

EXECUTION VERSION

DATED 31 MARCH 2023

HSBC HOLDINGS PLC
AS ISSUER

AND

THE LAW DEBENTURE TRUST CORPORATION p.l.c.
AS TRUSTEE

SUPPLEMENTAL TRUST DEED MODIFYING AND
RESTATING THE TRUST DEED
DATED 2 SEPTEMBER 2014 (AS LAST AMENDED
AND RESTATED ON 28 MARCH 2022) RELATING
TO THE PROGRAMME FOR ISSUANCE OF
PERPETUAL SUBORDINATED CONTINGENT
CONVERTIBLE SECURITIES

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THIS SUPPLEMENTAL TRUST DEED is made on 31 March 2023

BETWEEN:

- (1) **HSBC HOLDINGS PLC**, a company incorporated under the laws of England the liabilities of whose members is limited, and whose registered office is at 8 Canada Square, London E14 5HQ (hereinafter called the "**Issuer**") of the one part; and
- (2) **THE LAW DEBENTURE TRUST CORPORATION p.l.c.**, a company incorporated under the laws of England, whose registered office is at 8th Floor, 100 Bishopsgate, London EC2N 4AG (hereinafter called the "**Trustee**") of the other part.

WHEREAS:

- (A) The Issuer and the Trustee entered into a trust deed dated 2 September 2014 as last modified and restated on 28 March 2022 (the "**Trust Deed**") in connection with a programme established by the Issuer (the "**Programme**") for the issuance, from time to time, of perpetual subordinated contingent convertible securities (the "**Securities**").
- (B) The parties hereto have agreed to modify and restate the Trust Deed as set out in the Exhibit hereto.

NOW THIS SUPPLEMENTAL TRUST DEED WITNESSETH AND IT IS HEREBY AGREED AND DECLARED as follows:

1. INTERPRETATION

Save where the contrary is indicated or the context otherwise requires, terms defined in the Trust Deed shall bear the same meaning in this Supplemental Trust Deed.

2. MODIFICATION TO, AND RESTATEMENT OF, THE TRUST DEED

Save:

- (a) in relation to all Series of Securities issued during the period up to and including the day preceding the date of this Supplemental Trust Deed and any Securities issued on or after the date of this Supplemental Trust Deed so as to be consolidated and form a single Series with the Securities of any Series issued up to and including the day last preceding the date of this Supplemental Trust Deed; and
- (b) for the purpose (where necessary) of construing the provisions of this Supplemental Trust Deed,

with effect on and from the date hereof as between the parties:

- (i) the Trust Deed is modified in such manner as would result in the Trust Deed as so modified being in the form set out in the Exhibit to this Supplemental Trust Deed;
- (ii) the provisions of the Trust Deed shall cease to have effect and in lieu thereof the provisions of the Trust Deed as so modified (and being in the

form set out in the Exhibit to this Supplemental Trust Deed) shall have effect.

3. **COSTS AND EXPENSES**

The Issuer shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable in connection with the execution and delivery of this Supplemental Trust Deed and shall indemnify the Trustee against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it may incur as a result of or arising out of or in relation to any failure to pay or delay in paying any of the same.

4. **COUNTERPARTS**

This Supplemental Trust Deed may be executed in counterparts, both of which when taken together shall constitute one and the same agreement.

5. **MODIFICATION AND RESTATEMENT**

The Trust Deed and this Supplemental Trust Deed shall henceforth be read and construed together as one document.

6. **GOVERNING LAW**

This Supplemental Trust Deed and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law. The provisions of Clause 29 of the Trust Deed shall apply to this Supplemental Trust Deed *mutatis mutandis*.

7. **RIGHTS OF THIRD PARTIES**

No person shall have any right to enforce any term or condition of this Supplemental Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

IN WITNESS WHEREOF this Supplemental Trust Deed has been executed as a deed by the parties hereto and delivered on the day and year first stated above.

EXECUTED as a DEED by)

JAMES MURPHY Name of attorney

as attorney for
HSBC HOLDINGS PLC
in the presence of:

 Signature of attorney

JAMES MURPHY as attorney for HSBC Holdings plc

 Signature of witness

Yu-Ling LIAO Name of witness

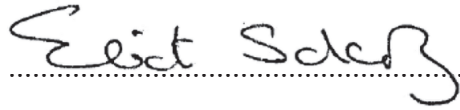
8 Canada Square Address of witness

London E14 5HQ

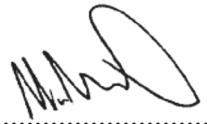
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EXECUTED as a **DEED** by)
THE LAW DEBENTURE TRUST)
CORPORATION p.l.c.)

.....Director

..... Eliot SolarzName of director

.....Representing Law Debenture Corporate Services Ltd,
Secretary

..... Martin FranceName of secretary

EXHIBIT

FORM OF MODIFIED AND RESTATED TRUST DEED
DATED 2 SEPTEMBER 2014 (AS LAST MODIFIED AND RESTATED
ON 31 MARCH 2023)

HSBC HOLDINGS PLC
AS ISSUER

AND

THE LAW DEBENTURE TRUST CORPORATION p.l.c.

AS TRUSTEE

USD 50,000,000,000

PROGRAMME FOR ISSUANCE OF PERPETUAL SUBORDINATED CONTINGENT
CONVERTIBLE SECURITIES

TRUST DEED

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THIS TRUST DEED is made on 2 September 2014, and last restated on 31 March 2023

BETWEEN:

- (1) **HSBC HOLDINGS PLC**, a company incorporated under the laws of England the liabilities of whose members is limited and whose registered office is at 8 Canada Square, London E14 5HQ (hereinafter called the "**Issuer**") of the one part; and
- (2) **THE LAW DEBENTURE TRUST CORPORATION p.l.c.**, a company incorporated under the laws of England, whose registered office is at 8th Floor, 100 Bishopsgate, London EC2N 4AG (hereinafter called the "**Trustee**") of the other part.

WHEREAS:

- (A) The Issuer has, pursuant to resolutions of the Board of its Directors passed on 1 August 2014, 26 January 2017, 19 January 2018, 17 January 2019, 13 February 2020, 18 February 2021, 17 February 2022 and 19 January 2023 authorised the issue of up to U.S.\$50,000,000,000 maximum principal amount of securities from time to time outstanding (subject to increase as provided in the Dealer Agreement (as defined below) (the "**Authorised Amount**") pursuant to a programme for the issuance of perpetual subordinated contingent convertible securities under which the securities will be constituted on the terms hereinafter appearing (the "**Programme**").
- (B) The Trustee has agreed to act as trustee of this Trust Deed on the terms and subject to the hereinafter contained.

NOW THIS TRUST DEED WITNESSETH AND IT IS HEREBY AGREED AND DECLARED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Trust Deed, unless there is something in the subject or context inconsistent therewith, the expressions following shall have the meanings hereinafter mentioned (that is to say):

"**Affiliate**" has the meaning given to it in Rule 405 under the Securities Act.

"**Agency Agreement**" means the agency agreement dated 2 September 2014 as last modified and restated on 6 March 2018 and made between the Issuer, HSBC Bank plc as principal paying and conversion agent (the "**Principal Paying and Conversion Agent**"), as transfer agent (the "**Transfer Agent**") and as registrar (the "**Registrar**") and the Trustee or any other agreement for the time being in force appointing all or any of the Principal Paying and Conversion Agent, any other Paying Agents, the Transfer Agent(s) and the Registrar or in connection with their duties, the terms of which have been approved by the Trustee, together with any agreement for the time being in force amending, modifying, supplementing or restating, with the approval of the Trustee, any of the aforesaid agreements.

"**Agents**" means the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent, and any reference to an "**Agent**" is to any one of them.

"**Auditors**" means the auditors for the time being of the Issuer or, if there shall be joint auditors of the Issuer, any one of such joint auditors or in the event of their being unable or unwilling to carry out any action requested of them pursuant to the provisions of this Trust Deed, or in such circumstances and for such purposes as the Trustee may approve, such other firm of accountants as may be nominated by the Issuer and approved by the Trustee or failing such nomination and/or approval within three working days of a request by the Trustee to the Issuer for such nomination, as may be nominated by the Trustee.

"**Authorised Signatory**" means, in relation to the Issuer, any person who is represented by it as being for the time being authorised to sign (whether alone or with another person or other persons) on behalf of and so as to bind it.

"**Bearer Securities**" means Securities in bearer form.

"**Capital Disqualification Event**" shall have the meaning given to such term in Condition 19 (*Definitions*).

"**Clearing System**" means the clearing system which is to supply clearance services in relation to any Securities and the Coupons and Talons, if any, appertaining thereto, being, in relation to any Securities, such one or more of Euroclear, Clearstream, Luxembourg, or any other clearing system or Depository as set out in the Pricing Supplement relating to such Securities.

"**Clearstream, Luxembourg**" means Clearstream Banking S.A.

"**Conditions**" means, in respect of the Securities of any Series, the Terms and Conditions relating to such Securities set out in Schedule 2 (*Terms and Conditions of the Securities*) as the same may from time to time be modified in accordance with the provisions of this Trust Deed and/or the relevant Pricing Supplement and any reference in this Trust Deed (save where otherwise indicated) to any numbered Condition is to the Condition so numbered in Schedule 2 (*Terms and Conditions of the Securities*).

"**Couponholders**" means the several persons who are for the time being holders of Coupons and the Talons appertaining thereto. As used herein, the expression "**Couponholders**" shall, where the context requires, include Talonholders.

"**Coupons**" means bearer coupons (if any) appertaining to Definitive Bearer Securities and for the time being outstanding or, as the context may require, a specific number thereof and includes any replacement coupons issued pursuant to Condition 13 (*Replacement and Transfer*). As used herein, the expression "**Coupons**" shall, where the context requires, include Talons.

"**Dealer Agreement**" means the dealer agreement dated 2 September 2014 as last modified and restated on or about 31 March 2023 as the same may be modified, supplemented and/or restated from time to time between the Issuer and the Dealers named therein.

"**Dealers**" means the dealers appointed as such under the terms of the Dealer Agreement and any additional dealers appointed pursuant to the terms of such agreement but excluding, except where the context otherwise requires, any person previously

appointed as a dealer but whose appointment as such has been terminated in accordance with such agreement.

"Default" means any of the defaults set out in Condition 10 (*Enforcement*) paragraph (a)(i) and any failure to meet any obligation, condition or provision referred to in Condition 10 (*Enforcement*) paragraph (a)(ii).

"Definitive Bearer Security" means a security printed Bearer Security in definitive form substantially in the form (subject to completion and amendment) set out in Part II of Schedule 1 (*Form of Definitive Bearer Security*).

"Definitive Registered Security" means a Registered Security in definitive form substantially in the form (subject to completion and amendment) set out in Part IV of Schedule 1 (*Form of Definitive Registered Security*).

"Depository" means, in relation to the Securities of any Series, a depository on behalf of the Clearing System in relation to such Securities.

"DIP Trust Deed" means the trust deed entered into between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee relating to the Issuer's Debt Issuance Programme, as last amended and restated on or about 31 March 2023 (and, except as expressly provided in the definition of "Subordinated Notes", not as subsequently amended, supplemented or restated).

"Euroclear" means Euroclear Bank SA/NV.

"Exchange Date" in relation to the Securities of any Tranche, has the meaning given to it in the Temporary Global Security(s) representing such Securities.

