Applicable]<br><br>Calculation Agent Determination: [Applicable, [first/second/third]/Not Applicable]<br><br>Currency-Reference Dealers: [Applicable, [first/second/third], (Paragraph [(a)/(b)/(c)] of the definition of "Currency-Reference Dealers" in Condition 23.2 shall apply)/Not Applicable]<br><br>[*N.B. If the relevant price is calculated otherwise (including calculation using cross exchange* |

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| | | *rates), ignore the foregoing of this item (x) and specify the details of alternative method of calculation*] |
| (xi) | Price Materiality Event: | Applicable, the provisions of Condition 23.7 shall apply/Not Applicable.<br><br>[Price Materiality Percentage: [•]<br><br>Calculation Agent Determination: [first/second/third]<br><br>Currency-Reference Dealers: [first/second/third], (Paragraph [(a)/(b)/(c)] of the definition of "Currency-Reference Dealers" in Condition 23.2 shall apply)<br><br>Fallback Reference Price: [first/second/third], [•] (*specify alternate price source(s)*)] |
| (xii) | FX Price Source(s): | The Bloomberg page "BFIX"/The Reuters Screen page "FBIL"/The Reuters Screen page "ABSIRFIX01"/The Reuters Screen page "ECB37"/The Bloomberg Page <JPYBRL PTAX Curncy>/The Bloomberg Page <BRL PTAX Curncy>/The Bloomberg Page <INRRRTYN index>/*other* |
| (xiii) | Specified Financial Centre(s): | [•] |
| (xiv) | Valuation Date(s): | [•] [If "Unscheduled Holiday" is applicable, specify Condition 23.2 "Unscheduled Holiday" is applicable and the name of the city whose local time shall be used for the purposes of the definition of Unscheduled Holiday.] |
| (xv) | Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Valuation Cut-Off Date" in Condition 23.2 shall apply |
| (xvi) | Valuation Time: | [•] |
| (xvii) | Barrier Rate: | Barrier Rate 3: [•]/Barrier Rate 4: [•]/Barrier Rate 5: [•]/Barrier Rate 6: [•]/Barrier Rate 7: [•] (*N.B. If a percentage of a fixed level consider rounding*) |
| (xviii) | Conversion Rate: | Conversion Rate 1: [•]/Conversion Rate 2: [•]/ Conversion Rate 3: [•]/Conversion Rate 4: [•]/Conversion Rate 5: [•] (*N.B. If a percentage of a fixed rate consider rounding*) |
| (xix) | Successor Currency: | Condition 23.9[(a)/(b)] shall apply/Both Condition 23.9(a) and 23.9(b) shall apply/Not Applicable |
| (xx) | Corrections to Published or Displayed Rates: | Applicable/Not Applicable |
| (xxi) | Additional Disruption Events: | Change in Law is Applicable/Not Applicable<br><br>Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |

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| 33. | **Instruments with Dual or Other Currency Settlement Conditions** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)<br><br>[Condition 23.5[(a)(I)/(a)(II)/(a)(III)/(b)/(c)/(d)/(e)] shall apply]<br><br>[The applicable Currency Price for each Interest Payment Date and the Maturity Date will be determined by the Calculation Agent on the relevant Valuation Date and is the rate expressed as the amount of [•] per one [•], for settlement in [•], which appears on the [•] at [•] on such [•]]<br><br>[All payments in respect of the Instruments will be converted from [•] into [•] as provided below and paid in [•]] |
| | (i) | Base Currency/Subject Currency: | [•]/[•] |
| | (ii) | Currency Price: | [•]/Paragraph (ii) of the definition "**Currency Price**" in Condition 23.2 shall apply<br><br>[Condition 23.5(b)(ii)[(x)/(y)] shall apply] (*if Condition 23.5(b) is specified as applicable above*)<br><br>[USD/JPY Reference Rate: [bid/mid] (*if Condition 23.5(c) is specified as applicable above*)]<br><br>[The Currency Price shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)]]/[Rounding not applicable] |
| | | [Currency Price 1: | [•]<br><br>[The Currency Price shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)]]/[Rounding not applicable] |
| | | Currency Price 2: | [•]<br><br>[The Currency Price shall be [rounded down/rounded up/rounded to the nearest] [whole number/[•] decimal places] [(with 0.5/[half of the number of such decimal places] being rounded up)]]/[Rounding not applicable]] |
| | (iii) | Spot Exchange Rate: | [•] [Bid spot rate/Offer spot rate/Mid-point between the bid spot rate and the offer spot rate] |
| | (iv) | Valuation Date(s): | [•] [If "Unscheduled Holiday" is applicable, specify Condition 23.2 "Unscheduled Holiday" is applicable and the name of the city whose local time shall be used for the purposes of the definition of Unscheduled Holiday.] |

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| | | For the purposes of determining the Early Redemption Amount and Early Termination Amount in item 29 above, Condition 23.5[(b)(i)[(x)/(y)] / (c)(i)[(x)/(y)] / (d)(i)[(x)/(y)] / (e)(i)[(x)/(y)]] is applicable (*Specify the relevant days if Condition 23.5(b)(i)(y), (c)(i)(y), (d)(i)(y) or (e)(i)(y) is applicable*) |
| (v) | Valuation Cut-Off Date: | [•]/Paragraph (ii) of the definition of "Valuation Cut-Off Date" in Condition 23.2 shall apply |
| (vi) | Valuation Time: | [•] |
| (vii) | Disruption Fallbacks: | FX Price Source Disruption: [the provisions of Condition 23.6[(a)/(b) /(c)] shall apply]<br><br>Fallback Reference Price: [Applicable, [first/second/third], [•] (*specify alternate price source(s)*)/Not Applicable]<br><br>Calculation Agent Determination: [Applicable, [first/second/third]/Not Applicable]<br><br>Currency-Reference Dealers: [Applicable, [first/second/third], (Paragraph [(a)/(b)/(c)] of the definition of "Currency-Reference Dealers" in Condition 23.2 shall apply)<br><br>[*N.B. If the relevant price is calculated otherwise (including calculation using cross exchange rates), ignore the foregoing of this item (vii) and specify the details of alternative method of calculation*] [Condition 23.2 shall apply/Not Applicable] |
| (viii) | FX Price Source(s): | The Bloomberg page "BFIX"/ The Reuters Screen page "FBIL"/The Reuters Screen page "ABSIRFIX01"/The Reuters Screen page "ECB37"/The Bloomberg Page <JPYBRL PTAX Curncy>/The Bloomberg Page <BRL PTAX Curncy>/The Bloomberg Page <INRRRTYN index>/*other* |
| (ix) | Maturity Redemption Amount: | [[I/II/III] of Condition 23.5(a) shall apply. [•] *(N.B. Specify the amount if Condition 23.5(a)(III) is applicable)*]/[Not Applicable (*N.B. if Condition 23.5(b)(ii)(x)/(b)(ii)(y)/(c)/(d)/(e) is applicable*)] |
| (x) | Price Materiality Event: | Applicable, the provisions of Condition 23.7 shall apply/Not Applicable.<br><br>[Price Materiality Percentage: [•]<br><br>Calculation Agent Determination: [first/second/third]<br><br>Currency-Reference Dealers: [first/second/third], (Paragraph [(a)/(b)/(c)] of the definition of "Currency-Reference Dealers" in Condition 23.2 shall apply) |

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| | (xi) | Successor Currency: | Condition 23.9[(a)/(b)] shall apply/Both Condition 23.9(a) and 23.9(b) shall apply/Not Applicable |
| | (xii) | Corrections to Published or Displayed Rates: | Applicable/Not Applicable |
| | (xiii) | Additional Disruption Events: | Change in Law is Applicable/Not Applicable<br><br>Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |
| 34. | **Fund Linked Redemption Instruments** | | (a) Fund Linked Automatic Early Redemption: Applicable/Not Applicable *(If not applicable, delete the paragraph below of this sub-paragraph)*<br><br>For the purpose of the Automatic Early Redemption Event, Condition 24.8(a) [(i)(x)/(i)(y)/(ii)(x)(xx)/ (ii)(x)(yy)/(ii)(y) shall apply]<br><br>(b) Fund Linked Final Redemption: Applicable/Not Applicable |
| | (i) | Fund/Basket of Funds: | [•]/The Fund is an Exchange Traded Fund (*include weightings of the relevant underlying in the basket*)<br><br>[As specified in item 22(i) of "Fund Linked Interest Instrument Provisions" above] |
| | (ii) | Fund Linked Redemption Formula: | Condition 24.8(b)[(I)/(II)/(III)] shall apply.<br><br>For the purpose of each item in the Fund Linked Redemption Formula, [(x)/(y)] shall apply<br><br>[Please also refer to the Physical Delivery Instruments provisions at item 36 below]<br><br>*(N.B. If the Maturity Redemption Amount is other than 100 per cent. of the nominal value the Instruments will be securities giving rise to payment or delivery obligations linked to an underlying asset for the purposes of the Prospectus Regulation and the requirements of Annex 17 to Commission Delegated Regulation (EU) 2019/980 will apply)* |
| | (iii) | Automatic Early Redemption Amount: | [•] per Calculation Amount<br><br>*(N.B. If the Automatic Early Redemption Amount is other than 100 per cent. of the nominal value the Instruments will be securities giving rise to payment or delivery obligations linked to an underlying asset for the purposes of the Prospectus Regulation and the requirements of Annex 17 to Commission Delegated Regulation (EU) 2019/980 will apply)* |

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| | | [For the avoidance of doubt, the Instruments shall be redeemed in whole but not in part] |
| (iv) | Automatic Early Redemption Date: | [•] |
| (v) | Automatic Early Redemption Valuation Date: | [•] |
| (vi) | (Rounding) Fixed ETF Number: | [[Rounded down / Rounded up / Rounded to the [nearest [whole number [(with 0.5 being rounded up)]]/[nearest [•] decimal places [(with [half of such number of decimal places] being rounded up)]]]/[Rounding Not Applicable] |
| (vii) | (Rounding) Reference Cash Amount: | [[Rounded down / Rounded up / Rounded to the [nearest whole amount (with half a Japanese Yen being rounded up)]/[rounded to the nearest [*whole subunit of the Specified Currency*] *(*with half a [*subunit*] being rounded up)] |
| (viii) | Minimum Trading Lot | Not Applicable/*Insert details*<br><br>[[•] number of Fund Shares shall not constitute a Minimum Trading Lot] |
| (ix) | Fund Share Performance: | [Not Applicable] (*select Not Applicable if the Fund Linked Instruments relate to a single Fund*)<br><br>[•] [[Rounded down / Rounded up / Rounded to the [nearest [whole number [(with 0.5 being rounded up)]] / [nearest [•] decimal places [(with [half of such number of decimal places] being rounded up)]]]/[Rounding Not Applicable] |
| (x) | Fund Share Price: | Paragraph [(i)/(ii)] of the definition of "Fund Share Price" in Condition 24.6 shall apply |
| (xi) | Exchange(s): | [•]/As specified in item 22(xii) of "Fund Linked Interest Instrument Provisions" above |
| (xii) | Related Exchange: | [•]/All Exchanges/As specified in item 22(xiii) of "Fund Linked Interest Instrument Provisions" above |
| (xiii) | Valuation Date(s): | [•]/As specified in item 22(xiv) of "Fund Linked Interest Instrument Provisions" above |
| (xiv) | Valuation Cut-Off Date: | [•]/As specified in item 22(xv) of "Fund Linked Interest Instrument Provisions" above |
| (xv) | Valuation Time: | [•]/As specified in item 22(xvi) of "Fund Linked Interest Instrument Provisions" above |
| (xvi) | Observation Period: | Applicable/Not Applicable |
| | (a) Observation Period Start Date: | [Including/Excluding] [•]/Not Applicable |
| | (b) Observation Period End Date: | [Including/Excluding] [•]/Not Applicable |

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| (xvii) | Barrier Event: | Not Applicable/Barrier Event (intraday), Early Closure Applicable/Not Applicable/Barrier Event (closing)<br><br>[For the purpose of the definition of the Barrier Event Determination Day, paragraph [(a)(i)/(a)(ii)] of the definition in Condition 24.6 shall apply] (*specify if Barrier Event (intraday) is applicable*)<br><br>[For the purpose of definition of the Barrier Event (closing), paragraph [(a)(x)/(a)(y)/(b)(x)/(b)(y)] of the definition in Condition 24.6 shall apply]<br><br>[For the purpose of definition of the Barrier Event (intraday), paragraph [(a)(x)/(a)(y)/(b)(x)/(b)(y)] of the definition in Condition 24.6 shall apply] |
| (xviii) | Barrier Level: | [•]/Not Applicable (*N.B. if a percentage of a fixed level consider rounding*)<br><br>[For the purpose of "Barrier Level", [(x)/(y)/(z)] of the definition in Condition 24.6 shall apply] (*Only specify in case of a Fund Share traded on the Tokyo Stock Exchange*) |
| (xix) | Knock-out Price: | Base Price x [*specify percentage*]/[•]/Not Applicable]<br><br>[For the purpose of "Knock-out Price", [(x)/(y)/(z)] of the definition in Condition 24.6 shall apply] (*Only specify in case of a Fund Share traded on the Tokyo Stock Exchange*) |
| (xx) | Strike Price: | [•]/Base Price x [*specify percentage*]/Not Applicable *(N.B. If a percentage of a fixed level consider rounding)*<br><br>[For the purpose of "Strike Price", [(x)/(y)/(z)] of the definition in Condition 24.6 shall apply] (*Only specify in case of a Fund Share traded on the Tokyo Stock Exchange*) |
| (xxi) | Base Price: | [Paragraph [(a)/(b)/(c)/(d)/(e)[(p)/(q)]/(f)] of the definition of "Base Price" in Condition 24.6 shall apply, [•] (*specify the price if paragraph (f) applies*)]/As specified in item 22(xviii) of "Fund Linked Interest Instrument Provisions" above<br><br>(*N.B. If rounding is required, consider rounding.*) |
| (xxii) | Base Price Fixing Date: | [•]/Not Applicable/As specified in item 22(xix) of "Fund Linked Interest Instrument Provisions" above<br><br>For the purpose of "Base Price Fixing Date", [paragraph (a)(i)/ (a)(ii)/(b)] of the definition in Condition 24.6 shall apply |
| (xxiii) | Base Price Valuation Cut-Off Date: | [•]/Not Applicable/As specified in item 22(xx) of "Fund Linked Interest Instrument Provisions" |