"Existing Subordinated Eurobonds" means:

- (a) GBP650,000,000 5.75 per cent. Subordinated Notes due 2027 of the Issuer constituted by a modified and restated trust deed dated 21 May 2002 between the Issuer and The Law Debenture Trust Corporation p.l.c. ("**Law Debenture**") (ISIN: XS0159497162);
- (b) GBP750,000,000 7 per cent. Subordinated Notes due April 2038 of the Issuer constituted by a modified and restated trust deed dated 10 March 2008 between the Issuer and Law Debenture (ISIN: XS0356452929);
- (c) GBP650,000,000 6.75 per cent. Subordinated Notes due September 2028 of the Issuer constituted by a modified and restated trust deed dated 10 March 2008 between the Issuer and Law Debenture (ISIN: XS0387079907);
- (d) GBP900,000,000 6 per cent. Subordinated Notes due March 2040 of the Issuer constituted by a modified and restated trust deed dated 8 March 2010 between the Issuer and Law Debenture (ISIN: XS0498768315);
- (e) EUR1,500,000,000 3.00 per cent. Subordinated Notes due June 2025 of the Issuer constituted by a modified and restated trust deed dated 12 March 2015 between the Issuer and Law Debenture (ISIN: XS1254428896);

- (f) EUR1,000,000,000 3.125 per cent. Subordinated Notes due June 2028 of the Issuer constituted by a modified and restated trust deed dated 4 March 2016 between the Issuer and Law Debenture (ISIN: XS1428953407);
- (g) SGD900,000,000 5.25 per cent. Subordinated Notes due 2032 of the Issuer constituted by a modified and restated trust deed dated 28 March 2022 between the Issuer and Law Debenture (ISIN: XS2491654179);
- (h) EUR1,250,000,000 6.364 per cent. Subordinated Notes due 2032 of the Issuer constituted by a modified and restated trust deed dated 28 March 2022 between the Issuer and Law Debenture (ISIN: XS2553547444);
- (i) GBP1,000,000,000 8.201 per cent. Subordinated Notes due 2034 of the Issuer constituted by a modified and restated trust deed dated 28 March 2022 between the Issuer and Law Debenture (ISIN: XS2553549903); and
- (j) SGD 1,000,000,000 5.300 per cent. Subordinated Notes due 2033 of the Issuer constituted by a modified and restated trust deed dated 28 March 2022 between the Issuer and Law Debenture (ISIN: XS2595720967).

"**Extraordinary Resolution**" bears the meaning set out in paragraph 20 of Schedule 3.

"**Global Bearer Security**" means a Temporary Global Security or a Permanent Global Security.

"**Global Registered Security**" means a Registered Security in global form substantially in the form (subject to completion and amendment and as supplemented or varied in accordance with the relevant Pricing Supplement) set out in Part III of Schedule 1 (*Form of Global Registered Security*).

"**holding company**" means a company which is for the time being the holding company of another company within the meaning of section 1159 of the Companies Act 2006 as in force on the date hereof.

"**Irish Stock Exchange**" means the Irish Stock Exchange p.l.c., trading as Euronext Dublin ("**Euronext Dublin**") or such other body to which its functions have been transferred.

"**Listed Securities**" means Securities which are (or intended to be) admitted to listing on the Official List of Euronext Dublin and trading on its Global Exchange Market.

"**London business day**" means a day on which banks and foreign exchange markets are open for business in London.

"**month**" means calendar month.

"**outstanding**" means, in relation to the Securities of any Series, all the Securities of such Series other than:

- (i) those Securities which have been redeemed in accordance with Condition 6 (*Redemption and Purchase*) or otherwise in accordance with this Trust Deed;

- (ii) those Securities which have been converted in accordance with Condition 9 (*Capital Adequacy Trigger*) and the obligations of the Issuer in relation thereto have been irrevocably discharged and satisfied in accordance with Condition 9;
- (iii) those Securities in respect of which the date of redemption in accordance with Condition 6 (*Redemption and Purchase*) has occurred and the redemption monies therefor (including all interest payable hereunder in respect thereof) have been duly paid to the Trustee or to the Principal Paying and Conversion Agent in the manner provided in the Agency Agreement and remain available for payment against presentation of those Securities and Coupons (if any) as the case may be;
- (iv) those Securities which have become void or claims in respect of which have become prescribed under the Conditions;
- (v) those Securities which have been surrendered in exchange for the issue of replacement Securities pursuant to Condition 13 (*Replacement and Transfer*);
- (vi) (for the purpose only of ascertaining the amount of Securities outstanding and without prejudice to the status for any other purpose of such Securities) those Securities, as the case may be, which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 13 (*Replacement and Transfer*) unless such Securities are subsequently produced;
- (vii) those Securities which have been cancelled pursuant to Condition 6(g) (*Cancellation*);
- (viii) any Temporary Global Security to the extent that it shall have been exchanged for a Permanent Global Security or Definitive Bearer Securities pursuant to its provisions;
- (ix) any Permanent Global Security to the extent that it shall have been exchanged for Definitive Bearer Securities pursuant to its provisions; and
- (x) any Registered Security to the extent that it shall have been exchanged for other Registered Securities,

provided that for each of the following purposes:

- (i) the right to attend and vote at any meeting of holders of such Securities;
- (ii) the determination of how many and which of such Securities are for the time being outstanding for the purposes of Clause 8 (*Procedure on Default*), Conditions 10 (*Enforcement*) and 15 (*Modifications of Terms, Waiver and Substitution*) and paragraphs 2, 5, 6 and 7 and the proviso to paragraph 18 of Schedule 3 (*Provisions Concerning Meetings of Securityholders*);
- (iii) any discretion, power or authority contained in this Trust Deed which the Trustee is required expressly or impliedly to exercise in or by reference to the interests of the holders of such Securities; and

- (iv) the determination by the Trustee whether any event or potential event is or would be, in its opinion, materially prejudicial to the interests of the holders of such Securities;

those of such Securities (if any) which are for the time being beneficially owned by the Issuer or any of its Subsidiaries shall be deemed not to be outstanding.

"Paying Agents" means the person or persons (including where the context permits the Principal Paying and Conversion Agent) for the time being appointed as such (or, in relation to any particular Securities, for the time being appointed as such in relation to such Securities) pursuant to the Agency Agreement.

"Permanent Global Security" means a global security substantially in the form (subject to completion and amendment and as supplemented or varied in accordance with the relevant Pricing Supplement) set out in Part I(B) of Schedule 1 (*Form of Permanent Global Security*), comprising Securities of a single Series or Tranche and issued by the Issuer pursuant to the terms of the Programme.

"Potential Default" means any event which with lapse of time and/or giving of notice would be a Default.

"Pricing Supplement" means, in relation to any Tranche of Securities, a pricing supplement prepared in relation to such Tranche in a form agreed between the Issuer and the Relevant Dealer pursuant to the Dealer Agreement.

"Register" means the register kept by the Registrar in relation to the Registered Securities.

"Registered Securities" means Securities in registered form and being in the form of either Definitive Registered Securities or a Global Registered Security.

"Regulation S" means Regulation S under the Securities Act.

"repay" shall include redeem and *vice versa* and **"repaid"**, **"repayable"** and **"repayment"** and **"redeemed"**, **"redeemable"** and **"redemption"** shall be construed accordingly.

"Relevant Date" bears the meaning set out in Condition 7 (*Taxation*).

"Relevant Dealer" means, in relation to any Series of Securities, the Dealer(s) which entered into, or is or are to enter into, an agreement with the Issuer relating to the issue and purchase or subscription of such Securities.

"Relevant Supervisory Content" has the meaning given to such term in the Conditions.

"Securities" means securities (whether in bearer or registered form) constituted by this Trust Deed and issued pursuant to the Programme or any of them and such expression includes debt securities, by whatever name called, issued by the Issuer under the Programme.

"Securityholders" means, in relation to the Securities of any Series, the several persons who are for the time being the holders of such Securities being, in the case of any

Security in bearer form, the person who is for the time being the bearer thereof and, in the case of any Security in registered form, the person(s) for the time being shown in the Register maintained by the Registrar relating to such Security as the owner thereof save that in respect of the Securities of any Series, for so long as such Securities or any part thereof are represented by a Global Bearer Security or a Global Registered Security, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an account holder of Euroclear and Euroclear, if Euroclear shall be an account holder of Clearstream, Luxembourg) or such other Clearing System as set out in the relevant Pricing Supplement as the holder of a particular nominal amount of the Securities of such Series (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or any form of record made by any of them or such evidence and/or information and/or certification or such other relevant clearing system as to the nominal amount of such Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be deemed to be the holder of such nominal amount of such Securities for all purposes of this Trust Deed including the exercise by the Trustee of all rights, duties, discretions, powers and authorities imposed or conferred on the Trustee which are to be exercised or performed by reference to, or in favour of, the Securityholders, other than with respect to the payment of principal and interest on such Securities the right to which shall be vested, as against the Issuer, solely in the bearer of such Global Bearer Security or holder of such Global Registered Security in accordance with and subject to its terms and the expressions "**Securityholder**" and "**holder**" shall (where appropriate) be construed accordingly.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Series**" bears the meaning set out in Clause 3 (*Amount of Securities*).

"**Specified Currency**" means the currency in which a Security is denominated and which is set out in the relevant Pricing Supplement.

"**Subordinated Guarantee**" means the guarantee given by the Issuer in a deed of guarantee dated 17 April 2000 in respect of the U.S.\$900,000,000 10.176 per cent. Non-cumulative Step-up Perpetual Preferred Securities (Series 2) of HSBC Capital Funding (Dollar 1) L.P.

"**Subordinated Notes**" means any securities issued under the DIP Trust Deed which are designated in the relevant Final Terms as being "Subordinated Notes" and any other securities issued under the DIP Trust Deed as amended, supplemented and/or restated from time to time which rank or are expressed to rank *pari passu* with such securities (or would so rank if there were outstanding any such securities issued under the DIP Trust Deed).

"**Subsidiary**" means a company which is for the time being a subsidiary (as that expression is defined by section 1159 of the Companies Act 2006 as in force on the date hereof).

"**Substituted Company**" bears the meaning set out in Clause 24 (*Substituted Company*).

"**Talons**" means bearer talons appertaining to Definitive Bearer Securities and for the time being outstanding or, as the context may require, a specific number thereof.

"**Talonholders**" means the several persons who are for the time being holders of Talons.

"**Temporary Global Security**" means a global security substantially in the form (subject to completion and amendment and as supplemented or varied in accordance with the relevant Pricing Supplement), set out in Part I(A) of Schedule 1 (*Form of Temporary Global Security*) comprising Securities of a single Series or a Tranche thereof and issued by the Issuer pursuant to the terms of the Programme.

"**this Trust Deed**" means this Trust Deed and the Schedules and any trust deed or other document executed in accordance with the provisions hereof (as from time to time modified) and the Schedules (if any) thereto and expressed to be supplemental hereto.

"**Tranche**" bears the meaning set out in Clause 3 (*Amount of Securities*).

"**trust corporation**" means a corporation entitled by rules made under the Public Trustee Act 1906 to act as a custodian trustee.

"**Trustee**" means The Law Debenture Trust Corporation p.l.c. or such other trustee or trustees for the time being of this Trust Deed.

- 1.2 Save where the contrary is indicated or the context otherwise requires, any term defined in the Dealer Agreement shall have the same meaning herein.
- 1.3 In this Trust Deed words denoting the singular number only shall include the plural number and *vice versa*, words denoting one gender only shall include the others and words denoting persons only shall include corporations.
- 1.4 In this Trust Deed references to:
 - 1.4.1 the principal and/or interest in respect of the Securities shall be construed in accordance with the penultimate paragraph of Condition 7 (*Taxation*);
 - 1.4.2 Schedules, Clauses, sub-clauses, paragraphs and sub-paragraphs shall, unless the context otherwise requires, be construed respectively as references to the Schedules, the Clauses, the sub-clauses, the paragraphs and the sub-paragraphs of this Trust Deed;
 - 1.4.3 costs or charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof;
 - 1.4.4 any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such re-enactment;
 - 1.4.5 any other agreement or document shall, unless otherwise stated, be to such other agreement or document as from time to time amended supplemented, varied or replaced;

- 1.4.6 the "**Principal Paying and Conversion Agent**", the "**Transfer Agent**" and the "**Registrar**" shall include any successor to HSBC Bank plc in its capacity as such and, in relation to any particular Series of Securities, any person or persons for the time being appointed as such instead of or in addition to HSBC Bank plc or any successor to it in relation to such Series of Securities;
- 1.4.7 the "**Offering Memorandum**" includes all supplemental memoranda and all other documents incorporated by reference therein;
- 1.4.8 any party hereto include references to its successors (including any person in whom, under the laws of the place of incorporation of such party, all or substantially all of the assets and liabilities of such party become vested) and assigns; and
- 1.4.9 principal or principal amount shall be deemed to be references to such amount as shall be payable on redemption of the Securities of the relevant Series in accordance with the Conditions and this Trust Deed.
- 1.5 Unless the context otherwise requires, words and expressions contained in this Trust Deed shall bear the same meanings as in the Companies Act 2006.
- 1.6 The provisions contained in the Schedules shall have full effect in the like manner as if the same had been incorporated herein.
- 1.7 The headings and contents pages in this Trust Deed shall not affect its interpretation.
- 1.8 Terms defined in the Conditions shall, unless otherwise defined herein or the context otherwise requires, bear the same meanings in this Trust Deed.
- 1.9 All references in this Agreement to a Directive include any relevant implementing measure of each Member State of the European Economic Area which has implemented such Directive.

2. **NATURE OF TRUSTS**

In relation to each Series of Securities, the Trustee shall (subject to Clause 9 (*Application of Monies Received by the Trustee*)) hold the benefit of this Trust Deed and the trusts hereby created (including the benefit of the Issuer's covenant to pay under Clause 5 (*Covenant to Repay and to Pay Interest*)) on trust for the holders of the Securities of such Series and for the holders of the Coupons (if any) appertaining thereto (and not for the holders of the Securities of any other Series or for the holders of the Coupons (if any) appertaining thereto) and, accordingly, the Trustee shall exercise the duties, powers, trusts, authorities and discretions vested in it by this Trust Deed separately and independently in relation to each Series of Securities.

3. **AMOUNT OF SECURITIES**

- 3.1 Securities may be issued from time to time by the Issuer in one or more series (each a "**Series**") (which may be issued on the same date or which may be issued in more than one tranche (each a "**Tranche**") on different dates), bearing interest (if any) on the same basis and otherwise on identical terms save as specified in the relevant Pricing Supplement. Securities may be issued in Tranches on a continuous basis with no

minimum issue size. The aggregate principal amount from time to time outstanding of the Securities will not exceed the Authorised Amount, and for the purposes of determining the Authorised Amount the provisions set out in clause 1.5 of the Dealer Agreement shall apply. The Issuer shall by no later than 11.00 a.m. (London time) on the second London business day preceding the relevant issue date (or such other time or day as may be agreed by the Trustee) notify the Trustee in writing of the proposed issue of each Tranche or Series and shall give the Trustee such details relating to such issue as may be required by the Trustee and deliver to the Trustee a copy of the relevant Pricing Supplement. The Issuer shall notify the Trustee in writing without delay of the date of issue of each Temporary Global Security and/or Permanent Global Security or Global Registered Security or Definitive Registered Securities in respect of each Tranche or Series of Securities to be issued and of the principal sum represented by each such Temporary Global Security or Permanent Global Security or Global Registered Security(s) or Definitive Registered Securities. In the case of a proposed issue on terms other than as contemplated by this Trust Deed, the Trustee shall be entitled to require the Issuer, as a precondition to the issue of such Securities, to provide such opinions, documents, certificates and information relevant in the context as it may reasonably request and in such form as it may reasonably request and to agree to such modifications (if any) to this Trust Deed as the Trustee shall consider necessary or expedient to take account of the proposed issue.

- 3.2 Where, in connection with the issue of a Series, legal opinions are given to any Dealer or other person in accordance with the terms of the Dealer Agreement, whether automatically or pursuant to a request by the Dealer or other person, then the Issuer shall procure that all such legal opinions shall also be stated to be given for the benefit of the Trustee and that the same shall be sent to the Trustee, signed by the parties responsible, at the same time as they are sent to the Dealer or other person.
- 3.3 The Trustee may from time to time request delivery by the Issuer of legal opinions addressed to the Trustee and the Issuer shall, on such request, deliver such legal opinions which shall be provided by the current legal adviser to the Issuer if:
- 3.3.1 no legal opinion has been issued to the Dealers under the Dealer Agreement in connection with any issue of Securities during the immediately preceding 12 months prior to the date of request by the Trustee and at such time the Issuer is proposing to issue any Securities and no Dealer is requesting that the Issuer deliver to such Dealer a legal opinion addressed to such Dealer as a condition precedent to such Dealer undertaking any obligations in connection with such proposed issue; or
- 3.3.2 the Issuer is proposing to issue any Securities and the Trustee has reasonable grounds to believe the provision of a legal opinion or opinions to be desirable in view of any change (or proposed change) in any applicable law or regulation (or the interpretation thereof) affecting the Issuer, the Trust Deed or the Securities or has any other reasonable grounds for so requesting such legal opinion or opinions.
- 3.4 If any opinion delivered to the Trustee pursuant to this Clause is not reasonably satisfactory to it, then the Trustee may direct by notice in writing to the Issuer that the Securities which the Issuer is so proposing to issue may not be constituted under this

Trust Deed until such time as the Trustee has certified that it has received an opinion reasonably satisfactory to it in place of the unsatisfactory opinion.

4. ISSUE OF SECURITIES

4.1

4.1.1 The Securities and the Coupons appertaining thereto (if any) shall be in or substantially in the applicable form set out in Schedule 1 (*Form of Securities*). Securities may be issued in bearer form or in registered form.

(a) ***Bearer Securities:*** In relation to Bearer Securities, except as otherwise set out in the relevant Pricing Supplement, Securities will be represented upon issue by a Temporary Global Security. Interests in a Temporary Global Security may be exchanged for a Permanent Global Security or, if so specified in the Pricing Supplement, for Definitive Bearer Securities. Definitive Bearer Securities shall have endorsed thereon the Conditions set out in Schedule 2 (*Terms and Conditions of the Securities*) (subject to completion and amendment and as supplemented or varied in accordance with the relevant Pricing Supplement) and shall be issued in the denomination(s) and in the Specified Currency as set out in the relevant Pricing Supplement, shall be serially numbered and shall have Coupons and a Talon for further Coupons attached. Definitive Bearer Securities shall not be delivered within the United States or its possessions (as such terms are defined in U.S. Treasury Regulation 1.163-5(c) (or any substantially identical successor U.S. Treasury regulation section including, without limitation, substantially identical regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010)) prior to the Exchange Date. Title to the Global Bearer Securities and Definitive Bearer Securities and Coupons shall pass by delivery.

(b) ***Registered Securities:*** In relation to Registered Securities, except as otherwise set out in the relevant Pricing Supplement, Securities will be represented upon issue by a Global Registered Security. Interests in a Global Registered Security will be exchangeable for Definitive Registered Securities in accordance with the terms of such Global Registered Security. Definitive Registered Securities shall have endorsed thereon the Conditions set out in Schedule 2 (*Terms and Conditions of the Securities*) (subject to completion and amendment and as supplemented or varied in accordance with the relevant Pricing Supplement) and shall be issued in the denomination(s) and in the Specified Currency as set out in the relevant Pricing Supplement and shall be serially numbered. Title to the Global Registered Securities and Definitive Registered Securities shall pass only on due registration in the Register maintained by the Registrar in respect of such Securities;

4.1.2 Securities, Coupons and Talons (if any) issued by the Issuer shall be signed by one Authorised Signatory of the Issuer. Securities shall be authenticated on behalf of the Principal Paying and Conversion Agent or, in the case of

Registered Securities, the Registrar in accordance with the provisions of the Agency Agreement. The Issuer may use on any Security, Coupon or Talon a signature of an Authorised Signatory of the Issuer notwithstanding the fact that when such Securities, Coupon or Talon shall be delivered any such person shall have ceased to be so authorised. Securities, Coupons and Talons so executed shall, (i) following authentication and, (ii) in the case of Global Securities, following exchange in accordance with Clause 4.2, be valid and binding obligations of the Issuer.

- 4.1.3 By no later than 2.00 p.m. (London time) on the second London business day preceding the issue date specified in the relevant Pricing Supplement, the Issuer shall notify the Principal Paying and Conversion Agent in writing of the Securities proposed to be issued, and deliver a copy of the relevant Pricing Supplement to the Principal Paying and Conversion Agent.

4.2

- 4.2.1 On the issue date in relation to any Securities and upon confirmation to the Principal Paying and Conversion Agent or, as the case may be, the Registrar (which may be given by telephone, facsimile, letter or in person) by the Issuer that the conditions specified in clause 2.8 of the Dealer Agreement have been satisfied or waived in relation to such Securities, the Principal Paying and Conversion Agent or, as the case may be, the Registrar shall authenticate, effectuate (if applicable) and deliver to or to the order of the Relevant Dealer the relevant Temporary Global Security, Permanent Global Security, Definitive Bearer Security(s), Global Registered Security(s) or Definitive Registered Security(s), as the case may be, and thereupon the Securities shall become constituted by this Trust Deed without further formality.
- 4.2.2 The Issuer shall, in relation to Securities which are represented by a Temporary Global Security, ensure that there is delivered to the Principal Paying and Conversion Agent, not less than five days before the relevant Temporary Global Security becomes exchangeable therefor, the Permanent Global Security (in unauthenticated form but executed by the Issuer and otherwise complete) in relation thereto or, as the case may be, the Definitive Bearer Securities (in each case in unauthenticated form but executed by the Issuer and otherwise complete) in relation thereto. The Principal Paying and Conversion Agent shall authenticate and deliver such Permanent Global Security or, as the case may be, Definitive Bearer Securities, in accordance with the terms of the relevant Temporary Global Security.
- 4.2.3 The Issuer shall, in relation to Securities which are represented by a Permanent Global Security and where notice has been given in accordance with the terms of such Permanent Global Security, ensure that there is delivered to the Principal Paying and Conversion Agent, not less than five days before the date on which such Permanent Global Security becomes exchangeable therefor, the Definitive Bearer Securities (in unauthenticated form but executed by the Issuer and otherwise complete) in relation thereto. The Principal Paying and Conversion Agent shall authenticate and deliver such Definitive Bearer Securities in accordance with the provisions of the relevant Permanent Global Security and the Agency Agreement.