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| | | | above |
| | (xxiv) | Market Disruption Event: | Paragraph [I(a)(x) and (b)/I(a)(y) and (b)/II] of the definition of "Market Disruption Event" in Condition 24.6 shall apply |
| | (xxv) | Volume Weighted Average Price: | Whole day/Regular trading session/Other trading sessions(s)/[•] |
| | (xxvi) | Redemption for Fund Potential Adjustment Event: | Applicable/Not Applicable<br><br>(*specify if Redemption for Fund Potential Adjustment Event is applicable*) [In case of redemption as a result of Fund Potential Adjustment Event, [Redemption at par / Market Value Redemption Amount] shall apply] |
| | (xxvii) | Redemption for Potential Adjustment Event: | Applicable/Not Applicable<br><br>(*specify if Redemption for Potential Adjustment Event is applicable*) [In case of redemption as a result of Potential Adjustment Event, [Redemption at par/Market Value Redemption Amount] shall apply]<br><br>[Extraordinary Dividend shall mean [*insert details*]] |
| | (xxviii) | De-listing/Insolvency/ Material Underlying Event: | In case of redemption as a result of [De-listing/Insolvency/Material Underlying Event], [Redemption at par/Market Value Redemption Amount] shall apply |
| | | Insolvency: | Paragraph [(x)(A)/(x)(B)/(y)] of the definition of "Insolvency Event" in Condition 24.9 shall apply |
| | | Material Underlying Event: | Applicable/Not Applicable<br><br>Paragraph [(i)/(ii)/(iii)/(iv)] of the definition of "Material Underlying Event" in Condition 24.9 shall apply |
| | (xxix) | Merger Event: | Applicable/Not Applicable |
| | (xxx) | Nationalisation: | Applicable/Not Applicable |
| | (xxxi) | Redemption for Nationalisation: | The Issuer shall redeem [all/[*specify if other*]] Instruments [on [•]] |
| | (xxxii) | Correction to ETF Price: | Applicable/Not Applicable *(If not applicable, delete the remaining of this sub-paragraph)* |
| | (xxxiii) | Correct Publication Cut-Off Date: | Applicable/Not Applicable<br><br>[The immediately following business day of the original date of publication/[*specify other*] |
| 35. | **Commodity Linked Redemption Instruments** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) | $Gold_{initial}$: | [•] |

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| | (ii) | $FX_{initial}$: | [•] |
| | (iii) | Trade Date: | [•] |
| | (iv) | Valuation Date: | [•] |
| | (v) | Additional Disruption Event: | Change in Law is Applicable/Not Applicable<br><br>Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |
| 36. | **Physical Delivery Instruments** | | Applicable/Not Applicable (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) | Cut-Off Date: | [•] |
| | (ii) | Settlement Business Day: | [•] |
| | (iii) | Physical Delivery through JASDEC: | Applicable/Not Applicable |
| | | (a) JASDEC Cut-Off Date: | [•] |
| | | (b) Settlement Disruption Event: | Paragraph (b)(i)[(A)/(B)] of Condition 26.3 shall apply |
| | (iv) | Disruption Cash Settlement Price: | Paragraph [(i)/(ii)] of the definition of "Disruption Cash Settlement Price" in Condition 26.6 shall apply |
| | (v) | Issuer's option to vary Settlement: | Applicable/Not Applicable |
| | (vi) | Delivery Agent: | [•] |
| | (vii) | Relevant Asset: | [•] |
| | (viii) | Additional Disruption Events: | Change in Law is Applicable/Not Applicable<br><br>Hedging Disruption is Applicable/Not Applicable<br><br>Increased Cost of Hedging is Applicable/Not Applicable |

**GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS**

| | | |
|---|---|---|
| 37. | Form of Instruments: | **[Bearer Instruments:**<br><br>[Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Bearer Instruments [at any time/in the limited circumstances specified in the Permanent Global Instrument]] [*In relation to any Instruments with a minimum Specified Denomination plus a higher integral multiple of another smaller amount, note that "in the limited circumstances specified in the Permanent Global Instrument" should be selected.*] |

| | | |
|---|---|---|
| | | [Temporary Global Instrument exchangeable for [Definitive Bearer Instruments and/or Registered Instruments]] [*If issuing in this form, note that Instruments with a minimum Specified Denomination plus a higher integral multiple of another smaller amount will not be permitted.*]<br><br>[Permanent Global Instrument exchangeable for Definitive Bearer Instruments [at any time/in the limited circumstances specified in the Permanent Global Instrument]] [*In relation to any Instruments with a minimum Specified Denomination plus a higher integral multiple of another smaller amount, note that "in the limited circumstances specified in the Permanent Global Instrument" should be selected.*]]<br><br>**[Registered Instruments:**<br><br>Regulation S Instrument/Rule 144A Instrument]<br><br>**[VPS Instruments:**<br><br>VPS Instruments issued in uncertificated book entry form] |
| 38. | New Global Instrument: | Yes/No/Not Applicable |
| 39. | New Safekeeping Structure: | Yes, but only as to the Regulation S Instruments/No/Not Applicable<br><br>[*Yes should only be selected if the Instruments are Eurosystem eligible*] |

[*Option 1: Where the Conditions applicable to the series are the ones set out in the base prospectus dated 17 April 2014 or an earlier prospectus*]

| | | |
|---|---|---|
| 40. | Relevant Financial Centre(s) or other special provisions relating to Payment Dates: | [•]/Not Applicable (*Note that this item relates to the date and place of payment, and not interest period end dates*) |
| 41. | Additional Financial Centre(s) relating to Relevant Financial Centre Days: | [•]/Not Applicable |

[*Option 2: Where the Conditions applicable to the series are the ones set out in the base prospectus dated 10 April 2015 or a later prospectus*]

| | | |
|---|---|---|
| 42. | Applicable Financial Centre(s) or other special provisions relating to Payment Dates: | [*All financial centres which are to be Applicable Financial Centres should be specified. The Conditions do not provide that any financial centres will automatically apply to Instruments, so all applicable financial centres should be set out in this paragraph. For EUR-denominated Instruments, the TARGET System should be specified as an Applicable Financial Centre*] |

[*End of Options.*]

| | | |
|---|---|---|
| 43. | Talons for future Coupons or Receipts to be attached to Definitive Bearer Instruments (and dates on which such | Yes. As the Instruments have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon |

| | | |
|---|---|---|
| | Talons mature): | payments are left/No |
| 44. | Details relating to Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made: | Not Applicable/*give details* |
| 45. | Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made: | Not Applicable/*give details* |
| 46. | Calculation Agent (including, in the case of Renminbi Instruments, the party responsible for calculating the Fixed Coupon Amount(s)): | Not Applicable/The Issue and Paying Agent/*Name*<br><br>[*For fixed rate Instruments, select "Not Applicable" unless the Instruments are Renminbi Instruments, in which case a Calculation Agent would be required.*] |

**SIGNATURE**

Signed on behalf of the Issuer:

By:

*Duly authorised*

## PART B - OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**

| | | |
|---|---|---|
| (i) | Listing: | Application has been made by the Issuer (or on its behalf) for the Instruments to be listed on the official list of the [Luxembourg Stock Exchange/other (*specify*)]/None |
| (ii) | Admission to trading: | Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the regulated market of the [Luxembourg Stock Exchange/*other*] with effect from [•]/Not Applicable<br><br>*(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)* |
| (iii) | Estimate of total expenses related to admission to trading: | [•]/Not Applicable |

2. **RATINGS**

The Instruments to be issued [have been/are expected to be] rated/The Programme under which the Instruments are to be issued has been rated:

[S&P Global Ratings UK Limited ("**S&P**"): [•]]

[Moody's Investors Service (Nordics) AB ("**Moody's**"): [•]]

[Other (*specify exact legal name*)]: [•]]

[*Include a brief explanation of the meaning of the rating, e.g.:* According to Moody's rating system, obligations rated "Aaa" are judged to be of the highest quality with minimal credit risk and according to S&P's rating system, an obligor rated "AAA" has extremely strong capacity to meet its financial commitments.]

*Option 1 – CRAs are Moody's and S&P as defined above, and there have been no relevant changes to their status as described under "Credit Ratings" in the Base Prospectus.*

Moody's is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**EU CRA Regulation**"). As of the date of these Final Terms, Moody's Investors Service (Nordics) AB appears on the list of registered credit rating agencies published by ESMA on its website in accordance with the EU CRA Regulation. Ratings assigned by Moody's are endorsed by Moody's Investors Service Limited, which is established in the UK and registered under Regulation (EU) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the [European Union (Withdrawal) Act 2018 / EUWA] (the "**UK CRA Regulation**") and, as of the date of these Final Terms, appears on the list of registered credit rating agencies published by the Financial Conduct Authority (the "**FCA**") on its website in accordance with the UK CRA Regulation.

S&P is established in the UK, is registered under the UK CRA Regulation and, as of the date of these Final Terms, appears on the above-mentioned FCA list. Ratings assigned by S&P are endorsed by S&P Global Ratings Europe Limited, which is established in the EEA, registered under the EU CRA Regulation and, as of the date of these Final Terms, appears on the above-mentioned ESMA list.

*Option 2 - CRA established in the EEA and registered under the EU CRA Regulation and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation*

[•] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**EU CRA Regulation**"). [As of the date of these Final Terms, [•] appears on the list of registered credit rating agencies on the ESMA website]. [The rating [•] has given to the Instruments is endorsed by [•], which is established in the UK and registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**").] / [[•] has been certified under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**").] / [[•] has not been certified under Regulation (EU) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**") and the rating it has given to the Instruments is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.] [[•] is not registered with ESMA under the EU CRA Regulation.]

*Option 3 - CRA established in the EEA, not registered under the CRA Regulation but has applied for registration and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation*

[•] is established in the EEA and has applied for registration under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the [*relevant competent authority*/European Securities and Markets Authority]. [As of the date of these Final Terms, [•] appears on the list of registered credit rating agencies on the ESMA website]. [The rating [•] has given to the Instruments is endorsed by [•], which is established in the UK and registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**").] / [[•] has been certified under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**").] / [[•] has not been certified under Regulation (EU) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**") and the rating it has given to the Instruments is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.] [[•] is not registered with ESMA under the EU CRA Regulation.]

*Option 4 - CRA established in the EEA, not registered under the EU CRA Regulation and not applied for registration and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation*

[•] is established in the EEA and is neither registered nor has it applied for registration under Regulation (EU) No 1060/2009, as amended (the "**EU CRA Regulation**"). [The rating [•] has given to the Instruments is endorsed by [•], which is established in the UK and registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**").] / [[•] has been certified under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**").] / [[•] has not been certified under Regulation (EU) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**") and the rating it has given to the Instruments is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.] [[•] is not registered with ESMA under the EU CRA Regulation.]

*Option 5 - CRA established in the UK and registered under the UK CRA Regulation and details of whether rating is endorsed by a credit rating agency established and registered in the EEA or certified under the EU CRA Regulation*

[•] is established in the UK and registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act

2018] (the "**UK CRA Regulation**"). [As of the date of these Final Terms, [•] appears on the list of registered credit rating agencies on the FCA website.] [The rating [•] has given to the Instruments to be issued under the Programme is endorsed by [•], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**EU CRA Regulation**").] [[•] has been certified under Regulation (EU) No 1060/2009, as amended (the "**EU CRA Regulation**").] [[•] has not been certified under Regulation (EU) No 1060/2009, as amended as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**") and the rating it has given to the Instruments is not endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation.] [[•] is not registered with ESMA under the EU CRA Regulation.]

*Option 6 - CRA not established in the EEA or the UK but relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation (EU) AND/OR under the UK CRA Regulation*

[•] is not established in the EEA or the UK but the rating it has given to the Instruments to be issued under the Programme is endorsed by [•], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**EU CRA Regulation**")] [and] [[•], which is established in the UK and registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018]] [[•] is not registered with ESMA under the EU CRA Regulation.]

*Option 7 - CRA not established in the EEA or the UK and relevant rating is not endorsed under the CRA Regulation (EU) or the UK CRA Regulation but CRA is certified under the CRA Regulation (EU) AND/OR under the UK CRA Regulation*

[•] is not established in the EEA or the UK but is certified under Regulation (EU) No 1060/2009, as amended [(the "**EU CRA Regulation**")] [and] [ Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018].

*Option 8 - CRA neither established in the EEA or the UK nor certified under the EU CRA Regulation or the UK CRA Regulation and relevant rating is not endorsed under the EU CRA Regulation or the UK CRA Regulation*

[•] is not established in the EEA or the UK and is not certified under Regulation (EU) No 1060/2009, as amended (the "**EU CRA Regulation**") or Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the [EUWA / European Union (Withdrawal) Act 2018] (the "**UK CRA Regulation**") and the rating it has given to the Instruments is not endorsed by a credit rating agency established in either the EEA and registered under the EU CRA Regulation or in the UK and registered under the UK CRA Regulation.

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

So far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer/[•]/Not Applicable

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

| | | |
|---|---|---|
| (i) | Reasons for the offer: | [The net proceeds of the issue of the Instruments will be applied by the Issuer to meet part of its general financing requirements/The Instruments are being issued as Green Bonds and an amount equal to the net proceeds will be used as described under "*Use of Proceeds*" in the Base Prospectus/*other*] |
| (ii) | Estimated net proceeds: | [•] [[•] converted into [•] pursuant to the provisions of item [33] of Part A]<br><br>*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state* |

*amount and sources of other funding)*

(iii) Estimated total expenses: [•] [*Include breakdown of expenses*.]

5. **(*Fixed Rate Instruments only*) – YIELD**

Indication of yield: [•]

[Not Applicable]

6. **(*Floating Rate Instruments only*) - HISTORIC INTEREST RATES**

Details of historic [BBSW / BKBM / Compounded Daily €STR / EONIA / EURIBOR / NIBOR / Compounded SOFR / SOFR Index / Compounded Daily SONIA / SONIA Index / STIBOR / the U.S. Federal Funds Rate] rates can be obtained from [Reuters] / Not Applicable

7. **(*Index-Linked or other variable-linked Instruments only*) - DESCRIPTION AND PERFORMANCE OF INDEX/ FORMULA/OTHER VARIABLE**

[Details of the past and future performance and volatility of the [Index/Basket of Indices/Shares/Basket of Shares/Currency/Fund/Basket of Funds/Relevant Commodity] are set out below:

[•]]

[Not Applicable]

[*The underlying is [•] / Information on the underlying can be found at [specify Bloomberg or Reuters screen page or other information source]*]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information].]

8. **OPERATIONAL INFORMATION**

| | |
|---|---|
| ISIN Code: | [•]/Until the Instruments are consolidated, become fungible with and form a single Series with the Original Instruments, the Instruments will have the temporary ISIN [•]. After that, the Instruments will have the same ISIN as the Original Instruments, which is [•] |
| Common Code: | [•]/Until the Instruments are consolidated, become fungible with and form a single Series with the Original Instruments, the Instruments will have the temporary Common Code [•]. After that, the Instruments will have the same Common Code as the Original Instruments, which is [•] |
| [FISN: | [See/[•], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]] |

| | |
|---|---|
| [CFI: | [See/[•], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]<br><br>*(If the CFI and/or FISN is not required or requested, it/they should be specified to be "Not Applicable".)* |
| CUSIP Number: | [•] |
| Intended to be held in a manner which would allow Eurosystem eligibility: | [Not Applicable]<br><br>[[Yes. Note that the designation "yes" simply means that the Instruments are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper),][*include this text for Registered Instruments*] and does not necessarily mean that the Instruments will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] / [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Instruments are capable of meeting them the Instruments may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper),][*include this text for Registered Instruments*]. Note that this does not necessarily mean that the Instruments will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]][4] |
| Clearing system(s): | Euroclear/Clearstream, Luxembourg/DTC/other (*give details)*/*Verdispapirsentralen ASA*, Norway<br><br>VPS identification: [•]<br><br>The Issuer shall be entitled to obtain certain information from the register maintained by the |

[4] As of the date of this Base Prospectus, unsecured debt instruments issued by non-EU credit institutions do not meet the current Eurosystem eligibility requirements and therefore the Instruments cannot presently be recognised as eligible collateral for Eurosystem credit operation purposes and, unless this changes, "No" should be selected.

| | | |
|---|---|---|
| | | VPS for the purposes of performing its obligations under the issue of VPS Instruments |
| | Delivery: | Delivery against/free of payment |
| | Names and addresses of additional Paying Agent(s) or Foreign Exchange Agent(s) (if any): | [•] |
| | Name and address of Luxembourg Intermediary Agent: | Not Applicable/[•] |

9. **DISTRIBUTION**

| | | |
|---|---|---|
| (i) | Method of distribution: | Syndicated/Non-syndicated |
| (ii) | If syndicated, names of Managers: | Not Applicable/*give names of Managers* |
| (iii) | Date of Subscription Agreement: | [•]/Not Applicable |
| (iv) | If non-syndicated, name of Manager: | Not Applicable/*give name* |
| (v) | Stabilising Manager(s) (if any): | Not Applicable/*give name* |
| (vi) | Total (underwriting and placing) commission and concession: | [•] per cent. of the Aggregate Principal Amount/Not Applicable/*Other* |
| (vii) | U.S. Selling Restrictions: | Regulation S Category 2<br><br>(*In the case of Bearer Instruments*) - [TEFRA C/TEFRA D/TEFRA not applicable]<br><br>(*In the case of Registered Instruments*) – [Rule 144A and Section 3(c)(7) (QIBs that are also QPs)] |
| (viii) | [Secondary offerings (*uridashi*) of the Instruments to be made in Japan and (i) the relevant Securities Registration Statements or (ii) Supplemental Documents to Shelf Registration Statements (and Amendments to Shelf Registration Statements, if applicable) under Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) in respect of the Instruments were filed prior to 17 March 2022] [*This item is only applicable to Instruments (other than VPS Instruments) issued on or before 1 May 2022*]: | Yes/No<br><br>[The amendments to the Dealership Agreement, Issue and Paying Agency Agreement, Deed of Covenant and the Conditions effective as of 17 March 2022 [are/are not] applicable to the Instruments] [*Include this text if "Yes" selected*] |

10. **[THIRD PARTY INFORMATION**

[•] has been extracted from [•]

*(e.g., "The information relating to credit rating systems set out under Paragraph 2 of Part B of these Final Terms has been extracted from the websites of Moody's and S&P, as applicable. The*

*Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by Moody's and S&P, no facts have been omitted which would render the reproduced information inaccurate or misleading."*]

## USE OF PROCEEDS

The net proceeds from each issue of Instruments will be used for the general financing purposes of the Issuer. If, in respect of any particular issue, there is a particular identified use of proceeds or the Instruments are being issued as Green Bonds, this will be stated in the relevant Final Terms.

### Green Bonds

In the case of Green Bonds, it is intended that the Issuer will use an amount equal to the net proceeds of the issuance of such Instruments to finance and/or refinance Green Projects, as further described in the Green Bond Framework.

The categories of Green Projects that may be financed with Green Bonds as of the date of this Base Prospectus are set out in the table below and the detailed eligibility criteria and related documentation requirements are set out in the Criteria Document:

| KBN lending category (Green Bond Principles category) | KBN Green Lending Program | EU Taxonomy Environmental Objective | UN Sustainable Development Goals (SDG) and targets[8] |
|---|---|---|---|
| Buildings (Green buildings) | Includes, but is not restricted to:<br>New low energy buildings<br>New buildings with climate-friendly materials<br>New buildings designed for reuse<br>Green certified buildings<br>Buildings with locally produced energy | Objective 1: Climate Change Mitigation. Art. 6 (§1.b): improving energy efficiency except for power generation activities that are referred to in Article 14(2a) | <br>Target 7.3<br> <br>Target 12.2 |
| Buildings (Energy efficiency) | Includes, but is not restricted to:<br>Individual energy efficiency measures<br>Major renovation projects<br>Renovation of existing building stock in combination with building expansion<br>Adapting existing buildings to climate change Renewable energy in buildings<br>Energy storage in buildings | | |
| Renewable energy (Renewable energy) | Includes, but is not restricted to:<br>Renewable energy generation, e.g. biogas, solar power, geothermal power<br>Energy storage, e.g. battery systems connected to solar power plants<br>Energy infrastructure, e.g. electricity grids, district heating / -cooling (infrastructure designed to serve the production, transport and storage of fossil fuels are excluded) | Objective 1: Climate Change Mitigation. Art. 6 (§1.a): Generating, storing, distributing or using renewable energy in line with the Renewable Energy Directive, including through using innovative technology with a potential for significant future savings or through necessary reinforcement of the grid | <br>Target 7.2 |
| Transportation (Clean transportation) | Includes, but is not restricted to:<br>Facilitating walking, cycling and the procurement of bicycles and electric 2-wheelers<br>Zero emission vehicles<br>Equipment for rail-based public transport<br>Zero-emissions maritime transport<br>Zero-emissions heavy machinery<br>Charging infrastructure for electric vehicles, ships & ferries, heavy machinery<br>Filling stations for green hydrogen and biogas<br>Public transport infrastructure and equipment<br>Zero-emissions port infrastructure | Objective 1: Climate Change Mitigation. Art. 6 (§1.c): Increasing clean or climate-neutral mobility; increasing clean or climate-neutral mobility; | <br>Target 9.1<br>Target 9.4<br> <br>Target 11.2<br>Target 11.6 |

[8] *For full description of the Sustainable Development Goals (SDGs) and their targets, please see https://sdgs.un.org/goals or KBN's latest Impact Report.*

| KBN lending category (Green Bond Principles category) | KBN Green Lending Program | EU Taxonomy Environmental Objective | UN Sustainable Development Goals (SDG) and targets[8] |
|---|---|---|---|
| Waste and circular economy<br><br>(Pollution prevention and control) | Includes, but is not restricted to:<br><br>Measures that contribute to waste prevention or greater reuse, e.g. recycling stations<br><br>Collection measures that increase waste sorting at source<br><br>More efficient waste collection<br><br>New facilities for sorting or treating waste or upgrades to existing facilities<br><br>Reducing emissions or leakages at landfill sites<br><br>Carbon Capture and Storage | Objective 4: Transition to a circular economy, waste prevention and recycling<br><br>Objective 5: Pollution prevention and control | <br>Target 11.6<br> <br>Target 12.4<br>Target 12.5 |
| Water and wastewater management<br><br>(Sustainable water and wastewater management) | Includes, but is not restricted to:<br><br>Separating wastewater and surface runoff<br><br>Heat recovery from wastewater<br><br>Energy recovery from gravity distribution networks<br><br>Efficiency improvements at existing facilities<br><br>Phosphorous recovery<br><br>Sludge treatment for biogas production<br><br>New energy efficient treatment or processing facilities<br><br>Fossil-fuel-free or zero-emission excavation works/ construction sites<br><br>No-dig projects | Objective 3: Sustainable use and protection of water and marine resources | <br>Target 6.3<br>Target 6.4<br> <br>Target 14.1 |
| Land use and area development projects<br><br>(Environmentally sustainable management of living natural resources and land use (with some elements of pollution prevention and control)) | Includes, but is not restricted to:<br><br>Measures against pollution on land<br><br>Measures against water pollution (ports, seas, rivers, watercourses etc.)<br><br>Sustainable area development<br><br>Nature restoration | Objective 6: Protection and restoration of<br><br>biodiversity and ecosystems.<br><br>Objective 5: Pollution prevention and control | <br>Target 11.3<br>Target 11.7<br> <br>Target 14.2<br> <br>Target 15.1 |
| Climate change adaptation<br><br>(Climate change adaptation) | Includes, but is not restricted to:<br><br>Surface runoff management<br><br>Protection against natural disasters<br><br>Infrastructure relocation<br><br>Other climate change adaptation measures<br><br>Warning systems and emergency preparedness | Objective 2: Climate Change Adaptation | <br>Target 3.d<br> <br>Target 11.5<br> <br>Target 13.1 |

Green Projects will be evaluated, selected and reported on, and proceeds will be managed, as described in the Green Bond Framework.

The Issuer intends to provide a Green Bond Report on an annual basis and provide other information relating to its Green Bonds, as described in the Green Bond Framework.

The Issuer has appointed CICERO Shades of Green as an external reviewer to provide the Second Opinion, which assesses the alignment of the Green Bond Framework with the International Capital Market Association (ICMA) Green Bond Principles.

As used herein:

"**Green Bond Framework**" refers to the Issuer's Green Bond Framework dated March 2021;

"**Criteria Document**" refers to the Issuer's Criteria Document for Green Loans dated March 2021; and

"**Second Opinion**" refers to CICERO Shades of Green's Green Bond Second Opinion dated 24 March 2021,

in each case available at https://www.kbn.com/en/investor/green-bonds/ (or any successor website) and as the same may be updated, amended and/or replaced from time to time.

The Green Bond Framework, the Criteria Document and other documentation relating to the Issuer's Green Bonds are 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 the description given in this Base Prospectus. Potential investors in Instruments issued as Green Bonds should access the latest version of each relevant document on the Issuer's website. Any such amendment, update, supplementing, replacing and/or withdrawal after the issue date of any Instruments which are Green Bonds may be applied in respect of such Instruments already in issue.

None of the Green Bond Framework, the Criteria Document, the Second Opinion, the Green Bond Reports, any other certification, report or opinion relating to the Green Bond Framework and/or Instruments issued as Green Bonds, any document referred to in any of the foregoing, or the contents of any website referred to herein or therein are, or are deemed to be, incorporated in, or form part of, this Base Prospectus and/or any Final Terms relating to Instruments issued as Green Bonds.