- 4.2.4 Global Securities shall be prepared, completed and delivered in accordance with the provisions of the Agency Agreement to the depository for such Clearing System(s) as are set out in the relevant Pricing Supplement.
- 4.3 The Issuer will pay any stamp or other similar duties or taxes payable in the United Kingdom on or in connection with (i) the execution of this Trust Deed, (ii) the constitution, issue and delivery of the Securities or (iii) any action taken by the Trustee to enforce the provisions of the Securities or the Coupons or this Trust Deed.
- 4.4 The Issuer hereby covenants to comply with those provisions of this Trust Deed which are expressed to be binding on it and to perform and observe the same. The Securities and Coupons shall be held subject to the provisions contained in this Trust Deed, all of which shall be binding to the extent aforesaid upon the Issuer and/or the Securityholders and the Couponholders and all persons claiming through or under them respectively.
- 4.5 If the Issuer becomes subject generally to the taxing jurisdiction of any territory or any authority or political subdivision therein or thereof having power to tax other than or in addition to the United Kingdom or any such authority or political subdivision in or of the United Kingdom then the Issuer shall (unless the Trustee shall otherwise agree) give to the Trustee an undertaking or covenant in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 7 (*Taxation*) with the substitution for, or (as the case may require) the addition to, the references therein to the United Kingdom or any such authority or political subdivision in or of the United Kingdom having power to tax of references to that other or additional territory or any authority or political subdivision therein or thereof having power to tax to whose taxing jurisdiction the Issuer shall have become subject as aforesaid.

5. COVENANT TO REPAY AND TO PAY INTEREST

- 5.1 As and when the Securities of any Series or any of them become due to be redeemed in accordance with the Conditions, subject to Clauses 5.6 to 5.9 the Issuer shall unconditionally pay or procure to be paid to or to the order of the Trustee in the Specified Currency in which the same is required to be paid under the Conditions of such Securities and in immediately available funds the principal amount (or such other amount as may be set out in or calculated in accordance herewith or with the Conditions of the relevant Pricing Supplement) of the Securities becoming due for repayment on that date together with any premium payable in respect thereof and shall (subject as aforesaid) until such payment (as well after as before any judgment or other order of any court of competent jurisdiction is duly made) pay in the manner and at the rate prescribed by the Conditions to or to the order of the Trustee as aforesaid interest on the principal amount of the Securities (or such other amount as set out in the relevant Pricing Supplement), **provided that** every payment of any sum due in respect of the Securities made to or to the order of the Principal Paying and Conversion Agent in the manner provided in the Agency Agreement shall be a satisfaction *pro tanto* of the relevant covenant by the Issuer contained in this Clause except to the extent that there is default in the subsequent payment thereof to the Securityholders or Couponholders in accordance with the Conditions. In any case where a due date for any payment in respect of the Securities is not both a Relevant Financial Centre Day and a Local Banking Day (each as defined in Condition 19 (*Definitions*)), such payment shall be made by the relevant Paying Agent on the next succeeding day which is such a day with the same force and effect as if it had been made on such date for payment.

- 5.2 If the Issuer has been unable to appoint a Settlement Shares Depositary, it shall make such other arrangements for the Ordinary Shares to be issued and delivered (or, if applicable, for Alternative Consideration to be delivered) upon conversion to the Securityholders as it considers reasonable in the circumstances, which may include issuing and delivering the Ordinary Shares to another independent nominee to be held on trust (which trust must, if Condition 9(f) (*Conversion Shares Offer*) is specified as being applicable in respect of any Series of Securities, be on terms permitting a Conversion Shares Offer in accordance with Condition 9(f) (*Conversion Shares Offer*)) for the Securityholders or to the Securityholders directly, which issuance and delivery shall irrevocably discharge and satisfy all of the Issuer's obligations under the Securities as if the relevant Ordinary Shares had been issued and delivered to the Settlement Shares Depositary and, in which case, where the context so admits, references in this Deed to the issue and delivery of Ordinary Shares to the Settlement Shares Depositary shall be construed accordingly and apply *mutatis mutandis*.
- 5.3 Subject to anything contrary provided in the Conditions applicable to a relevant Series of Securities, a Holder of Securities or Coupons shall not be entitled to apply any claims he may have in respect of such Securities or Coupons in set-off against any obligations he may have to the Issuer, the Trustee or any other person nor shall he be entitled to raise any such claims by way of counterclaim in respect of any claims against him by the Issuer, the Trustee or any other person and by his acceptance of Securities or Coupons, such Holder waives any entitlement to such set-off or counterclaim that he might otherwise have.
- 5.4 In circumstances where the second proviso to Clause 8.1 and Condition 10(a)(i) (*Enforcement*) has been applied in relation to any Securities, the Trustee may at any time and from time to time by notice in writing to the Issuer require the Issuer to take such action (including but not limited to proceedings for a declaration by a relevant court) as the Trustee in its absolute discretion considers appropriate to resolve the doubt, in which event the Issuer shall forthwith take and expeditiously proceed with such action and shall be bound by any final resolution of the doubt resulting therefrom. If such resolution determines that the relative payment can be made without infringing any applicable law, regulation or order, then the said proviso shall forthwith cease to apply and the grace periods provided for in Clause 8.1 and Condition 10(a)(i) (*Enforcement*) shall expire seven days or, if later, the date on which they would have expired, after service by the Trustee on the Issuer of notice informing it of such resolution. If so required by the Trustee the Issuer shall as promptly as practicable after such resolution give a notice to holders of such Securities with regard thereto in accordance with Condition 14 (*Notices*) in a form previously approved by the Trustee.
- 5.5 At any time after a Default or Potential Default in relation to any Securities and at any other time with the written consent of the Issuer the Trustee may:
- 5.5.1 by notice in writing to the Issuer, the Principal Paying and Conversion Agent and the other Paying Agents (if any), require the Principal Paying and Conversion Agent and the other Paying Agents (if any) (so far as permitted by applicable law) pursuant to the Agency Agreement:
- (a) thereafter as Principal Paying and Conversion Agent and Paying Agents respectively of the Trustee in relation to payments to be made by or on behalf of the Trustee under the provisions of this Trust Deed in relation

to such Securities *mutatis mutandis* on the terms provided in the Agency Agreement (save that the Trustee's liability under any provisions thereof for the indemnification of the Paying Agents shall be limited to the amounts in respect of such Securities and the Coupons appertaining thereto for the time being held by the Trustee on the trusts of this Trust Deed) and thereafter to hold all such Securities and Coupons which are cancelled, and all sums, documents and records held by them in respect of such Securities, Coupons and Talons, on behalf of the Trustee; and/or

(b) to deliver up all such Securities and Coupons which are cancelled and all sums, documents and records held by them in respect of such Securities and Coupons to the Trustee or as the Trustee shall direct in such notice, **provided that** such notice shall be deemed not to apply to any documents or records which the Principal Paying and Conversion Agent or the relevant other Paying Agent (if any) is obliged not to release by any law or regulation; and

5.5.2 by notice in writing to the Issuer, require the Issuer to make all subsequent payments in respect of such Securities and/or the Coupons (if any) appertaining thereto (as the case may be) to or to the order of the Trustee and not to the Principal Paying and Conversion Agent; with effect from the issue of any such notice to the Issuer until such notice is withdrawn the proviso to Clause 5.1 shall cease to have effect in respect of such Securities; and

5.5.3 without the consent of any other party, terminate the appointment of any Agent and/or appoint further or other Paying Agents, Transfer Agents and a replacement Registrar or Calculation Agent (if any).

5.6 Other than where Condition 2(c) (*Winding-up prior to a Capital Adequacy Trigger*) or Condition 2(d) (*Winding-up after a Capital Adequacy Trigger*) or (in relation to the cash component of any Alternative Consideration) Condition 9(f) (*Conversion Shares Offer*) applies, the Issuer's obligation to make any payment to Securityholders or Couponholders in respect of or arising from (including any damages for breach of any obligations under) the Securities is, in addition to the provisions of Condition 5 (*Cancellation of Interest*), conditional upon the Issuer being Solvent at the time of payment by the Issuer and no principal, interest or other amount shall be due and payable to Securityholders or Couponholders in respect of or arising from the Securities except to the extent that the Issuer could make such payment and still be Solvent immediately thereafter.

5.6.1 In relation to any Series of Securities which is outstanding, the Issuer may at any time and shall whenever requested by the Trustee procure that the Auditors of the Issuer shall give a certificate or report in writing to the Trustee as to whether or not the Issuer, on the basis of such information as the Issuer may at the request of the Auditors make available to the Auditors, is or would in any specified circumstances be Solvent for the purposes of Clause 5.6 and in the absence of manifest error such certificate or report shall be treated and accepted by the Issuer, the Trustee, the Securityholders and the Couponholders as correct and sufficient evidence of such fact. The Trustee shall not be obliged at any time to request such certificate and, in the absence of any such evidence to the contrary, it shall for the purposes thereof be assumed (unless the contrary is

proved prior to the date of payment) that the Issuer is and will after any payment hereunder in respect of such Series of Securities be Solvent for such purposes. No Securityholder or Couponholder shall be entitled to proceed against the Auditors in connection with the exercise or non-exercise by them of their powers, duties and discretions under this paragraph.

5.6.2 The provisions of Clauses 5.6 to 5.9 apply only to the principal, interest and any other amounts payable to the Securityholders and the Couponholders in respect of the Securities and the Coupons, and nothing in this Clause 5 shall affect or prejudice the payment of the costs, charges, expenses or liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

5.6.3 If any money shall be paid by the Issuer to the Trustee or any Securityholder or Couponholder in respect of any Securities at a time when as a consequence of Clauses 5.6 to 5.9 or Condition 2(b) (*Subordination – conditions to payment*) the Issuer is under no obligation to pay the same, such money shall not (subject only to Clause 6.1) be recoverable by the Issuer and the Issuer shall have no right against the Trustee, the Principal Paying Agent or any other Paying Agent, or any Securityholder or Couponholder in respect of such payment.

5.6.4 The Issuer shall be at liberty from time to time without the consent of any Securityholder or Couponholder to create and issue any class of share capital and to create, issue, secure or guarantee any indebtedness upon such terms, including as to return of capital or repayment in a winding-up, as the Issuer may think fit, and if in the opinion of the Trustee any modification to the provisions of this Trust Deed to permit such ranking is necessary or expedient the Trustee is hereby authorised to concur with the Issuer in executing a supplemental trust deed effecting such modification.

5.7 If at any time prior to the date on which a Capital Adequacy Trigger occurs:

5.7.1 an order is made, or an effective resolution is passed, for the winding-up of the Issuer in England (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation of the Issuer, the terms of which reorganisation, reconstruction or amalgamation (x) have previously been approved in writing by the Trustee or by an Extraordinary Resolution and (y) do not provide that the Securities shall thereby become redeemable or repayable in accordance with the Conditions); or

5.7.2 an administrator of the Issuer is appointed and such administrator declares, or gives notice that it intends to declare and distribute, a dividend,

there shall be payable by the Issuer in respect of each Security (in lieu of any other payment by the Issuer) such amount, if any, as would have been payable to the Holder of such Security if, throughout such winding-up or administration in England, such Holder were the holder of one of a class of preference shares in the capital of the Issuer denominated in the Specified Currency of the relevant Security ("**Notional Preference Shares**") having an equal right to a return of assets in the winding-up or administration in England to, and so ranking *pari passu* with, the holders of the most senior class or classes of issued preference shares in the capital of the Issuer from time to time (if any)

and which have a preferential right to a return of assets in the winding-up or administration over, and so rank ahead of, the holders of all other classes of issued shares for the time being in the capital of the Issuer but ranking junior to the claims of Prior Ranking Creditors, and on the assumption that the amount such holder was entitled to receive in respect of each Notional Preference Share on a return of assets in such winding-up or administration were an amount equal to the principal amount of the relevant Security, including any accrued but unpaid interest thereon (to the extent not cancelled in accordance with these Conditions) and any damages awarded for breach of any obligations, whether or not the conditions referred to in Condition 2(b) (*Subordination – conditions to payment*) are satisfied on the date upon which the same would otherwise be due and payable.