Prospective investors in Green Bonds should refer also to "*Risk Factors – Risks Relating to a Particular Structure of Instruments – In respect of any Instruments issued with a specific use of proceeds, such as a Green Bond, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor*".

## KOMMUNALBANKEN AS

### Introduction

The Issuer was established by an Act of Parliament dated 12 February 1926 as a government administrative body and reorganised as a joint stock company dated pursuant to an Act of Parliament dated 16 July 1999, and was re-named Kommunalbanken AS with effect from 1 November 1999. The Issuer is a local government funding agency and classified as a state instrumentality serving the public policy function of providing low cost funding to Norwegian municipalities and promoting competition in the market for municipal loans, thereby facilitating the efficient provision of public sector services in Norway.

The Issuer is registered in Oslo, Norway as a joint stock company under the Norwegian law for limited companies (*Lov om aksjeselskap*) and operates under such law. The Issuer's organisation number is 981 203 267 and it operates only out of its registered office at Haakon VIIs gate 5b, 0161 Oslo, Norway with telephone number +47 21 50 20 00. The Issuer's website is www.kbn.com.

The Issuer does not hold a banking licence, but is licensed to conduct its financing activities as a credit undertaking (*kredittforetak*) under a licence granted pursuant to the previous Financial Institutions Act of 10 June 1988, which has been replaced by the means the Financial Institutions Act of 10 April 2015, No. 17, as amended or replaced (the "**Financial Undertakings Act**"). The Issuer is supervised by the Financial Supervisory Authority of Norway (*Finanstilsynet*).

The Issuer uses the name Kommunalbanken Norway (KBN) in its marketing and investor relations activities. The Issuer currently has AAA/Aaa credit ratings from S&P and Moody's, respectively.

### Financial Year

The Issuer's financial year runs from 1 January to 31 December.

### Ownership

The Issuer is owned entirely by the Norwegian State represented by the Ministry of Local Government and regional development. The Issuer does not belong to a group.

### Business

The Issuer's principal objective is to provide loans on competitive terms to counties, municipalities and inter-municipal companies for a variety of investment projects. Loans are also granted for private health institutions, co-operative water works and other entities that perform local government services, provided that loans are used to finance projects that can be designated as primary municipal investments and that each such loan benefits from a municipal guarantee. The Issuer is also financing road construction based on guarantees from counties. All municipal guarantees are approved by the County Governors and guarantees from counties are approved by the Ministry of Local Government and Regional Development.

The largest share of both approved and disbursed loans in 2021 were for projects in the health and social sector, in primary education and for renewal of water and wastewater infrastructure.

The Issuer offers a range of products to the municipal sector. The largest segment of the loan portfolio is linked to floating interest rates based either on short-term money market rates or Norwegian Interbank Offer Rates (NIBOR) with various interest rate reset dates. Loans are also granted on a fixed rate basis with varying fixed rate periods set to meet each individual customer's needs and market views.

The majority of municipalities borrow through a single loan for annual investments. The lending products are continuously developed to provide the municipal sector with the flexibility it requires as well as to meet the needs of municipalities of all sizes.

The Issuer has not suffered a loan loss since it began operations in 1926 which reflects not only its conservative lending policies but also the nature of municipal finance in Norway. Municipalities are closely supervised by the central government, may not budget for an operating deficit and must cover any actual deficit over the following three budgets. Under the Local Government Act, municipalities may not become bankrupt but must instead follow specified procedures for suspension of payments and distress supervision. Such procedures have never had to be used. Despite the strict supervision of the municipal sector, the

Norwegian authorities have assigned a 20 per cent. risk weighting to the Norwegian local government sector reflecting their prudent attitude towards risk compared to other European countries with zero per cent. local government risk weighting.

There has been no material adverse change in the ordinary course of business or in the prospects or condition of the Issuer since 31 December 2021, being the date of its last published audited financial statements. No material contracts are entered into which are not in the ordinary course of the Issuer's business and there have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.

**Funding Activities**

The objective of the Issuer's funding operations is to meet growing borrowing requirements with a well-diversified funding base, effectively achieved by regular issuance of benchmark transactions, a visible presence in institutional niche markets and by being a flexible issuer of lightly structured instruments. The Issuer also benefits from strong name recognition in the retail market in Europe and Asia.

The majority of funding is issued off the Programme. Bond issues take the form of public offerings or private placements. Public offerings are made to institutional and retail investors in a number of currencies and countries. All funding transactions must comply with the Issuer's conservative financial policies including minimal currency and interest rate risk exposure.

The Issuer has an active marketing and investor relations strategy which involves regular presentations to intermediaries and investors worldwide as well as participation in investor conferences and panels.

**Risk Management**

(a) ***General***

The Issuer practices a conservative policy for management of financial risks. All risk management policies are reviewed and approved by the Issuer's Board of Directors, which monitors compliance with approved limits. The Issuer also aims to be well within the limits set by the Financial Supervisory Authority of Norway.

The Issuer attempts to minimise foreign exchange and interest rate risks through hedging operations. Financial derivatives are used solely for this purpose.

The Board of Directors has established a conservative liquidity policy target whereby a high liquidity reserve is kept to cover a targeted 12 month and minimum 10 months of future net cash requirements.

Strict risk management principles are in place for the investment of the Issuer's portfolio of liquid assets, with investments being made in government securities, securities issued by highly rated entities and bank deposits form the core of the portfolio of liquid assets.

Conservative counterparty risk management policies are in place and positions are monitored against limits on a mark-to-market basis. All counterparties must post collateral with the Issuer, either directly or through a clearing house.

(b) ***Information Technology***

The Issuer's business benefits from the use of modern information technology ("**IT**") systems.

(c) ***Organisational Structure***

The Issuer is organised into seven departments: Lending, Capital Markets, Risk, Compliance, Accounting & Financial Reporting, Technology & Operations and Staff.

As of 31 December 2021, the Issuer had a total of 93 employees.

(d) ***Management***

Article 8 of the Articles of Association of the Issuer provide for the appointment of a Board of Directors consisting of not more than nine members. The Board of Directors is responsible for the management of the Issuer's business activities. The President and CEO is responsible for the Issuer's day-to-day management in accordance with instructions laid down by the Board of Directors and the Supervisory Board.

(e) ***Corporate Governance***

According to the Financial Undertakings Act, financial institutions shall have a Board of Directors with at least 5 members. Kommunalbanken also has a Supervisory Board of 12 members.

**Supervisory Board**

The role of the Supervisory Board is to ensure that the Issuer's business activities are being conducted in accordance with applicable law, regulations, the Articles of Association and the resolutions of the Issuer's Annual General Meeting and the Supervisory Board. The Supervisory Board is responsible for, inter alia, the appointment of auditors. As far as is known to the Issuer, no potential conflicts of interest exist between any duties to the Issuer of the persons on the Supervisory Board and their private interests or other duties.

The current composition of the Supervisory Board and the principal other occupations of the members is as follows:

Ida Stuberg, Chair
Mayor, Inderøy municipality

Hege Mørk, Vice Chair
CEO, Gol municipality

Rigmor Brøste
County Governor, Møre og Romsdal county

Bjørn Ropstad
CEO, Agder County

Ane Mari Braut Nese
County leader, Conservative party, Rogaland County

Alfred Bjørlo
Former Mayor, Eid municipality. From October 2021 member of the Norwegian Parliament

Leif Harald Walle
CEO, Stor-Elvdal municipality

Tron Bamrud
CEO, Innlandet county

Tore Isaksen
CEO, Ringerike municipality

Gunn Marit Helgesen
Chair of the Board, The Norwegian Association of Local and Regional Authorities (KS)

Aase Refsnes
Mayor, Steigen municipality

Terje Dalby
Employee representative, Senior Relationship Manager, KBN

Alternates to the supervisory board:

Toril Eeg
CEO, Færder municipality

Tommy Stensvik
CEO, Vågan municipality

Nina Bordi Øvergaard
CEO, Sør-Varanger municipality

Bente Rudrud Herdlevær
Assistant chief executive of Bærum municipality

Terje Fronth-Pedersen
Employee representative, Senior Relationship Manager, KBN

The business address of each of the above-mentioned members of the Supervisory Board is Haakon VIIs gate 5b, 0161 Oslo, Norway.

**Board of Directors**

The Board of Directors is elected in accordance with the Financial Undertakings Act. The Board of Directors is responsible for, *inter alia*, the appointment of the President and CEO.

As far as is known to the Issuer, no potential conflicts of interest exist between any duties to the Issuer of the persons on the Board of Directors and their private interests or other duties.

The current composition of the Board of Directors, together with their principal other occupations, is as follows:

Brit Kristin Rugland, Chair
Bachelor of Business Administration, Master of Management. Chair, Figgjo AS. Member of the Board, Norfund. Member of Council on Ethics for the Norwegian Government Pension Fund Global.

Rune Midtgaard, Vice Chair
MBA and Authorised Financial Analyst (AFA). CFO, Scanza AS.

Martha Takvam
Master of Business and MBA in Finance. Former Director Group Internal Audit and Group Treasurer, Telenor ASA. Vice Chair of the Board of Fontenehuset Asker.

Petter Steen Jr.
Teacher. Consultant/advisor to Sveio Municipality. Chair, Haugaland Kraft AS.

Ida Espolin Johnson
Lawyer, partner at Advokatfirmaet Haavind AS.

Eyvind Aven
MBA and two year extension program in Finance. Senior Risk Advisor within Group Risk function in Equinor. Deputy member of Equinor Asset management ASA board and chair of its Risk Committee. Chair, Diakonisenteret Stavanger.

Toril Hovdenak
MSc Economics and Business Administration. CEO Rauma municipality.

Anne Jenny Dvergsdal
Employee representative, Senior Relationship Manager, KBN.

Harald Jacobsen
Employee representative, Head of Communications and Sustainability, KBN.

The business address of each of the above-mentioned members of the Board of Directors is Haakon VIIs gate 5b, 0161 Oslo, Norway.

**Audit Committee**

Effective from 22 April 2010, the Board of Directors has appointed an audit committee. The Audit Committee consists of Martha Takvam (chair), Toril Hovdenak, Ida Espolin Johnson and Anne Jenny Dvergsdal. The audit committee is a preparatory and advisory committee for the Board of Directors, with its members elected by and among the members of the Board. The primary tasks of the audit committee are to follow up the financial and sustainability reporting process, monitor the systems for internal control and risk management, maintain regular contact with the appointed auditor of the company and review and monitor the independence of the auditor.

**Remuneration Committee**

Effective from 22 April 2010, the Board of Directors has appointed a remuneration committee. The Remuneration Committee consists of Brit Kristin Rugland (chair), Petter Steen Jr. and Harald Jacobsen. The remuneration committee is a preparatory and advisory committee for the Board of Directors in matters concerning remuneration.

**Risk Committee**

Effective from 27 August 2014, the Board of Directors has appointed a Risk Committee. The Risk Committee consists of Rune Midtgaard (chair), Brit Kristin Rugland and Eyvind Aven. The Risk Committee is a preparatory and advisory committee for the Board of Directors in matters concerning the monitoring and management of the overall risk of the company.

**Auditor**

Ernst & Young AS (member of The Norwegian Institute of Public Accountants), Dronning Eufemias gate 6, P.O. Box 1156 Sentrum, 0107 Oslo, Norway, have audited the financial statements of the Issuer without qualification for the financial years ended 31 December 2021, 31 December 2020 and 31 December 2019.

## TAXATION

***The following is a general description of certain Norwegian tax considerations relating to the Instruments, which is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date, with a potential retroactive effect. It does not purport to be a complete analysis of all Norwegian tax considerations relating to the Instruments.***

***No other comment is made, and no advice is given by the Issuer, the Arranger or any Dealer in respect of taxation matters relating to the Instruments and each prospective purchaser of Instruments should consult its own professional advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Instruments and receiving payments of interest, principal and/or other amounts under the Instruments and the consequences of such actions under the tax laws of those countries.***

### KINGDOM OF NORWAY

#### Taxation on Interest

*Non-resident Holders of Instruments*

Interest paid to a non-resident Holder of Instruments will, under rules currently in force, not be subject to Norwegian income or withholding tax, unless the Holder of Instruments carries out a trade or business in Norway subject to taxation in Norway (including, but not limited to, individuals and legal entities having a permanent establishment in Norway) and the Instruments are used in or connected with the business activity in Norway. Such tax liability may be modified through an applicable tax treaty.

*Resident Holders of Instruments*

A resident Holder of Instruments will be subject to Norwegian income taxation on interest at the applicable tax rate, currently at a tax rate of 22 per cent. of net taxable income.

#### Taxation of Capital Gains

*Non-resident Holders of Instruments*

A non-resident Holder of Instruments is not taxed in Norway on gains derived from the sale, disposal or redemption of the Instruments, unless the Holder of Instruments carries out a trade or business in Norway subject to taxation in Norway (including, but not limited to, individuals and legal entities having a permanent establishment in Norway) and the Instruments are used in or connected with the business activity in Norway.

Such tax liability may be modified through an applicable tax treaty.

#### Resident Holders of Instruments

A resident Holder of Instruments will be subject to Norwegian income taxation on capital gains derived from the sale, disposal or redemption of the Instruments at the applicable tax rate, currently at a tax rate of 22 per cent. of net taxable income. Correspondingly, a loss derived by the sale, disposal or redemption of the Instruments is deductible at the applicable tax rate, currently at a tax rate of 22 per cent.

#### Wealth Tax

*Non-resident Holders of Instruments*

A non-resident Holder of Instruments is not subject to Norwegian wealth tax, unless the holding of Instruments is effectively connected with a trade or business carried on by an individual Holder of Instruments in Norway and subject to taxation in Norway. Such tax liability may be modified through an applicable tax treaty.

#### Resident Holders of Instruments

Resident corporations and similar entities are not subject to Norwegian wealth taxation.

An individual resident Holder of Instruments is subject to wealth tax in Norway at the applicable rate, and the Instruments are included in the net wealth tax base at the Instruments' quoted value, or the estimated market value if the Instruments are not listed.

**Transfer Tax etc.**

There is currently no Norwegian transfer tax on the transfer of Instruments. Norway does not levy any property tax or similar taxes on the Instruments.

## CERTAIN ERISA AND RELATED CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes requirements on "employee benefit plans" within the meaning of Section 3(3) of ERISA that are subject to Title I of ERISA, including pension plans, profit-sharing plans, collective investment funds and separate accounts whose underlying assets include the assets of such employee benefit plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. ERISA also imposes limits on transactions between ERISA Plans and their service providers or other "related parties".

Each ERISA Plan fiduciary should consider ERISA and the regulations and guidance thereunder when considering an investment in any interest in the Instruments. Fiduciaries of ERISA Plans, as well as other "plans" and arrangements within the meaning of and subject to Section 4975 of the Code (together with ERISA Plans, "**Plans**"), should also consider, among other items, the issues described below when deciding whether to invest in any interest in the Instruments.

THIS BASE PROSPECTUS IS NOT WRITTEN FOR ANY PARTICULAR PROSPECTIVE INVESTOR, AND IT DOES NOT ADDRESS THE NEEDS OF ANY PARTICULAR PROSPECTIVE INVESTOR. NONE OF THE ISSUER, THE ARRANGER, THE DEALERS, THE PAYING AGENTS, THE REGISTRARS, THE TRANSFER AGENTS THEIR RESPECTIVE AFFILIATES HAS UNDERTAKEN TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND NONE OF THESE PARTIES HAS OR SHALL PROVIDE ANY ADVICE OR RECOMMENDATION WITH RESPECT TO THE MANAGEMENT OF ANY INVESTMENT OR THE ADVISABILITY OF ACQUIRING, HOLDING, DISPOSING OR EXCHANGING OF ANY SUCH INVESTMENT. THE FOLLOWING DISCUSSION IS GENERAL IN NATURE, IS NOT INTENDED TO BE ALL INCLUSIVE AND SHOULD NOT BE CONSTRUED AS LEGAL ADVICE. EACH PLAN FIDUCIARY SHOULD TALK TO ITS LEGAL ADVISER ABOUT THE CONSIDERATIONS DISCUSSED IN THIS SECTION BEFORE INVESTING IN ANY INTEREST IN THE INSTRUMENTS. APPLICABLE LAWS GOVERNING THE INVESTMENT AND MANAGEMENT OF THE ASSETS OF GOVERNMENTAL, CHURCH, NON-U.S. AND OTHER BENEFIT PLANS MAY ALSO CONTAIN FIDUCIARY RESPONSIBILITY AND PROHIBITED TRANSACTION REQUIREMENTS. ACCORDINGLY, FIDUCIARIES OF SUCH PLANS, IN CONSULTATION WITH THEIR ADVISERS, SHOULD CONSIDER THE IMPACT OF SUCH LAWS ON AN INVESTMENT IN ANY INTEREST IN THE INSTRUMENTS.

### Fiduciary Duty of Investing ERISA Plans

Under ERISA, a person who exercises discretionary authority or control regarding the management or disposition of an ERISA Plan's assets is generally considered a fiduciary of such an ERISA Plan. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, which should be considered in the context of the ERISA Plan's particular facts and circumstances. In considering an investment in any interest in the Instruments, an ERISA Plan fiduciary should consider, among other factors: (i) whether the investment would satisfy the diversification requirements of Section 404 of ERISA; (ii) whether the investment is prudent with respect to the Instrument's structure and the investment's potential risks and lack of liquidity; (iii) whether the investment would be consistent with the documents and instruments governing the ERISA Plan; and (iv) whether the investment would involve a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (as discussed below).

When evaluating the prudence of investing in any interest in the Instruments, an ERISA Plan fiduciary should consider the U.S. Department of Labor (the "**DOL**") regulation on investment duties, which can be found at 29 C.F.R. § 2550.404a-1. ERISA also requires an ERISA Plan fiduciary to maintain for the ERISA Plan's assets an indicia of ownership within the jurisdiction of the U.S. Federal District Courts.

### Prohibited Transactions

Section 406 of ERISA and Section 4975 of the Code prohibit transactions involving the assets of Plans and certain persons and their affiliates having certain relationships to such Plans, including a Plan's fiduciaries and other service providers (referred to as "parties in interest" within the meaning of Section 3(14) of ERISA and "disqualified persons" within the meaning of Section 4975 of the Code, and collectively, "**Parties in Interest**").

Whether or not the underlying assets of the Issuer are deemed to include assets of a Plan, an investment in any interest in the Instruments by a Plan with respect to which any of the Issuer, the Arranger, the Dealers, the Paying Agents, the Transfer Agents or their respective affiliates (each, a "**Transaction Party**") is considered a Party in Interest may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless a statutory or administrative exemption is applicable to the transaction.

The Transaction Parties may be Parties in Interest with respect to many Plans. The applicability of any exemption to the prohibited transaction rules will depend, in part, on the type of the Plan fiduciary making the decision to invest in any interest in the Instruments and the circumstances under which any such decision is made. Included among the exemptions are the administrative exemptions of Prohibited Transaction Class Exemption ("**PTCE**") 84-14 (for certain transactions determined or effected by independent "qualified professional asset managers"), PTCE 90-1 (for certain transactions involving insurance company pooled separate accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 95-60 (for transactions involving certain insurance company general accounts) and PTCE 96-23 (for plan asset transactions managed by "in-house asset managers") and the statutory exemptions of Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (for the purchase and sale of securities and related lending transactions, *provided that* neither the issuer of the securities nor any of its affiliates has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of any Plan involved in the transaction (in other words, not a fiduciary) and *provided further that* the Plan pays no more than and receives no less than "adequate consideration" in connection with the transaction).

The fiduciary of a Plan that proposes to acquire any interest in the Instruments should consider, among other things, whether any such acquisition may involve: (i) a direct or indirect extension of credit to a Party in Interest; (ii) a sale or exchange of any property between a Plan and a Party in Interest; or (iii) a transfer to, or use by or for the benefit of, a Party in Interest of a Plan's assets. In this regard, there can be no assurance that any of these administrative or statutory exemptions will be available with respect to any transaction involving any interest in the Instruments. Most of these exemptions do not provide relief from some or all of the self-dealing prohibitions under Section 406 of ERISA or Section 4975 of the Code.

**Similar Plans**

"Governmental plans" within the meaning of Section 3(32) of ERISA, "church plans" within the meaning of Section 3(33) of ERISA that have made no election under Section 410(d) of the Code and non-U.S. plans described in Section 4(b)(4) of ERISA (any such plan, a "**Similar Plan**"), while not subject to the fiduciary responsibility and prohibited transaction provisions of Title I of ERISA or Section 4975 of the Code, may nevertheless be subject to any U.S. federal, state, local or non-U.S. law or regulation that is substantially similar to the foregoing provisions of ERISA and the Code (any such law or regulation, a "**Similar Law**"). Fiduciaries of such Similar Plans should consult with their counsel before purchasing any interest in the Instruments.

**Representations and Warranties**

The Instruments issued under this Programme may generally not be held by: (i) a Plan; or (ii) any person or entity whose underlying assets are deemed for purpose of Title I of ERISA or Section 4975 of the Code to include assets of any such Plan by reason of the DOL regulation at 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA, or otherwise (each of (i)-(ii), a "**Benefit Plan Investor**"), *unless* the particular issuance of the Instruments becoming considered as an investment by a Benefit Plan Investor will be treated as indebtedness without substantial equity characteristics for purposes of Title I of ERISA or Section 4975 of the Code (any such permitted issuance, an "**ERISA-Permitted Issuance**").

Each purchaser or transferee of any interest in the Instruments will be required to represent and agree or be deemed to have represented and agreed that either: (i) it is not and for so long as it holds any interest in the Instruments will not be a Benefit Plan Investor a Similar Plan that is subject to any Similar Law; or (ii) *provided that* any interest in the Instruments are under an ERISA-Permitted Issuance, the purchase and holding of any interest in the Instruments will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law.

Each purchaser or transferee of any interest in the Instruments that is a Benefit Plan Investor will be deemed to have represented by its acquisition of any interest in the Instruments that (i) none of the Transaction

Parties has provided any investment recommendation or investment advice to the Benefit Plan Investor, or any fiduciary or other person investing on behalf of the Benefit Plan Investor or who otherwise has discretion or authority over the investment and management of "plan assets" (a "**Plan Fiduciary**"), on which either the Benefit Plan Investor or Plan Fiduciary has relied in connection with the decision to acquire any interest in the Instruments; (ii) the Transaction Parties are not acting as a "fiduciary" within the meaning of Section 3(21) of ERISA or Section 4975(e)(3) of the Code to the Benefit Plan Investor or Plan Fiduciary in connection with the Benefit Plan Investor's acquisition of any interest in the Instruments; and (iii) the Plan Fiduciary is exercising its own independent judgment in evaluating the transaction.

Each purchaser or transferee of any interest in the Instruments has exclusive responsibility for ensuring that its purchase and holding of any interest in the Instruments does not violate the prohibited transaction rules of Title I of ERISA, Section 4975 of the Code or any applicable Similar Law. The sale of any interest in the Instruments to a Benefit Plan Investor or a Similar Plan that is subject to any Similar Law is in no respect a representation by the Transaction Parties that such an investment meets all relevant requirements with respect to Benefit Plan Investors or Similar Plans that are subject to any Similar Law generally or any particular Benefit Plan Investor or Similar Plan that is subject to any Similar Law, or that such an investment is appropriate for Benefit Plan Investors or Similar Plans that are subject to any Similar Law generally or any particular Benefit Plan Investor or Similar Plan that is subject to any or Similar Law.

*The foregoing discussion is general in nature and not intended to be all-inclusive. Prospective investors should consult with their own legal, tax, financial and other advisers prior to investing in an Instrument to review these implications in light of such investor's particular circumstances.*

## SUBSCRIPTION AND SALE

Instruments may be sold from time to time by the Issuer to any one or more of Bank of Montreal, London Branch, Barclays Bank Ireland PLC, BNP Paribas, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Daiwa Capital Markets Europe Limited, Deutsche Bank Aktiengesellschaft, Goldman Sachs International, HSBC Continental Europe, J.P. Morgan SE, Kommunalbanken AS, Mizuho Securities Europe GmbH, Morgan Stanley & Co. International plc, MUFG Securities (Europe) N.V., Nomura International plc, RBC Europe Limited, Skandinaviska Enskilda Banken AB (publ), SMBC Nikko Capital Markets Europe GmbH, SMBC Nikko Capital Markets Limited, TD Global Finance unlimited company, Tokai Tokyo Securities Europe Limited and UBS Europe SE (the "**Dealers**"). The arrangements under which Instruments may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealership agreement dated 17 March 2022 (as the same may be supplemented, amended or replaced from time to time, the "**Dealership Agreement**") and made between the Issuer and the Dealers. The Dealership Agreement makes provision for the resignation or termination of appointment of Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Instruments.

If in the case of any Tranche of Instruments the method of distribution is an agreement between the Issuer and a single Dealer, the method of distribution will be described in the relevant Final Terms as "Non-Syndicated" and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of appointment of that Dealer will be set out in the relevant Final Terms.

If in the case of any Tranche of Instruments the method of distribution is an agreement between the Issuer and more than one Dealer for that Tranche to be issued by the Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Final Terms as "Syndicated", the obligations of those Dealers to subscribe the relevant Instruments will be joint and several and the names and addresses of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers will be set out in the relevant Final Terms. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Instruments, the price at which such Instruments will be purchased by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase.

**United States of America**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the Instruments have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, the Instruments may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S. Each Dealer has also represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that, except as permitted under the Dealership Agreement, and as described below, it will not offer, sell or deliver the Instruments (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of the Tranche of which the Instruments are a part except in accordance with Regulation S or Rule 144A as set out below, and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells the Instruments during the distribution compliance period (other than resales pursuant to Rule 144A) a confirmation or other notice substantially to the following effect:

> "The securities covered hereby have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction 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 (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of the Tranche of which the Instruments are a part except in accordance with Rule 903 of Regulation S or Rule 144A under the Securities Act to a person that the seller reasonably believes is both a qualified institutional buyer (within the meaning of Rule 144A under the Securities Act) and a qualified purchaser (within the meaning of Section 2(a)(51)(A) of the Investment Company Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act".

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that neither it, its affiliates nor any person acting on its or their behalf has engaged or will engage in any form of general solicitation or general advertising (as those terms are used in Rule 502(c) under the Securities Act) in connection with any offer or sale of the Instruments in the United States.