5.8 If at any time on or after the date on which a Capital Adequacy Trigger occurs:

5.8.1 an order is made, or an effective resolution is passed, for the winding-up of the Issuer in England (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation of the Issuer, the terms of which reorganisation, reconstruction or amalgamation (x) have previously been approved in writing by the Trustee or by an Extraordinary Resolution and (y) do not provide that the Securities shall thereby become redeemable or repayable in accordance with the Conditions); or

5.8.2 an administrator of the Issuer is appointed and such administrator declares, or gives notice that it intends to declare and distribute, a dividend,

but the relevant Ordinary Shares to be issued and delivered to the Settlement Shares Depository on conversion in accordance with Condition 9 (*Capital Adequacy Trigger*) have not been so delivered, there shall be payable by the Issuer in respect of each Security (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to the Holder of such Security if, throughout such winding-up or administration, such Holder were the holder of such number of Ordinary Shares as that Holder would have been entitled to receive on conversion in accordance with Condition 9 (*Capital Adequacy Trigger*) (ignoring for these purposes the Issuer's right to make an election for a Conversion Shares Offer to be effected in accordance with Condition 9(f) (*Conversion Shares Offer*) (if applicable) whether or not the conditions referred to in Condition 2(b) (*Subordination – conditions to payment*) are satisfied on the date upon which the same would otherwise be due and payable).

5.9 For the purposes of the foregoing provisions of Clauses 5.7 and 5.8:

5.9.1 the Notional Preference Shares shall be treated as if the same had been created pursuant to a special resolution of the Issuer passed at the date hereof; and

5.9.2 there shall not be conferred or be treated as conferred on the Securityholders any further remedy against the Issuer other than as specifically provided by Clause 8 or the Conditions.

6. SUBORDINATION

6.1 In the event of a winding-up of the Issuer in England, claims of the Securityholders and Couponholders in respect of Securities and Coupons shall be postponed to the claims

of the Prior Ranking Creditors and any amounts receivable by the Trustee from the liquidator in such winding-up in respect of Securities and Coupons appertaining thereto shall be received by the Trustee upon trust to apply the same as follows:

- 6.1.1 *first*, in payment or satisfaction of the costs, charges, expenses and liabilities incurred by the Trustee including any unpaid remuneration in or about the execution of the trusts of this Trust Deed;
 - 6.1.2 *secondly*, if prior to receipt of any such amounts or within 30 days thereafter the Trustee is provided with a report pursuant to Clause 6.3 hereof (which shall be requested by the Trustee on receipt of any such amounts), which states the amount of the claims of the Prior Ranking Creditors which shall have been admitted in the winding-up and which shall not have been satisfied out of the other resources of the Issuer, in the return to the Issuer of such amounts up to the amount of such claims, and if no such report is provided within such period of 30 days the Trustee shall return the whole of such amounts (after any necessary deductions pursuant to sub-clause 6.1.1) to the Issuer (and any money so returned shall be then treated for the purposes of the Issuer's obligations hereunder as if it had not been paid by the Issuer and its original payment shall be deemed not to have discharged any of the obligations of the Issuer hereunder);
 - 6.1.3 *thirdly*, in payment of any claims in respect of Securities and Coupons appertaining thereto (to the respective extent that the Trustee's claims in respect thereof shall be admitted in such winding-up) *pari passu* and rateably; and
 - 6.1.4 *fourthly*, in payment of the balance (if any) to the Issuer.
- 6.2 The trusts mentioned in sub-clause 6.1.2 may be performed by the Trustee paying over to the liquidator for the time being in the winding-up of the Issuer the amounts received by the Trustee as aforesaid (less any amounts thereof applied in the implementation of the trusts mentioned in sub-clause 6.1.1 hereof) on terms that such liquidator shall distribute the same accordingly. The receipt of the liquidator for the said amounts shall be a good discharge to the Trustee.
- 6.3 The Issuer may at any time and shall whenever requested by the Trustee procure that the liquidator for the time being of the Issuer shall give a report in writing to the Trustee stating the amount of the claims of the Prior Ranking Creditors which shall have been admitted in the winding-up and which shall not have been satisfied out of the other resources of Issuer and in the absence of manifest error such report shall be treated and accepted by the Issuer, the Trustee, the Securityholders and the Couponholders as correct and sufficient evidence of such fact.
- 6.4 Notwithstanding anything contained in this Trust Deed to the contrary, the foregoing provisions of this Clause shall be construed and have effect so that in the event of the winding-up of the Issuer the obligations of the Issuer under the Securities on the first hand and the Subordinated Guarantee on the other hand will rank *pari passu* and rateably *inter se* so far as concerns subordination to claims of Prior Ranking Creditors.
- 6.5 The provisions of Clauses 6.1 to 6.4 apply only to the principal, interest and other amounts payable to the Securityholders and the Couponholders in respect of the Securities and the Coupons, and nothing in this Clause 6 or Clause 8 or Condition 2

(*Status and Subordination*), Condition 9 (*Capital Adequacy Trigger*) or Condition 10 (*Enforcement*) shall affect or prejudice the payment of the costs, charges, expenses or liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

7. EVIDENCE OF DEFAULT

7.1 Should the Trustee make any claims or lodge any proof in a winding-up of the Issuer under this Trust Deed or under the Securities or Coupons:

7.1.1 proof that as regards any specified Security the Issuer has made default in paying any principal or interest due to the relative holder shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Securities which are then repayable or interest which is then payable; and

7.1.2 proof that as regards any specified Coupon relating to the Securities the Issuer has made default in paying any interest due to the relative holder of the Coupon shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other outstanding Coupons relating to the Securities in respect of which interest has at such time become due.

8. PROCEDURE ON DEFAULT

8.1 If default is made for a period of 14 days or more in the repayment of any principal due on the Securities of any Series or any of them, then the Trustee may, in order to enforce payment, at its discretion and without further notice institute proceedings for the winding-up of the Issuer in England and/or prove in any winding-up or administration of the Issuer in England, **provided that** it shall not be such a default to withhold or refuse any such payment:

8.1.1 in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment; or

8.1.2 in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time during the said period of 14 days, as the case may be, by independent legal advisers acceptable to the Trustee as to such validity or applicability.

8.2 Without prejudice to Clause 8.1, the Trustee may at its discretion and without further notice institute such proceedings against the Issuer as it may think fit and may, subject as hereinafter provided, institute proceedings for the winding-up of the Issuer in England and/or prove in any winding-up or administration of the Issuer in England to enforce any obligation, condition or provision binding on the Issuer under this Trust Deed in relation to any Series of Securities or the Coupons appertaining thereto (other than any obligation for the payment of any principal, interest or expenses in respect of such Securities or Coupons or any other payment obligation in respect thereof), **provided that** the Issuer shall not by virtue of the institution of any such proceedings other than proceedings for the winding-up of the Issuer be obliged to pay any sum or sums (whether in respect of principal or interest or other sums in respect of the relevant

Securities or the Coupons appertaining thereto or by way of damages in respect of any breach of any such obligation, condition or provision or otherwise howsoever). The Trustee may only institute proceedings for the winding-up of the Issuer to enforce the obligations above referred to in this paragraph and/or prove in any winding-up or administration of the Issuer in England if a default by the Issuer thereunder is not remedied to the satisfaction of the Trustee within 60 days (or such longer period as the Trustee may permit) after notice of such default has been given to the Issuer by the Trustee requiring such default to be remedied.

- 8.3 The Trustee shall not in any event be bound to take any of the actions referred to in Clauses 8.1 or 8.2 above in respect of any Series of Securities unless (i) it shall have been so requested in writing by the holders of at least one-fifth of the principal amount of the Securities of the relevant Series then outstanding or it shall have been so directed by an Extraordinary Resolution of the holders of the Securities of the relevant Series and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities, proceedings, claims and demands to which it may be or become liable and all costs, charges and expenses which may be incurred by it in connection therewith, including the cost of using its managements' time and/or other internal resources calculated using its normal hourly rates in force from time to time.
- 8.4 No remedy against the Issuer (including any right of set-off) other than as specifically provided by this Clause 8 or the Conditions shall be available to the Trustee, the Securityholders or the Couponholders in respect of any Series of Securities whether for the recovery of amounts owing in respect of such Securities or the Coupons appertaining thereto or under this Trust Deed or in respect of any breach by the Issuer of any obligation, condition or provision under this Trust Deed or such Securities or Coupons or otherwise, and no Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or to proceed in any winding-up of the Issuer in England unless the Trustee, having become bound to proceed, fails to do so within a reasonable period and such failure shall be continuing, in which case any such holder may itself institute proceedings against the Issuer for the relevant remedy and/or prove in any winding-up or administration of the Issuer in England in respect of its Securities, or as the case may be, Coupons, to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so.

9. APPLICATION OF MONIES RECEIVED BY THE TRUSTEE

- 9.1 In relation to each Series of Securities, all monies received by the Trustee including any amounts received from the Issuer under Clause 24.5 (*Currency Indemnity*) shall be held by the Trustee (subject always in the case of monies received in a winding-up of the Issuer to the provisions of Clause 6 (*Subordination*)) upon trust to apply the same:
- 9.1.1 *first*, in payment of all costs, charges, expenses and liabilities incurred and payments made by the Trustee under the provisions hereof and all remuneration payable to the Trustee;
- 9.1.2 *secondly*, in or towards payment *pari passu* and rateably of all monies due in respect of the Securities of such Series and all interest (if any) unpaid in respect of such Securities, **provided that** where Securities of more than one Series have become due and repayable, the monies so received shall be applied as between the amounts outstanding in respect of the different Series (subject always in the

case of monies received in a winding-up of the Issuer to the provisions of Clause 6 (*Subordination*)) *pari passu* and rateably; and

9.1.3 *thirdly*, the balance (if any) in payment to the Issuer.

Without prejudice to the provisions of this Clause, if the Trustee shall hold any monies which represent principal or interest in respect of Securities or Coupons which have become void under Condition 11 (*Prescription*) the Trustee shall (subject to payment or provision for the payment or satisfaction of the said costs, charges, expenses and liabilities including the remuneration of the Trustee) pay the same to the Issuer.

9.2 The Trustee shall give not less than 14 days' notice to the Securityholders and Couponholders in accordance with Condition 14 (*Notices*) of the day fixed for any payment to them under Clause 9.1. Such payment shall be made in accordance with Condition 8 (*Payments*) and any payment so made shall be a good discharge to the Trustee.

9.3 If in relation to any Series of Securities the amount of the monies at any time applicable under Clause 9.1 for payment of the item set out in sub-clause 9.1.2 shall be less than 10 per cent. of the amount then due to the Securityholders and/or the Couponholders in relation to such Series of Securities, the Trustee may, at its discretion, invest such moneys upon some or one of the investments hereinafter authorised with power from time to time, at the like discretion, to vary such investments; such investments with the resulting income thereof may be accumulated until the accumulation together with any other funds for the time being under the control of the Trustee and applicable for the purpose shall amount to a sum sufficient to pay at least the above percentage amount due on such Securities and/or Coupons and then such accumulations and funds shall be applied in manner aforesaid.

10. **DISCHARGE BY PAYMENT**

Any payment to be made in respect of the Securities and/or the Coupons by the Issuer, or the Trustee may be made in the manner provided in this Trust Deed and any payment so made shall be a good discharge *pro tanto* to the Issuer or the Trustee, as the case may be. Any payment of interest made in respect of a Coupon shall extinguish any claim which may arise directly or indirectly in respect of such interest from the relative holder of the Security to which such Coupon relates.