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that neither it, its affiliates nor any persons acting on its or their behalf has engaged or will engage in any form of directed selling efforts (as defined in Regulation S) with respect to the Instruments and it and they have complied and will comply with the offering restrictions requirements of Regulation S. The Instruments are being offered and sold outside of the United States only to non-U.S. persons in reliance on Regulation S. Each Dealer may only, through its respective U.S. broker-dealer affiliates, arrange for the offer and resale of the Rule 144A Instruments within the United States only to QIBs that are QPs in accordance with Rule 144A. VPS Instruments will be sold outside the United States to non-U.S. persons in "offshore transactions" within the meaning of Regulation S.

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has offered and sold and will offer and sell Instruments in the United States only to persons whom it reasonably believes are both QIBs and QPs who can represent that (A) they are QIBs within the meaning of Rule 144A who are also QPs within the meaning of Section 2(a)(51)(A) of the Investment Company Act; (B) they are not broker-dealers who own and invest on a discretionary basis less than U.S.$25 million in securities of unaffiliated issuers; (C) they are not a participant-directed employee plan, such as a 401(d) plan; (D) they are acting for their own account, or the account of one or more QIBs each of which is a QP; (E) they are not formed for the purpose of investing in the Instruments or the Issuer, (F) each account for which they are purchasing will hold and transfer at least U.S.$100,000 in principal amount of Instruments at any time (or equivalent in another currency), (G) they understand that the Issuer may receive a list of participant holding positions in its securities from one or more book-entry depositories; and (H) they will provide notice of the transfer restrictions set forth in the Base Prospectus to any subsequent transferees.

In connection with the offer and resale of the Instruments in the United States each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it is a QIB who is also a QP.

In addition, until 40 days after the commencement of the offering of the each Tranche of Instruments, an offer or sale of such Instruments within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from registration under the Securities Act.

*Instruments in bearer form will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(D) (the "**D Rules**"), unless the relevant Final Terms specifies that Instruments in bearer form will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(C) (the "**C Rules**") or that TEFRA does not apply.*

In addition, in respect of Instruments issued in accordance with the D Rules each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) except to the extent permitted under the D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Instruments in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States or its possessions definitive Instruments in bearer form that are sold during the restricted period;

(b) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Instruments in bearer form are aware that such Instruments may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if such Dealer is a United States person, it represents that it is acquiring the Instruments in bearer form for purposes of resale in connection with their original issuance and, if such Dealer retains Instruments in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D)(6); and

(d) with respect to each affiliate (if any) that acquires from such Dealer Instruments in bearer form for the purposes of offering or selling such Instruments during the restricted period, such Dealer either (i) hereby represents and agrees on behalf of such affiliate (if any) to the effect set forth in sub-paragraph (a), (b) and (c) of this paragraph or (ii) agrees that it will obtain from such affiliate (if any) for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c) of this paragraph; and

(e) it shall obtain for the benefit of the Issuer the representations, and agreements contained in sub-paragraphs (a), (b), (c), and (d) of this paragraph from any person other than its affiliate with whom it enters into a written contract, (a "distributor" as defined in U.S. Treasury Regulation §1.163-5(c)(2)(i)(D)(4)), for the offer or sale during the restricted period of the Instruments.

Terms used in the above paragraph have the meanings given to them by the Code and Regulations thereunder, including the D Rules.

In addition, where the C Rules are specified in the relevant Final Terms as being applicable in relation to any Tranche of Instruments, Instruments in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Instruments in bearer form within the United States or its possessions in connection with the original issuance. Further, each Dealer represents and agrees and each further Dealer appointed under the Programme will be required to represent and agree in connection with the original issuance of Instruments in bearer form, that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of Instruments in bearer form. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules.

In connection with each sale of Instruments pursuant to Rule 144A under the Securities Act, neither the relevant Dealer nor any person acting on its behalf will engage in any form of general solicitation or general advertising (as those terms are used in Rule 502(c) under the Securities Act).

**European Economic Area**

***Prohibition of Sales to EEA Retail Investors***

If the Final Terms in respect of any Instruments includes a legend entitled "*Prohibition of Sales to EEA Retail Investors*", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Instruments which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Final Terms in relation thereto to any retail investor in the EEA.

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 EU MiFID II; or

  (ii) a customer within the meaning of the EU Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; 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 Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

***Public Offer Selling Restriction under the Prospectus Regulation***

If the Final Terms in respect of any Instruments does not include a legend entitled "*Prohibition of Sales to EEA Retail Investors*", in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Instruments which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Instruments to the public in that Member State:

(a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) *Fewer than 150 offerees:* at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), 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 Article 1(4) of the Prospectus Regulation.

*provided that* no such offer of Instruments referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Instruments to the public**" in relation to any Instruments 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 Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

**United Kingdom Securities Laws**

***Prohibition of Sales to UK Retail Investors***

If the Final Terms in respect of any Instruments includes a legend entitled "*Prohibition of Sales to UK Retail Investors*", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Instruments which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK.

For the purposes of this provision:

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

  (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the EUWA; or

  (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; 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 Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

***Public Offer Selling Restriction under the UK Prospectus Regulation***

If the Final Terms in respect of any Instruments does not include a legend entitled "*Prohibition of Sales to UK Retail Investors*", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Instruments which are the subject of the offering contemplated by this Base Prospectus as completed by

the Final Terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Instruments to the public in the United Kingdom:

(a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within section 86 of the FSMA,

*provided that* no such offer of Instruments referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Instruments to the public**" in relation to any Instruments means the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law of the UK by virtue of the EUWA.

***Other UK Regulatory Restrictions***

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

(a) *No deposit-taking*: in relation to any Instruments having a maturity of less than one year:

(i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

(ii) it has not offered or sold and will not offer or sell any Instruments 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 Instruments would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) *Financial Promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Instruments in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Instruments in, from or otherwise involving the UK.

**Kingdom of Norway**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the Issuer has confirmed in writing to each Dealer that this Base Prospectus has been filed with the NFSA, it has not, directly or indirectly, offered or sold and will not directly or indirectly, offer or sell any Instruments in Norway or to residents of Norway, other than:

(a) in respect of an offer of Instruments addressed to investors subject to a minimum purchase of Instruments for a total consideration of not less than €100,000 per investor cf. the Prospectus

Regulation Article 1 no. 4 (c) as incorporated into Norwegian law pursuant to Section 7-1 of the Norwegian Securities Trading Act of 29 June 2007 no. 75; or

(b) to "qualified investors" as defined in the Prospectus Regulation Article 2 (e), cf. Article 1 no. 4 (a), as incorporated into Norwegian law pursuant to Section 7-1 of the Norwegian Securities Trading Act of 29 June 2007 no. 75; or

(c) to fewer than 150 natural or legal persons (other than "qualified investors" as defined in the Prospectus Regulation Article 2 (e), cf. Article 1 no. 4 (b), as incorporated into Norwegian law pursuant to Section 7-1 of the Norwegian Securities Trading Act of 29 June 2007 no. 75), subject to obtaining the prior consent of the relevant Dealer or Dealers for any such offer; or

(d) in any other circumstances *provided that* no such offer of Instruments shall result in a requirement for the registration, or the publication by the Issuer or the Dealer or Dealers of a prospectus pursuant to the Prospectus Regulation Article 1 no. 4 and no. 6 as incorporated into Norwegian law pursuant to Section 7-1 of the Norwegian Securities Trading Act of 29 June 2007 no. 75.

Instruments may not be offered or sold within Norway or, applicable to NOK denominated Instruments only, outside Norway to Norwegian residents, except for VPS Instruments or Instruments registered in book entry form with an EU authorised central securities depository (CSD) in accordance with the Central Securities Depositories Regulation (EU/909/2014).

See also the selling restriction "*Prohibition of Sales to EEA Retail Investors*" above.

**Japan**

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

**The People's Republic of China**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor any of its affiliates has offered or sold, or will offer or sell, any of the Instruments directly or indirectly within the People's Republic of China (for such purposes, not including Hong Kong and Macau Special Administrative Regions or Taiwan (the "**PRC**")). This Base Prospectus, the Instruments and any material or information contained or incorporated by reference herein in relation to the Instruments have not been, and will not be, submitted to or approved/verified by or registered with any relevant governmental authorities in the PRC pursuant to relevant laws and regulations and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Instruments in the PRC. Neither this Base Prospectus nor any material or information contained or incorporated by reference herein constitutes an offer to sell or the solicitation of an offer to buy any securities in the PRC.

The Instruments may only be invested by the PRC investors that are authorised to engage in the investment in the Instruments of the type being offered or sold. PRC investors are responsible for informing themselves about and observing all legal and regulatory restrictions, obtaining all relevant government approvals/licences, verification and/or registrations (if any) from all relevant PRC governmental authorities, including but not limited to the People's Bank of China, the State Administration of Foreign Exchange, the China Securities Regulatory Commission, the China Banking and Insurance Regulatory Commission, and/or other relevant regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or overseas investment regulations.

**Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Instruments, except for Instruments which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**"), 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; and (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Instruments, 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) other than with respect to Instruments 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.

**Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. 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 any Instruments or caused any Instruments to be made the subject of an invitation for subscription or purchase and it will not offer or sell any Instruments or cause any Instruments to be made the subject of an invitation for subscription or purchase, and it has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Instruments, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (as amended, the "**SFA**")) pursuant to Section 274 of the SFA, (ii) 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 (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Instruments are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities based derivative contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Instruments pursuant to an offer made under Section 275 of the SFA, except:

(i) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investment) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

**General**

Each Dealer has represented, warranted and agreed that, to the best of its knowledge, it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Instruments or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Instruments or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealership Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, in applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the previous paragraph.

Selling restrictions may be supplemented or modified with the agreement of the Issuer.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or their affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of the Issuer, including potentially the Instruments offered hereby. Any such short positions could adversely affect future trading prices of the Instruments offered hereby. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

## TRANSFER RESTRICTIONS

**Rule 144A Instruments**

Each purchaser of Rule 144A Instruments, by accepting delivery of this Base Prospectus and the Rule 144A Instruments, will be deemed to have represented, agreed and acknowledged that:

1. It is (a) a QIB that is also a QP, (b) was not formed for the purpose of investing in the Rule 144A Instruments or the Issuer, (c) is not a broker dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issuers, (d) is not a participant-directed employee plan such as a 401(k) plan, (e) is acting for its own account, or the account of one or more QIBs each of which is also a QP, and (f) is aware, and each beneficial owner of the Rule 144A Instruments has been advised, that the sale of the Rule 144A Instruments to it is being made in reliance on Rule 144A.

2. It will (a) along with each account for which it is purchasing, hold and transfer beneficial interests in the Rule 144A Instruments in a principal amount that is not less than U.S.$100,000 and (b) provide notice of these transfer restrictions to any subsequent transferees. In addition, it understands that the Issuer may receive a list of participants holding positions in the Rule 144A Instruments from one or more book entry depositaries.

3. (i) The Rule 144A Instruments have not been nor will be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it, and any person acting on its behalf, reasonably believes is a QIB that is also a QP purchasing for its own account or for the account of one or more QIBs each of which is also a QP, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act, (c) to the Issuer or an affiliate thereof, or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States and (ii) it will, and each subsequent Holder of the Rule 144A Instruments is required to, notify any purchaser of the Rule 144A Instruments from it of the resale restrictions on the Rule 144A Instruments.

4. It understands that the Issuer has the power to compel any beneficial owner of the Rule 144A Instruments that is a U.S. person and is not a QIB and a QP to sell its interest in the Rule 144A Instruments, or may sell such interest on behalf of such owner. The Issuer has the right to refuse to honour the transfer of an interest in the Rule 144A Instruments to a U.S. person who is not a QIB and a QP. Any purported transfer of the Rule 144A Instruments to a purchaser that does not comply with the requirements of the transfer restrictions herein will be of no force and effect and will be void *ab initio*.

5. The Rule 144A Instruments, unless the Issuer determines otherwise in accordance with applicable law, will bear a legend in or substantially in the following form:

   **THIS INSTRUMENT HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER ("QIB") WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT THAT IS ALSO A QUALIFIED PURCHASER ("QP") WITHIN THE MEANING OF SECTION 2(A)(51)(A) OF THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"), AND THE RULES AND REGULATIONS THEREUNDER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS EACH OF WHICH IS ALSO A QP WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT AND IN AN AMOUNT FOR EACH ACCOUNT OF NOT LESS THAN U.S.$100,000, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE**

**WITH RULE 903 OR 904 UNDER THE SECURITIES ACT, (3) TO THE ISSUER OR AN AFFILIATE THEREOF OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES. THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER FROM IT OF THE INSTRUMENTS IN RESPECT HEREOF OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE OR EFFECT AND WILL BE VOID *AB INITIO*. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF ANY EXEMPTION UNDER THE SECURITIES ACT FOR RESALES OF THIS INSTRUMENT.**

**EACH PERSON WHO PURCHASES OR OTHERWISE ACQUIRES THIS INSTRUMENT (OR A BENEFICIAL INTEREST HEREIN) REPRESENTS, WARRANTS, ACKNOWLEDGES AND AGREES FOR THE BENEFIT OF THE ISSUER THAT IT, AND EACH PERSON FOR WHICH IT IS ACTING, (I) IS A QIB THAT IS A QP, (II) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER OR THE INSTRUMENTS, (III) IS NOT A BROKER-DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS, (IV) IS NOT A PARTICIPANT DIRECTED EMPLOYEE PLAN, SUCH AS A 401(K) PLAN, (V) IS ACTING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS EACH OF WHICH IS ALSO A QP, (VI) IT, AND EACH ACCOUNT FOR WHICH IT HOLDS THE INSTRUMENTS, WILL HOLD AND TRANSFER BENEFICIAL INTERESTS IN THE INSTRUMENTS IN A PRINCIPAL AMOUNT THAT IS NOT LESS THAN U.S.$100,000; (VII) IT UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE INSTRUMENTS FROM ONE OR MORE BOOK-ENTRY DEPOSITARIES AND (VIII) IT WILL PROVIDE NOTICE OF THE FOREGOING TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREES.**

**ANY RESALE OR OTHER TRANSFER OF THIS INSTRUMENT (OR BENEFICIAL INTEREST HEREIN) WHICH IS NOT MADE IN COMPLIANCE WITH THE RESTRICTIONS SET FORTH HEREIN WILL BE OF NO FORCE AND EFFECT, WILL BE NULL AND VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER OR ANY OF ITS AGENTS. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A TRANSFER OF THIS INSTRUMENT (OR BENEFICIAL INTEREST HEREIN) TO A U.S. PERSON WITHIN THE MEANING OF REGULATION S THAT IS NOT A QIB AND A QP, THE ISSUER MAY (A) COMPEL SUCH TRANSFEREE TO SELL THIS INSTRUMENT OR ITS INTEREST HEREIN TO A PERSON WHO (I) IS A U.S. PERSON WHO IS A QIB AND A QP THAT IS, IN EACH CASE, OTHERWISE QUALIFIED TO PURCHASE THIS INSTRUMENT OR INTEREST HEREIN IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OR (II) IS NOT A U.S. PERSON AND PURCHASES THE INSTRUMENT IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S OR (B) COMPEL SUCH TRANSFEREE TO SELL THIS INSTRUMENT OR ITS INTEREST HEREIN TO A PERSON DESIGNATED BY OR ACCEPTABLE TO THE ISSUER AT A PRICE EQUAL TO THE LESSER OF (X) THE PURCHASE PRICE THEREFOR PAID BY THE ORIGINAL TRANSFEREE, (Y) 100 PER CENT. OF THE PRINCIPAL AMOUNT THEREOF OR (Z) THE FAIR MARKET VALUE THEREOF. THE ISSUER HAS THE RIGHT TO REFUSE TO HONOUR A TRANSFER OF THIS INSTRUMENT OR INTEREST HEREIN TO A U.S. PERSON WHO IS NOT A QIB AND A QP. EACH TRANSFEROR OF THIS INSTRUMENT WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE ISSUE AND PAYING AGENCY AGREEMENT TO ITS TRANSFEREE. THE ISSUER HAS NOT REGISTERED AND DOES NOT INTEND TO REGISTER UNDER THE INVESTMENT COMPANY ACT.**

**EACH PURCHASER OR HOLDER OF ANY INTEREST IN THE INSTRUMENTS WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER: (I) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF TITLE I OF ERISA OR SECTION 4975 OF**

**THE CODE TO BE) AND FOR SO LONG AS IT HOLDS ANY INTEREST IN THE INSTRUMENTS WILL NOT BE (OR BE DEEMED FOR SUCH PURPOSES TO BE) (A) AN "EMPLOYEE BENEFIT PLAN" WITHIN THE MEANING OF SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO TITLE I OF ERISA, (B) A "PLAN" WITHIN THE MEANING OF AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) A PERSON OR ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN DESCRIBED IN (A) OR (B) BY REASON OF THE U.S. DEPARTMENT OF LABOR REGULATION AT 29 C.F.R. § 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, OR OTHERWISE FOR PURPOSE OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE (EACH OF (A)-(C), A "BENEFIT PLAN INVESTOR") OR (D) A "GOVERNMENTAL PLAN" WITHIN THE MEANING OF SECTION 3(32) OF ERISA, A "CHURCH PLAN" WITHIN THE MEANING OF SECTION 3(33) OF ERISA THAT HAS MADE NO ELECTION UNDER SECTION 410(d) OF THE CODE OR A NON-U.S. PLAN" DESCRIBED IN SECTION 4(b)(4) OF ERISA THAT IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY AND PROHIBITED TRANSACTION PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE (ANY SUCH LAW OR REGULATION, A "SIMILAR LAW"); OR (II) PROVIDED THAT THE INSTRUMENT IN QUESTION WILL BE TREATED AS INDEBTEDNESS WITHOUT SUBSTANTIAL EQUITY CHARACTERISTICS FOR PURPOSE OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE, THE PURCHASE AND HOLDING OF ANY INTEREST IN THE INSTRUMENTS DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF ANY APPLICABLE SIMILAR LAW.**

**MOREOVER, EACH PURCHASER OR HOLDER OF ANY INTEREST IN THE INSTRUMENTS THAT IS A BENEFIT PLAN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED AND AGREED BY ITS PURCHASE OR HOLDING OF ANY INTEREST IN THE INSTRUMENTS THAT: (I) NONE OF THE ISSUER, THE ARRANGER, THE DEALERS, THE PAYING AGENTS, THE REGISTRARS, THE TRANSFER AGENTS OR THEIR RESPECTIVE AFFILIATES (EACH, A "TRANSACTION PARTY") HAS PROVIDED ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE TO THE BENEFIT PLAN INVESTOR, OR ANY FIDUCIARY OR OTHER PERSON INVESTING ON BEHALF OF THE BENEFIT PLAN INVESTOR OR WHO OTHERWISE HAS DISCRETION OR AUTHORITY OVER THE INVESTMENT AND MANAGEMENT OF "PLAN ASSETS" (A "PLAN FIDUCIARY"), ON WHICH EITHER THE BENEFIT PLAN INVESTOR OR PLAN FIDUCIARY HAS RELIED IN CONNECTION WITH THE DECISION TO ACQUIRE ANY INTEREST IN THE INSTRUMENTS; (II) THE TRANSACTION PARTIES ARE NOT ACTING AS A "FIDUCIARY" WITHIN THE MEANING OF SECTION 3(21) OF ERISA OR SECTION 4975(E)(3) OF THE CODE TO THE BENEFIT PLAN INVESTOR OR PLAN FIDUCIARY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF ANY INTEREST IN THE INSTRUMENTS; AND (III) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE TRANSACTION. ANY PURPORTED PURCHASE OR TRANSFER OF AN INSTRUMENT THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID *AB INITIO*.**

**THE ISSUER MAY COMPEL EACH BENEFICIAL HOLDER HEREOF TO CERTIFY PERIODICALLY THAT SUCH OWNER IS A QIB AND A QP.**

6. It understands that it will be deemed to have represented and agreed that either: (i) it is not and for so long as it holds any interest in the Instruments will not be a Benefit Plan Investor or a Similar Plan that is subject to any Similar Law; or (ii) *provided that* any interest in the Instruments are purchased under an ERISA-Permitted Issuance, the purchase and holding of any interest in the Instruments does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law.

Any purported purchase or transfer of an Instrument that does not comply with the foregoing shall be null and void *ab initio*.

7. It understands that the Issuer, the Registrars, the relevant Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of Rule 144A Instruments is no longer accurate, it shall promptly notify the Issuer and the relevant Dealer(s). If it is acquiring any Rule 144A Instruments for the account of one or more QIBs that are also QPs, it represents that it has sole investment discretion with respect to each of those accounts and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

8. It understands that the Rule 144A Instruments will be represented by a Rule 144A Global Instrument. Before any interest in a Rule 144A Global Instrument may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Global Instrument, it will be required to provide the Registrar with a written certification as to compliance with applicable securities laws.

***Prospective purchasers are hereby notified that sellers of the Rule 144A Instruments may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.***

**Regulation S Instruments**

Each purchaser of any Instrument represented by the Regulation S Global Instrument (or beneficial interest therein) and each subsequent purchaser of such Regulation S Instruments in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Base Prospectus and the Regulation S Instruments will be deemed to have represented, warranted, agreed and acknowledged that:

1. It is, or at the time Regulation S Instruments are purchased will be, the beneficial owner of the Regulation S Instruments and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.

2. It understands that the Regulation S Instruments have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer Regulation S Instruments except in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.

3. It understands that the Regulation S Instruments, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend in or substantially in the following form:

**THIS INSTRUMENT HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT IN A TRANSACTION THAT WILL NOT CAUSE THE ISSUER TO BECOME REQUIRED TO REGISTER AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED.**

**EACH PURCHASER OR HOLDER OF ANY INTEREST IN THE INSTRUMENTS WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER: (I) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE TO BE) AND FOR SO LONG AS IT HOLDS ANY INTEREST IN THE INSTRUMENTS WILL NOT BE (OR BE DEEMED FOR SUCH PURPOSES TO BE) (A) AN "EMPLOYEE BENEFIT PLAN" WITHIN THE MEANING OF SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO TITLE I OF ERISA, (B) A "PLAN"**

**WITHIN THE MEANING OF AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (C) A PERSON OR ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN DESCRIBED IN (A) OR (B) BY REASON OF THE U.S. DEPARTMENT OF LABOR REGULATION AT 29 C.F.R. § 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA, OR OTHERWISE FOR PURPOSE OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE (EACH OF (A)-(C), A "BENEFIT PLAN INVESTOR") OR (D) A "GOVERNMENTAL PLAN" WITHIN THE MEANING OF SECTION 3(32) OF ERISA, A "CHURCH PLAN" WITHIN THE MEANING OF SECTION 3(33) OF ERISA THAT HAS MADE NO ELECTION UNDER SECTION 410(D) OF THE CODE, OR A "NON-U.S. PLAN" DESCRIBED IN SECTION 4(B)(4) OF ERISA THAT IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR OTHER NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY AND PROHIBITED TRANSACTION PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE (ANY SUCH LAW OR REGULATION, A "SIMILAR LAW"); OR (II) PROVIDED THAT THE INSTRUMENT IN QUESTION WILL BE TREATED AS INDEBTEDNESS WITHOUT SUBSTANTIAL EQUITY CHARACTERISTICS FOR PURPOSE OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE, THE PURCHASE AND HOLDING OF ANY INTEREST IN THE INSTRUMENTS DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR A VIOLATION OF ANY APPLICABLE SIMILAR LAW.**

**MOREOVER, EACH PURCHASER OR HOLDER OF ANY INTEREST IN THE INSTRUMENTS THAT IS A BENEFIT PLAN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED AND AGREED BY ITS PURCHASE OR HOLDING OF ANY INTEREST IN THE INSTRUMENTS THAT: (I) NONE OF THE ISSUER, THE ARRANGER, THE DEALERS, THE PAYING AGENTS, THE REGISTRARS, THE TRANSFER AGENTS OR THEIR RESPECTIVE AFFILIATES (EACH, A "TRANSACTION PARTY") HAS PROVIDED ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE TO THE BENEFIT PLAN INVESTOR, OR ANY FIDUCIARY OR OTHER PERSON INVESTING ON BEHALF OF THE BENEFIT PLAN INVESTOR OR WHO OTHERWISE HAS DISCRETION OR AUTHORITY OVER THE INVESTMENT AND MANAGEMENT OF "PLAN ASSETS" (A "PLAN FIDUCIARY"), ON WHICH EITHER THE BENEFIT PLAN INVESTOR OR PLAN FIDUCIARY HAS RELIED IN CONNECTION WITH THE DECISION TO ACQUIRE ANY INTEREST IN THE INSTRUMENTS; (II) THE TRANSACTION PARTIES ARE NOT ACTING AS A "FIDUCIARY" WITHIN THE MEANING OF SECTION 3(21) OF ERISA OR SECTION 4975(E)(3) OF THE CODE TO THE BENEFIT PLAN INVESTOR OR PLAN FIDUCIARY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF ANY INTEREST IN THE INSTRUMENTS; AND (III) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE TRANSACTION. ANY PURPORTED PURCHASE OR TRANSFER OF AN INSTRUMENT THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID *AB INITIO*.**

4. It understands that it will be deemed to have represented and agreed that either: (i) it is not and for so long as it holds any interest in the Instruments will not be a Benefit Plan Investor or a Similar Plan that is subject to any Similar Law; or (ii) *provided that* any interest in the Instruments are purchased under an ERISA-Permitted Issuance, the purchase and holding of any interest in the Instruments does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law. Any purported purchase or transfer of an Instrument that does not comply with the foregoing shall be null and void *ab initio*.

5. It understands that the Issuer, the Registrars, the relevant Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of Regulation S Instruments is no longer accurate, it shall promptly notify the Issuer and the relevant Dealer(s).

6. It understands that the Regulation S Instruments will be represented by a Regulation S Global Instrument. Prior to the expiration of the distribution compliance period (as defined in Regulation S), before any interest in a Regulation S Global Instrument may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Instrument, it will be required to provide the Registrar with a written certification as to compliance with applicable securities laws.

## CLEARING AND SETTLEMENT

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear and/or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing Systems. Neither the Issuer nor any other party to the Issue and Paying Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Instruments held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but neither the Issuer nor any Dealer takes any responsibility for the accuracy thereof.*

### DTC Book-Entry System

Registered Instruments whether as part of the initial distribution of the Instruments or in the secondary market, are eligible to be held in book-entry form in DTC.

DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a "banking organisation" within the meaning of the New York Banking Law, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ("**Participants**") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants ("**Direct Participants**") include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**DTC Rules**"), DTC makes book-entry transfers of Registered Instruments among Direct Participants on whose behalf it acts with respect to Instruments accepted into DTC's book-entry settlement system ("**DTC Instruments**") as described below, and receives and transmits distributions of principal and interest on DTC Instruments. The DTC Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Instruments ("**Owners**") have accounts with respect to the DTC Instruments similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Instruments through Direct Participants or Indirect Participants will not possess Registered Instruments, the DTC Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest with respect to the DTC Instruments.