11. **ENFACEMENT OF SECURITIES AND COUPONS**

Upon any payment under the provisions of Clause 9.1 the Security or Coupon in respect of which such payment is made shall be produced to the Trustee or the Paying Agent by or through whom such payment is made who shall, in the case of partial payment, cause the Security or Coupon concerned to be enfaced with a memorandum of the amount and date of payment on such Security or Coupon and who shall, in the case of payment in full, cause to be surrendered to the Issuer such Security or Coupon or shall cancel or procure the same to be cancelled and shall certify or procure the certification of such cancellation.

12. **AUTHORISED INVESTMENTS**

Any monies which under the trusts herein contained ought to or may be invested by the Trustee may be invested in the name or under the control of the Trustee in any of the investments for the time being authorised by English law for the investment by trustees of trust monies or in any other investments, whether similar to the aforesaid or not, which may be selected by the Issuer and approved by the Trustee or by placing the same on deposit with a bank (including with the Trustee or any subsidiary or holding company of the Trustee, if a banker) in the name or under the control of the Trustee as the Trustee may think fit and in such currency as the Trustee may think fit and the Trustee may at any time vary or transpose any such investments for or into other such investments and shall not be responsible for any loss occasioned thereby whether by depreciation in value or otherwise.

13. **COVENANTS BY THE ISSUER**

13.1 So long as any of the Securities remains outstanding the Issuer shall at all times maintain (i) a Calculation Agent (if applicable), (ii) a Paying Agent having a specified office in a city approved by the Trustee (such approval not to be unreasonably withheld or delayed) in Europe which, so long as any Securities are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, shall be the place required by such listing authority, stock exchange and/or quotation system and (iii) in the case of any Registered Securities, a Registrar with a specified office in England or such city as may be specified in the relevant Pricing Supplement.

13.2 So long as any Securities issued by the Issuer remain outstanding, the Issuer shall:

13.2.1 at all times keep proper accounting records and arrange for the Auditors to prepare for the Trustee such reports on its financial position as the Trustee may reasonably require;

13.2.2 upon becoming aware of any Default or Potential Default, forthwith give notice thereof in writing to the Trustee and without waiting for the Trustee to take any of the actions mentioned herein;

13.2.3 at all times give to the Trustee such information as it shall reasonably require for the purpose of the discharge of the duties, powers, trusts, authorities and discretions vested in it hereunder or by operation of law;

13.2.4 (in addition to any copies to which the Trustee may be entitled as a holder of any securities in the Issuer) send to the Trustee two copies of every balance sheet, profit and loss account, report or other notice, statement or circular issued by or on behalf of it to the members or stockholders of it in their capacity as such at the time of issue thereof, in each case unless such document is available on the Issuer's website;

13.2.5 at all times execute and do all such further documents, acts and things as may be necessary at any time or times to give effect to the terms and conditions of this Trust Deed;

- 13.2.6 send to the Trustee, within seven days after request by the Trustee, a certificate of the Issuer signed by any one Director and to the effect that to the best of its knowledge, information and belief:
- (a) there did not exist, as at a date not more than five days prior to the date of the certificate, any Default or Potential Default or, if such a Default or Potential Default did then exist, specifying the same; and
 - (b) during such period as the Trustee may specify, the Issuer has complied with its obligations contained in this Trust Deed;
- 13.2.7 send to the Trustee, not later than the date of publication, two copies of each notice regarding any Securities published in accordance with Condition 14 (*Notices*);
- 13.2.8 oblige the Principal Paying and Conversion Agent to notify the Trustee forthwith in the event that the Issuer has not unconditionally paid to or to the account of the Principal Paying and Conversion Agent on the date or in the manner provided by the Agency Agreement the full amount in the relevant Specified Currency of the money payable on all or any of the Securities or Coupons;
- 13.2.9 promptly give notice in writing of any cancellation of any payment of interest to the Trustee and the Principal Paying and Conversion Agent on or prior to the relevant date on which such interest would otherwise have been payable; **provided, however, that** any failure to provide such notice will not invalidate the cancellation of the relevant payment of interest;
- 13.2.10 prior to the publication of any notice of redemption pursuant to Condition 6 (*Redemption and Purchase*) (other than redemption pursuant to Condition 6(c) (*Redemption at the Option of the Issuer*)), deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the relevant event giving rise to the right to redeem has occurred and is continuing and the details thereof;
- 13.2.11 use all reasonable endeavours to appoint a reputable financial institution, trust company or similar entity (which in each such case is wholly independent of the Issuer) on or prior to any date when a function ascribed to the Settlement Shares Depository in the Conditions is required to be performed to perform such function and that will hold the Ordinary Shares (and any Alternative Consideration, if any) on trust for the Holders of the Securities in one or more segregated accounts, unless otherwise required to be transferred out of such accounts for the purposes of the Conversion Shares Offer, and otherwise on terms consistent with the Conditions;
- 13.2.12 upon its determination that a Capital Adequacy Trigger has occurred in respect of any Series of Securities (such Securities, the "**Affected Securities**"), the Issuer shall immediately inform the Lead Regulator applicable to the Issuer and shall, prior to giving the Capital Adequacy Trigger Notice, deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the Capital Adequacy Trigger has occurred. The Trustee shall accept such

certificate without any further enquiry as sufficient evidence of such matters, in which event such certificate will be conclusive and binding on the Trustee and the Securityholders. Following the occurrence of a Capital Adequacy Trigger in respect of the Affected Securities, the Issuer shall, in accordance with the Conditions, give a Capital Adequacy Trigger Notice to the Holders of the Affected Securities with a copy thereof to the Trustee and the Principal Paying and Conversion Agent;

- 13.2.13 in the event of the unconditional payment to the Principal Paying and Conversion Agent or the Trustee of any sum due in respect of the Securities of any Series or any of them or any of the Coupons appertaining thereto being made after the due date for payment thereof, forthwith cause notice to be given to the relevant Securityholders in accordance with Condition 14 (*Notices*) that such payment has been made;
- 13.2.14 at all times use its reasonable endeavours to maintain the listing of those Securities which are Listed Securities until none of the Listed Securities is outstanding **provided always that** if the Issuer is unable to maintain such listing(s) having used such reasonable endeavours, the Issuer shall use its reasonable endeavours to obtain and maintain the quotation for, or listing of, the Listed Securities on such other stock exchange or exchanges as the Issuer may with the approval of the Trustee (such approval not to be unreasonably withheld) decide and if there is not a paying agent in the country where such listing is obtained and the rules of such relevant stock exchange so require, it will procure the appointment of a paying agent in such country in accordance with the provisions of Condition 12 (*Paying Agents, Transfer Agents, Calculation Agent and Registrar; Rounding*). For the avoidance of doubt, the Issuer will not be required to maintain a listing on a regulated market in the European Economic Area;
- 13.2.15 comply with, observe and perform all its obligations under, and procure that the Agents perform all their respective obligations under, the Agency Agreement;
- 13.2.16 not do or permit any act or omission whereby it would without the prior consent of the Trustee cease to be domiciled or to be exclusively resident (for the purposes of taxation jurisdiction) in the United Kingdom;
- 13.2.17 give not less than 60 days' notice to the Trustee and the holders of the Securities of the relevant Series in accordance with Condition 14 (*Notices*) of the proposed appointment, resignation or removal of any Agent save where no notice of the proposed appointment shall be required pursuant to the Agency Agreement, but in all cases give notice to the relevant Securityholders in accordance with Condition 14 (*Notices*) of any appointment of any Paying Agent (other than the appointments of the initial Paying Agents, if any) or the Registrar within four days thereafter, **provided always that** so long as any of the Securities of such Series remain liable to prescription (in the case of the termination of the appointment of the Principal Paying and Conversion Agent) or outstanding no such termination shall take effect except in accordance with the provisions of the Agency Agreement;

- 13.2.18 send to the Trustee a copy of any petition presented to wind up the Issuer in England received by the Issuer;
- 13.2.19 use all reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg (as the case may be) issue(s) a statement showing the sum of the total nominal amount of its customer holdings for the Securities of the relevant Series as of a specified date, to the extent that it is entitled to require the same, as soon as practicable following a request by the Trustee for the same;
- 13.2.20 following the receipt of a request from the Trustee for a determination as to the source and character for US federal tax purposes of any payment to be made by it pursuant to this Trust Deed for the purposes of enabling the Trustee (acting reasonably) to decide whether and in what amount the Trustee is obliged to make any withholding or deduction pursuant to an agreement described in Section 1471(b) of the US Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof ("**FATCA Withholding Tax**"), make such determination (on the basis of reasonable efforts) and notify the Trustee of the outcome of such determination;
- 13.2.21 whenever the Conversion Price is required to be adjusted in accordance with Condition 9 (*Capital Adequacy Trigger*), as soon as practicable thereafter, deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer (which the Trustee shall be entitled to accept without further enquiry as sufficient evidence of the correctness of the matters therein referred to) setting forth brief particulars of the event giving rise to the adjustment, the adjusted Conversion Price, the date on which the adjustment takes effect and such other particulars and information as the Trustee may reasonably require; and
- 13.2.22 as soon as practicable after a certificate has been delivered to the Trustee pursuant to sub-clause 13.2.21 above, and in any event within 14 days thereafter, the Issuer shall give notice to the Securityholders in accordance with Condition 14 (*Notices*) of the adjustment to the Conversion Price and of the date on which the relevant adjustment of the Conversion Price is expected to become or become effective.
- 13.3 So long as any of the Securities remains outstanding the Issuer shall in order to enable the Trustee to ascertain the amount of Securities of any Series for the time being outstanding for any of the purposes referred to in the proviso to the definition of "**outstanding**" contained in Clause 1 deliver to the Trustee forthwith upon being so requested in writing by the Trustee a certificate in writing signed by an Authorised Signatory setting out to the best of its knowledge, information and belief so far as it is lawful to ascertain or disclose the total number of Securities of such Series which up to and including the date of such certificate have:
- 13.3.1 been purchased for its own account by or on behalf of the Issuer, whether or not cancelled; and
- 13.3.2 been purchased and are at the date of the certificate beneficially held by or on behalf of any subsidiary of the Issuer.

13.4 Nothing in this Clause shall entitle the Trustee to any information regarding matters (i) for which the Issuer or any of its subsidiaries would be entitled to claim exemption from disclosing by reason of the provisions of any applicable statute in any jurisdiction in which it operates and irrespective of whether any such exemption is being claimed or has been waived for any other purpose or (ii) which the Issuer or any subsidiary of the Issuer is under a duty imposed by law not to disclose or (iii) the disclosure of which could properly be regarded by the Issuer or any of its subsidiaries as improper.

14. **REMUNERATION OF THE TRUSTEE**

14.1 The Issuer shall (subject as hereinafter provided) in each and every year until the trusts hereof shall be finally wound up pay to the Trustee remuneration for its services as Trustee at such rate and by such instalments and at such times as may from time to time be agreed between it and the Trustee. In the event of an occurrence of a Default or any event which with lapse of time and/or giving of notice would be a Default, the Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration, which may be calculated at the normal hourly rates in force from time to time. In addition, in the event of the Trustee finding it expedient or necessary or being required to undertake any exceptional duties or duties otherwise outside the scope of the normal duties of the Trustee in relation to the execution of the trusts of this Trust Deed and the exercise of the powers, authorities and discretions vested in it hereunder the Issuer shall pay such additional special remuneration as may be mutually agreed (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time). The Issuer shall pay the said remuneration and any additional special remuneration with the addition thereto of value added tax (if any) at the applicable rate. The Issuer shall in addition on written request pay all travelling and other costs, charges and expenses which the Trustee may incur in relation to the exercise of the powers, authorities or discretions hereby vested in it or the execution of the trusts of this Trust Deed. In relation to any Series of Securities, the Trustee shall not be entitled to remuneration in respect of any period after the date on which, all such Securities having become due for redemption, the redemption monies (including any interest thereon to the date of redemption) have been paid to the Principal Paying and Conversion Agent unless and until, upon due presentation of any such Security or Coupon appertaining thereto, payment of the monies due in respect thereof is improperly withheld or refused in which event remuneration will commence again to accrue.