Purchases of DTC Instruments under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Instruments on DTC's records. The ownership interest of each actual purchaser of each DTC Instrument ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Instruments are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Instruments, except in the event that use of the book-entry system for the DTC Instruments is discontinued.

To facilitate subsequent transfers, all DTC Instruments deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Instruments with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no

knowledge of the actual Beneficial Owners of the DTC Instruments; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Instruments are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Instruments within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Instruments. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Instruments are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Instruments will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "*street name*", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, DTC will exchange the DTC Instruments for Definitive Registered Instruments, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Instrument, will be legended as set forth under "*Transfer Restrictions*".

**Book-entry Ownership of and Payments in respect of DTC Instruments**

The Issuer may apply to DTC in order to have each Tranche of Instruments represented by the Rule 144A Global Instrument, and if applicable, the Regulation S Global Instrument, accepted in its book-entry settlement system. Upon the issue of any Global Registered Instruments, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Global Registered Instrument to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer.

Ownership of beneficial interests in a Global Registered Instrument will be limited to Direct Participants or Indirect Participants. Ownership of beneficial interests in a Global Registered Instrument will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Global Registered Instrument registered in the name of DTC's nominee will be made to the order of such nominee as the registered Holder of such Instrument. In the case of any payment in a currency other than U.S. dollars, payment will be made to the relevant Paying Agent on behalf of DTC's nominee and the relevant Paying Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Global Registered Instrument in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Instruments will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Paying Agents, the Registrars or the Issuer. Payments of principal, premium, if any, and interest, if any, on Instruments to DTC are the responsibility of the Issuer.

**DTC Instruments denominated in a Specified Currency other than U.S. dollars**

Holders of Instruments holding interests in a DTC Instrument denominated in a Specified Currency for principal or interest payments other than U.S. dollars through DTC (the "**DTC Holders of Instruments**") will receive such payments in U.S. dollars, unless they elect to receive such payments in the Specified Currency. Except as provided below, in the event that a DTC Holder of an Instrument shall not have made such election in respect of any payment of principal or interest, where the Specified Currency is not U.S. dollars, payments to such DTC Holder of an Instrument of the Conversion Amount will be paid by wire transfer of same-day funds to, or to the order of, the DTC Holder of Instrument for payment through DTC's settlement system to the relevant DTC participants. All costs of any such conversion will be deducted from such payments. The U.S. dollar amount in respect of any payment received by a DTC Holder of an Instrument not electing (subject to the provision in the preceding sentence) payment in the Specified Currency will be based on the Foreign Exchange Agent's bid quotation at or prior to 11.00 a.m., New York City time, on the second business day preceding the relevant payment date, for the purchase by the Foreign Exchange Agent of the Conversion Amount with U.S. dollars for settlement on such payment date. If such bid quotation is not available, the Foreign Exchange Agent will obtain a bid quotation from a leading foreign exchange bank in New York City selected by the Foreign Exchange Agent in its discretion for such purpose. If no bid quotation from a leading foreign exchange bank is available, payment of the Conversion Amount will be made in the Specified Currency to the account or accounts specified by DTC to the Foreign Exchange Agent. Until such account or accounts are so specified, the funds still held by the Foreign Exchange Agent will bear interest at the rate of interest quoted by the Foreign Exchange Agent for deposits with it on an overnight basis, to the extent that the Foreign Exchange Agent is reasonably able to reinvest such funds.

A DTC Holder of an Instrument may elect to receive payment of the principal of, or interest with respect to, Instruments in the Specified Currency by notifying DTC by the DTC Record Date of (i) such holder's election to receive all or a portion of such payment in the Specified Currency for value the relevant interest payment date or final maturity date, as the case may be, and (ii) wire transfer instructions to an account denominated in the Specified Currency with respect to any payment to be made in the Specified Currency. Such election shall be made by the Noteholder holding its interest in a DTC Instrument and any such election in respect of that payment shall be irrevocable. An indirect DTC participant must notify the DTC Holder of an Instrument through which it is holding its interest in a DTC Instrument of such election and wire transfer instructions by the DTC Record Date. DTC will notify the Foreign Exchange Agent of such election and wire transfer instructions and of the amount of the Specified Currency to be converted into U.S. dollars, prior to 5:00 p.m. (New York time) on or prior to the fifth DTC business day (a day on which DTC is open for business, the "**DTC Business Day**") following the applicable DTC Record Date in the case of interest and the tenth DTC Business Day prior to the payment date for the payment of principal. If complete instructions are received by the DTC participant and forwarded by the DTC participant to DTC, and by DTC to the Foreign Exchange Agent, on or prior to such dates, the DTC Holder of an Instrument will receive payment in the Specified Currency outside DTC, otherwise only U.S. dollar payments will be made by the Foreign Exchange Agent. Payments in the Specified Currency outside DTC will be made by wire transfer of same day funds in accordance with the relevant wire transfer instructions for value the relevant payment date.

**Transfers of Instruments Represented by Global Registered Instruments**

Transfers of any interests in Instruments represented by a Global Registered Instrument will be effected in accordance with the customary rules and operating procedures of Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be. The laws of some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Instruments represented by a Global Registered Instrument to such persons may depend upon the ability to exchange such Instruments for Definitive Registered Instruments. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability

of a person having an interest in Instruments represented by a Global Registered Instrument held by DTC to pledge such Instruments to persons or entities that do not participate in the DTC system or to otherwise take action in respect of such Instruments may depend upon the ability to exchange such Instruments for Instruments in definitive form. The ability of any Holder of Instruments represented by a Global Registered Instrument held by DTC to resell, pledge or otherwise transfer such Instruments may be impaired if the proposed transferee of such Instruments is not eligible to hold such Instruments through a direct or indirect participant in the DTC system.

Transfers at any time by a Holder of a book-entry interest in a Rule 144A Global Instrument to a transferee who takes delivery of such book-entry interest through a Regulation S Global Instrument for the same Series of Instruments will only be made upon delivery to the Registrar of a certificate setting forth compliance with the provisions of Regulation S. Prior to the expiration of the distribution compliance period (as defined in Regulation S), ownership of book-entry interests in a Regulation S Global Instrument will be limited to persons that have accounts with Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, or persons who hold such book-entry interest through Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, and any sale or transfer of such book-entry interest to a US person (within the meaning of Regulation S) shall not be permitted during such period unless such resale or transfer is made pursuant to Rule 144A. Transfers at any time by a Holder of a book-entry interest in a Regulation S Global Instrument to a transferee who takes delivery of such book-entry interest through a Rule 144A Global Instrument for the same Series of Instruments will only be made upon receipt by the relevant Registrar or the relevant Transfer Agent of a written certificate from the transferor of such book-entry interest to the effect that such transfer is being made to a person whom such transferor, and any person acting on its behalf, reasonably believes is a QIB within the meaning of Rule 144A that is also a QP within the meaning of Section 2(a)(51)(A) of the Investment Company Act in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "*Transfer Restrictions*" and in accordance with any applicable securities laws of any state of the United States.

Subject to compliance with the transfer restrictions applicable to the Registered Instruments described under "*Transfer Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream, Luxembourg accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrars, and/or the Paying Agents, as the case may be, and any custodian with whom the relevant Global Registered Instruments have been deposited.

On or after the relevant issue date for any Series, transfers of Instruments of such Series between accountholders in Euroclear or Clearstream, Luxembourg and transfers of Instruments of such Series between participants in DTC will generally have a settlement date two business days after the trade date (T+2), unless the parties to any such trade expressly agree otherwise. The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in DTC and Euroclear or Clearstream, Luxembourg participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear or Clearstream, Luxembourg on the other, transfers of interests in the relevant Global Registered Instruments will be effected through the relevant Registrar and/or the relevant Paying Agent, as the case may be, and the custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payments must be made separately.

Euroclear, Clearstream, Luxembourg and DTC have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Registered Instruments among participants and accountholders of Euroclear, Clearstream, Luxembourg and DTC. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Registrars, the Paying Agents or any Dealer(s) will be responsible for any performance by Euroclear, Clearstream, Luxembourg and DTC or its respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Instruments represented by Global Registered Instruments or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## GENERAL INFORMATION

1. Application has been made to list the Instruments issued under the Programme on the official list of the Luxembourg Stock Exchange and to admit them to trading on the regulated market of the Luxembourg Stock Exchange.

   The Programme also permits Instruments to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

2. The Programme was authorised by a resolution of the Board of Directors of the Issuer on 30 December 1999. The update of the Programme was authorised by a resolution of the Board of Directors of the Issuer on 16 December 2021. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue of and performance of its obligations under the Instruments.

3. The Instruments (other than VPS Instruments) have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping book-entry records). In addition, the Issuer may make an application for any Rule 144A Instruments to be accepted for trading in book-entry form in DTC. The VPS Instruments have been accepted for clearance through the VPS.

   The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Instruments for clearance together with any further appropriate information.

   The appropriate Common Code, International Securities Identification Number (ISIN), FISN, CFI, CUSIP or VPS identification number (as applicable) in relation to the Instruments of each Series will be contained in the Final Terms relating thereto.

   The address of Euroclear is 3 Boulevard de Roi Albert II, B.1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42, Avenue J.F. Kennedy, L-1855 Luxembourg, the address of DTC is 55 Water Street, New York, New York, 10041, United States of America and the address of the VPS is Fred. Olsens gate 1, 0152 Oslo, Norway.

4. Bearer Instruments (other than Temporary Global Instruments) with maturities of over one year and any Coupon appertaining thereto will bear a legend substantially to the following effect: "**Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.**"

5. The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months 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.

6. There has been no material adverse change in the prospects of the Issuer since 31 December 2021, nor has there been any significant change in the financial position or financial performance of the Issuer which has occurred since 31 December 2021.

7. For so long as the Programme remains in effect or any Instruments remain outstanding, copies and, where appropriate, English translations of the following documents may be inspected (and in the case of (c) and (d) will be obtainable free of charge in copy form) during normal business hours at the specified offices of the Issue and Paying Agent and the Registrar and (except in the case of (h)) on the Issuer's website, at https://www.kbn.com/en/about-us/company-information:

   (a) the most recent publicly available audited financial statements of the Issuer beginning with such financial statements for the years ended 31 December 2021, 31 December 2020 and 31 December 2019;

   (b) the most recent publicly available unaudited interim financial statements of the Issuer;

(c) the Issue and Paying Agency Agreement;

(d) the Deed of Covenant;

(e) the current Base Prospectus and any supplements thereto and any other information incorporated herein or therein by reference;

(f) the Articles of Association of the Issuer; and

(g) the VPS Agreement and the VPS Trustee Agreement; and

(h) any Final Terms or Drawdown Prospectuses relating to Instruments which are listed on any stock exchange. (In the case of a Tranche of Instruments in relation to which application has not been made for listing on any stock exchange, or which are admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system, copies of the Final Terms will only be available for inspection by a Holder of or, as the case may be, a Relevant Accountholder (as defined in the Deed of Covenant) in respect of, such Instruments.)

8. Copies of the Green Bond Framework and Second Party Opinion are each available at https://www.kbn.com/en/investor/green-bonds/ (or any successor website) and as the same may be updated, amended and/or replaced from time to time.

9. Copies of the VPS Trustee Agreement are also available for inspection during normal business hours at the specified office of the VPS Trustee.

10. This Base Prospectus, any documents incorporated by reference herein and any supplements to this Base Prospectus, and each Final Terms relating to Instruments which are admitted to trading on the Luxembourg Stock Exchange's regulated market shall be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

11. The Issuer's financial statements have been audited without qualification for the years ended 31 December 2021, 2020 and 2019 by Ernst & Young AS (member of the Norwegian Institute of Public Accountants) whose registered office is at Dronning Eufemias gate 6, 0191 Oslo, Norway. The Issuer's financial statements for the year ended 31 December 2021 are subject to approval at its 2022 Annual General Meeting, which has not been held as at the date of this Base Prospectus.

12. The Issuer does not publish consolidated financial statements.

13. The Issuer produces quarterly unaudited interim financial statements.

14. The Issuer does not intend to provide any post-issuance information, except if required by any applicable laws and regulations.

15. The Issuer has not entered into any contracts outside of the ordinary course of business that have had or may reasonably be expected to have a material effect on its business or that could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the holders of the Instruments in respect of the Instruments being issued.

16. Instruments may be issued at any price. The issue price of each Tranche of Instruments 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 and the issue price of the relevant Instruments or the method of determining the price and the process for its disclosure will be set out in the relevant Final Terms. In the case of different Tranches of a Series of Instruments, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Instruments bearing interest at a fixed rate as set out in the relevant Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

17. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Instruments issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

    In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer and its affiliates. Certain of the Dealers of their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer and its affiliates consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Instruments issued under the Programme. Any such positions could adversely affect future trading prices of Instruments issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

18. The Legal Entity Identifier code of the Issuer is I7ETN0QQO2AHZZGHJ389.

19. Unless specifically incorporated by reference into this Base Prospectus, the information on any website or uniform resource locator (URL) to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CSSF and the information on any website or uniform resource locator (URL) to which any Final Terms refers does not form part of such Final Terms.

**ISSUER**

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**BofA Securities Europe SA**
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**Nordic Trustee AS**
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