14.2 In the event of the Trustee and the Issuer failing to agree on any of the matters referred to in the first sentence of Clause 14.1 or (in a case to which the third sentence of Clause 14.1 applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, or upon such additional special remuneration, such matters shall be determined by an investment bank or other person (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such investment bank or other person being payable by the Issuer) and the determination of any such investment bank or other person shall be final and binding upon the Trustee and the Issuer.

14.3 The Issuer shall indemnify the Trustee (a) in respect of all liabilities and expenses properly incurred by it or by any person appointed by it or to whom any duties, powers,

trusts, authorities or discretions may be delegated by it in the execution or purported execution of any duties, powers, trusts, authorities or discretions vested in it by this Trust Deed and (b) against all liabilities, actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to this Trust Deed. All amounts due and payable pursuant to this Clause 14.3 shall be payable by the Issuer on the date (such date to be as soon as reasonably and commercially practicable) specified in a demand by the Trustee; the rate of interest applicable to such payments shall be a rate equivalent to the Trustee's cost of borrowing and interest shall accrue:

14.3.1 in the case of payments made by the Trustee prior to the date of the demand, from the date which the payment was made or such later date as specified in such demand; or

14.3.2 in the case of payments made by the Trustee on or after the date of the demand, from the date specified in such demand, which date shall not be a date earlier than the date such payments are made.

A certificate from the Trustee as to the Trustee's cost of borrowing on any particular date shall be conclusive and binding on the Issuer. If requested by the Issuer, the Trustee shall provide such information and evidence as reasonably required by the Issuer in connection with the Trustee's cost of borrowing except in circumstances where it is not legally possible and/or reasonably practicable for the Trustee to provide such information.

14.4 All payments made by the Issuer to the Trustee under this Clause 14 shall be made free and clear of, and without withholding or deduction of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom (or any authority or political subdivision therein or thereof having the power to tax) unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amount as will, after such deduction or withholding has been made, leave the Trustee with the full amount which would have been received by it had no such withholding or deduction been required.

15. **TRUSTEE'S CONDUCT**

15.1 Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to this Trust Deed. It is expressly declared as follows:

15.1.1 the Trustee may in relation to this Trust Deed act on the opinion or advice of, or information obtained from, any lawyer, valuer, banker, broker, accountant or other expert and shall not be responsible for any loss occasioned by so acting;

15.1.2 any such opinion, advice or information may be sent or obtained by letter, electronic mail or facsimile transmission and the Trustee shall not be liable for acting on any opinion, advice or information purporting to be conveyed by any such letter, electronic mail or facsimile transmission although the same shall contain some error or shall not be authentic;

- 15.1.3 the Trustee may rely on certificates or reports addressed to and/or delivered to it by or on behalf of the Auditors and/or any other expert in accordance with the provisions of the Trust Deed whether or not any such certificate or report or engagement letter or other document entered into by the Trustee and the Auditors or such other expert in connection therewith contains any limit on liability (monetary or otherwise) of the Auditors or such other expert;
- 15.1.4 the Trustee shall not be bound to take any steps to ascertain whether there has occurred any Default or any event which with the lapse of time and/or giving of notice would constitute a Default or any Relevant Event or any Capital Disqualification Event and the Trustee shall not be required to take any action under Condition 6(e) (*Redemption upon Capital Disqualification Event*) until so requested by the Issuer, and until it shall have actual knowledge or shall have express notice to the contrary, the Trustee shall be entitled to assume that no such Default or Relevant Event or Capital Disqualification Event has occurred and that the Issuer is performing all of its obligations contained in this Trust Deed and under the Securities or Coupons. The Trustee shall be entitled to rely wholly on any certificate provided to it by the Issuer in connection with Condition 6(e) (*Redemption upon Capital Disqualification Event*);
- 15.1.5 the Trustee shall not be responsible for having acted upon any resolution purporting to have been passed at any meeting of Securityholders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of such meeting or the passing of such resolution or that for any reason such resolution was not valid or binding upon the relevant Securityholders and Couponholders;
- 15.1.6 the Trustee shall be at liberty to accept as sufficient evidence of any fact or matter or the expedience of any dealing, transaction, step or thing a certificate signed by any Director or Authorised Signatory of the Issuer as to any fact or matter upon which the Trustee may, in the exercise of any of its duties, powers, authorities and discretions hereunder, require to be satisfied or to have information to the effect that in the opinion of the person so certifying any particular dealing, transaction, step or thing is expedient and the Trustee shall be in no way be bound to call for further evidence and shall not be responsible for any loss that may be occasioned by acting on any such certificate;
- 15.1.7 the Trustee shall be at liberty to hold or to deposit this Trust Deed and any deeds or documents relating to this Trust Deed or to any Securities or Coupons in any part of the world with any banker or banking company or company whose business includes undertaking the safe custody of deeds or documents or with any lawyer or firm of lawyers believed by the Trustee to be of good repute and the Trustee shall not be responsible for any loss incurred in connection with any such deposit and may pay all sums required to be paid on account or in respect of any such deposit;
- 15.1.8 the Trustee shall, as regards all the powers, trusts, authorities and discretions vested in it by this Trust Deed or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and shall not be responsible for any loss, costs, damages, expenses or inconvenience which may result from the exercise or non-exercise thereof;

- 15.1.9 the Trustee may, in the conduct of the trust business, instead of acting personally, employ and pay an agent, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money) and any trustee being a lawyer, banker, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or any partner of his or by his firm in connection with the trusts hereof and also his reasonable charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Trust Deed including matters which might or should have been attended to in person by a trustee not being a lawyer, banker, broker or other professional person. The Trustee shall not be responsible for any misconduct on the part of any such person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person;
- 15.1.10 the Trustee shall (to the fullest extent permitted by applicable law) not be liable to the Issuer or any Securityholder or Couponholder by reason of having accepted as valid or not having rejected any Security or Coupon purporting to be such and subsequently found to be forged or not authentic;
- 15.1.11 the Trustee as between itself and the Securityholders and the Couponholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and every such determination made *bona fide* shall be conclusive and binding on the Trustee, the Securityholders and the Couponholders;
- 15.1.12 any consent granted by the Trustee pursuant to this Trust Deed may be granted upon such terms and subject to such conditions (if any) as the Trustee may in its absolute discretion determine;
- 15.1.13 the Trustee shall not be responsible for the application of the proceeds of the issue of any Securities by the Issuer;
- 15.1.14 the Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Securityholder or Couponholder any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Trustee by the Issuer or any other person in connection with this Trust Deed and no Securityholder or Couponholder shall be entitled to take any action to obtain from the Trustee any such information;
- 15.1.15 in connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed substitution under Clause 24 (*Substituted Company*) and those where the Trustee determines whether or not any material prejudice to Securityholders may occur) the Trustee shall not have regard to the consequences of such exercise for individual Securityholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to

require, nor shall any Securityholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Securityholders or Couponholders except to the extent already provided for by Condition 7 (*Taxation*);

- 15.1.16 the Trustee may call for and rely on any record and/or document and/or evidence and/or information and/or certification or other document to be issued by Euroclear or Clearstream, Luxembourg as to the principal amount of Securities represented by a Global Security standing to the account of any person. Any such certificate or other documents shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the holder of a particular principal amount of Securities is clearly identified together with the amount of such holding. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg and subsequently found to be forged or not authentic;
- 15.1.17 the Trustee shall have no responsibility to Securityholders or Couponholders or any other person in the event that it fails to request, require or receive any legal opinion relating to the Securities or any Tranche or Series thereof;
- 15.1.18 no provision of this Trust Deed or the Conditions shall require the Trustee to do anything which may in its opinion be illegal or contrary to applicable laws or regulations;
- 15.1.19 the Trustee shall have no responsibility for, or liability or obligation in respect of, any loss, claim or demand incurred as a result of or in connection with any non-payment of interest, principal or other amounts by reason of Condition 2 (*Status and Subordination*) or Condition 5 (*Cancellation of Interest*), conversion pursuant to Condition 9 (*Capital Adequacy Trigger*) or any cancellation of the Securities pursuant to Condition 9 (*Capital Adequacy Trigger*). Furthermore, the Trustee shall not be responsible for any calculation or the verification of any calculation in connection with any of the foregoing;
- 15.1.20 nothing in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing repayment of such funds or adequate indemnity against, or security for, such risk or liability is not assured to it;
- 15.1.21 when determining whether an indemnity or any security is satisfactory to it, the Trustee shall be entitled to evaluate its risk in given circumstances by considering the worst-case scenario and, for this purpose, it may take into account, without limitation, the potential costs of defending or commencing proceedings in England or elsewhere and the risk however remote, of any award of damages against it in England or elsewhere;

- 15.1.22 the Trustee shall be entitled to require that any indemnity given to it by the Securityholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and an opinion as to the capacity, power or authority of each counterparty;
- 15.1.23 the Trustee shall be entitled to withhold or deduct FATCA Withholding Tax, and shall have no obligation to gross-up any payment hereunder or to pay any additional amount as a result of such FATCA Withholding Tax; and
- 15.1.24 the Trustee shall not at any time be under any duty or responsibility to any Securityholder or Couponholder to determine whether any facts exist which may require any adjustment of the Conversion Price or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed, or in this Trust Deed, the Conditions or any Pricing Supplement provided to be employed, in making the same. The Trustee shall not at any time be under any duty or responsibility in respect of the validity or value (or the kind or amount) of any Ordinary Shares, Alternative Consideration or any other securities, property or cash, which may at any time be made available or delivered upon the conversion of any Security; and it makes no representation with respect thereto. The Trustee shall not be responsible for any failure of the Issuer or any Settlement Shares Depository to make available or deliver any Ordinary Shares or Alternative Consideration or to make any payment upon the exercise of the Conversion Right in respect of any Security or of the Issuer to comply with any of its covenants contained in this Trust Deed, the Conditions or any Pricing Supplement.

provided nevertheless that nothing in this Trust Deed contained shall in any case in which the Trustee has failed to show the degree of care and diligence required of it as trustee (having regard to the provisions of this Trust Deed conferring on the Trustee any powers, authorities or discretions) indemnify it against any liability which by virtue of any rule or law would otherwise attach to it in respect of any gross negligence, wilful default, or fraud of which it may be guilty in relation to its duties hereunder.

16. **WAIVER, AUTHORISATION AND DETERMINATION BY TRUSTEE**

In relation to each Series of Securities, the Trustee may, without prejudice to its rights in respect of any subsequent breach or event, from time to time and at any time, but only if and insofar as in its opinion the respective interests of the Securityholders and Couponholders in relation to such Series of Securities shall not be materially prejudiced thereby, waive or authorise any breach or prospective breach by the Issuer of any of the covenants or provisions contained in this Trust Deed or such Securities or Coupons or determine that any Default or any Potential Default, but for such determination, shall not be treated as such for the purposes of this Trust Deed **provided always that** the Trustee shall not exercise any powers conferred on it by this Clause in contravention of any express direction given by Extraordinary Resolution of the Securityholders in relation to such Series of Securities but no such direction shall affect any waiver or authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions as shall seem fit and proper to the Trustee and shall be binding on the relevant Securityholders and the relevant Couponholders and if, but only if, the Trustee

shall so reasonably require, shall be notified by the Issuer to the relevant Securityholders in accordance with Condition 14 (*Notices*) as soon as practicable thereafter.

17. **DELEGATION BY TRUSTEE**

The Trustee may, whenever it thinks it expedient in the interests of the Securityholders of any Series of Securities, delegate to any person or fluctuating body of persons all or any of the duties, powers, trusts, authorities and discretions vested in the Trustee by this Trust Deed and any such delegation may be by power of attorney or in such other manner as the Trustee may think fit and may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as the Trustee may think fit. The Trustee shall not be bound to supervise the proceedings or be in anyway responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate. The Trustee shall, within a reasonable time of any such delegation or any renewal, extension or termination thereof, give notice thereof to the Issuer.

18. **TRUSTEE'S COMMERCIAL INTERESTS**

No trustee hereof nor any subsidiary or holding company of any trustee hereof nor the subsidiary of such holding company nor any director or other officer of any such company shall be precluded from underwriting, guaranteeing the subscription of or subscribing some or all of the Securities for a commission or other remuneration or from purchasing, holding, dealing in or disposing of the Securities or Coupons or any of them or from acting as banker for the Issuer or any subsidiary or holding company (or any subsidiary of any such holding company) of the Issuer or from otherwise at any time contracting or entering into any financial or other transactions, including contracts of insurance, with the Issuer or any of its subsidiaries or any holding company of the Issuer (or any subsidiary of any such holding company) or from being interested in any such contract or transaction and shall not be in any way liable to account to the Issuer or any of its respective subsidiaries or holding companies or subsidiary of holding companies or to the Securityholders or Couponholders for any profit made by it or him thereby or in connection therewith.

19. **MODIFICATIONS**

19.1 The Trustee may from time to time and at any time without any consent or sanction of the Securityholders or Couponholders in relation to any Series of Securities concur with the Issuer in making any modification to the Conditions or the provisions of this Trust Deed or to the relevant Securities or Coupons (**provided that** such modification unless falling within sub-clauses 19.1.1 and 19.1.2 hereof does not concern any of the matters the subject of the proviso to paragraph 18 of Schedule 3) if in the opinion of the Trustee such modification:

19.1.1 is of a formal, minor or technical nature; or

19.1.2 is made to correct a manifest error; or

19.1.3 is not materially prejudicial to the interests of such Securityholders and/or Couponholders.

Unless the Trustee otherwise agrees, any such amendment shall as soon as practicable thereafter be notified to such Securityholders in accordance with Condition 14 (*Notices*) and shall be binding upon them and upon such Couponholders.

- 19.2 In the event of a Qualifying Relevant Event, the Trustee shall be obliged (at the expense of the Issuer) to concur with the Issuer in making any amendments and modifications to this Trust Deed, and to execute deeds supplemental to this Trust Deed to ensure that, with effect from the New Conversion Effective Date, the Securities shall (following the occurrence of a Capital Adequacy Trigger) be convertible into, or exchangeable for, Relevant Shares of the Approved Entity, *mutatis mutandis* in accordance with, and subject to, Condition 9 (*Capital Adequacy Trigger*) (as the same may be so supplemented, amended or modified) at the New Conversion Price, **provided that** the Trustee shall not be bound to do so if any such amendments, modifications or deeds would, in the opinion of the Trustee, have the effect of (i) exposing the Trustee to any liability against which it is not indemnified and/or secured and/or pre-funded to its satisfaction, (ii) changing, increasing or adding to the obligations or duties of the Trustee or (iii) removing or amending any protection or indemnity afforded to, or any other provision in favour of, the Trustee under this Trust Deed, the Conditions, any relevant Pricing Supplement and/or the Securities.
- 19.3 The Trustee shall also be obliged to agree to such modifications to the Trust Deed, the Agency Agreement and to the Conditions of the relative Securities or Coupons as may be required in order to give effect to (i) Condition 4(e) (*Benchmark Replacement*) in connection with effecting any Alternative Reference Rate, Successor Rate or related changes, (ii) Condition 4(d)(vi) in connection with effecting any changes in connection with the replacement of SOFR, (iii) Conditions 4(d)(v) or 4(d)(vii) in connection with effecting any changes in connection with the replacement of the Applicable Benchmark, (iv) Condition 4(c)(iv)(B) in connection with effecting any changes in connection with the replacement of the Applicable Benchmark Rate or (v) Condition 3(c)(vi) in connection with effecting any changes in connection with the implementation of the Alternative Mid-Swap Rate, in each case without requirement for the consent or sanction of the Securityholders or Couponholders (provided, however, that the Trustee shall not be obliged to agree to any such amendments or modifications which would, in the opinion of the Trustee, have the effect of (i) exposing the Trustee to any liability against which it is not indemnified and/or secured and/or pre-funded to its satisfaction, (ii) changing, increasing or adding to the obligations or duties of the Trustee or (iii) removing or amending any protection or indemnity afforded to, or any other provision in favour of, the Trustee under this Trust Deed, the Conditions, any relevant Pricing Supplement and/or the Securities). Any such modification, waiver, authorisation or determination shall be binding on the Securityholders or Couponholders in relation to any affected Series of Securities and, unless the Trustee agrees otherwise, shall be notified to the Securityholders of that Series as soon as practicable thereafter.

20. **APPOINTMENT OF NEW TRUSTEES**

The power to appoint new trustees hereof in relation to any Series of Securities shall be vested in the Issuer but a person proposed to be appointed must in the first place be approved by a resolution of the Securityholders of such Series of Securities, **provided that** if the required quorum is not obtained at the original meeting convened to approve the appointment of a new trustee, then the person proposed by the Issuer to be appointed as a new trustee shall be deemed to have been approved by a resolution of such

Securityholders. A trust corporation may be sole trustee hereof but save as aforesaid there shall always be at least two trustees and one of such trustees shall be a trust corporation. The Securityholders in relation to any Series of Securities shall have the power, exercisable by Extraordinary Resolution, to remove any trustee or trustees for the time being hereof in relation to such Series of Securities. Any trustee hereof may retire at any time in relation to any Series of Securities on giving two months' prior written notice to the Issuer without assigning any reason therefor and without being responsible for any costs occasioned by such retirement.

21. **COMPETENCE OF MAJORITY OF TRUSTEES**

Whenever there shall be more than two trustees hereof the majority of such trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Trustee by this Trust Deed, **provided that** a trust corporation shall be included in such majority.

22. **CANCELLATION AND RECORDS**

22.1 In relation to any Series of Securities, the Issuer shall procure that:

22.1.1

- (a) all Securities of such Series redeemed;
- (b) all Securities of such Series purchased and to be cancelled pursuant to Condition 6(g) (*Cancellation*);
- (c) all Securities of such Series converted pursuant to Condition 9 (*Capital Adequacy Trigger*);
- (d) all Coupons appertaining to Securities of such Series paid in accordance with the Conditions;
- (e) all Securities of such Series which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 13 (*Replacement and Transfer*); and
- (f) all Coupons and Talons appertaining to Securities of such Series which, being mutilated or defaced have been surrendered or replaced pursuant to Condition 13 (*Replacement and Transfer*),

shall forthwith be cancelled (together, in the case of (a), (b) or (c) above, with the relative Coupons or Talons attached thereto or delivered therewith) by or on behalf of Issuer; and

22.1.2 a certificate shall be given to the Trustee by or on behalf of the Issuer as soon as possible and in any event not later than the end of April in each year stating in each case:

- (a) the aggregate principal amount paid in respect of Securities which have been redeemed;

- (b) the aggregate amount of interest in respect of Coupons which have been paid;
- (c) the serial numbers of such Securities;
- (d) the total number of such Coupons; and
- (e) the serial numbers of those Securities (if any) which have been purchased as permitted by Condition 6(e) (*Redemption upon Capital Disqualification Event*), or received in exchange for Securities, and not cancelled, as the case may be, in the previous calendar year, and which have not been resold in that calendar year.

22.2 In relation to each Series of Securities, the Issuer shall procure that:

22.2.1 the Principal Paying and Conversion Agent shall keep a full and complete record of all Securities, Coupons and Talons issued and of their redemption, surrender, purchase, cancellation, payment and/or destruction (as the case may be) and of all replacement Securities, Coupons or Talons issued in substitution for lost, stolen, mutilated, defaced or destroyed Securities, Coupons or Talons in accordance with Condition 13 (*Replacement and Transfer*); and

22.2.2 such records shall be made available to the Trustee at all reasonable times.

23. **NO NOTICE TO COUPONHOLDERS**

Wherever in this Trust Deed the Trustee is required or entitled to exercise a duty, power, authority or discretion by reference to the interests of Securityholders, the Trustee shall assume that each Securityholder is a holder of the Coupon (if any) appertaining to such Security. Neither the Trustee nor the Issuer shall be required to give notice to the Couponholders for any purpose under this Trust Deed and the Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Securityholders in accordance with Condition 14 (*Notices*).

24. **SUBSTITUTED COMPANY**

24.1 Subject to Clause 24.5, the Trustee shall have power, without the consent of the holders of the Securities of any Series, or of the holders of the Coupons (if any) appertaining thereto, to agree to the substitution of any subsidiary or holding company of the Issuer or any subsidiary of any such holding company incorporated in any country in the world in place of the Issuer (or of any previous substitute under this Clause) as principal debtor hereunder in relation to such Series of Securities and under such Securities and the Coupons (if any) appertaining thereto (the substitute being hereinafter called the "**Substituted Company**") if:

24.1.1 a trust deed or an indenture is executed or some other form of undertaking is given by the Substituted Company to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by the terms of this Trust Deed and the Securities and Coupons (if any) of such Series with any consequential amendments which may be appropriate as fully as if the Substituted Company had been named in this Trust Deed and on such Securities or Coupons as the

principal debtor in place of the Issuer (or, of any previous substitute under this Clause);

- 24.1.2 the Issuer and the Substituted Company comply with such other reasonable requirements as the Trustee may direct in the interests of the Securityholders in relation to such Series;
 - 24.1.3 (without prejudice to the generality of sub-clauses 24.1.1 and 24.1.2) where the Substituted Company is incorporated, domiciled or resident in a territory other than the United Kingdom an undertaking or covenant shall be given by the Substituted Company in terms corresponding to the provisions of Condition 7 (*Taxation*) with the substitution for the references to the United Kingdom or any authority or political subdivision of or in the United Kingdom having power to tax of references to the territory or any authority or political subdivision therein or thereof having power to tax in which the Substituted Company is incorporated, domiciled or resident;
 - 24.1.4 an unconditional and irrevocable guarantee, subordinated as provided in Clause 24.2, is given by the Issuer to the Trustee, in form and manner satisfactory to the Trustee;
 - 24.1.5 the directors of the Substituted Company certify that the Substituted Company would be solvent immediately after the time at which the said substitution is proposed to be effected (which certificate the Trustee may rely upon absolutely);
 - 24.1.6 the Trustee shall not have regard to the financial condition, profits or prospects of the Substituted Company to compare the same with those of the Issuer;
 - 24.1.7 (without prejudice to the right of reliance under sub-clause 24.1.5), the Trustee is satisfied that the said substitution is not materially prejudicial to the interests of the relevant Securityholders; and
 - 24.1.8 (without prejudice to the generality of sub-clauses 24.1.1 and 24.1.2) the Trustee may in the event of such substitution agree (without the consent of the Securityholders and Couponholders (if any) in relation to such Series) to a change in the law governing this Trust Deed and/or the relative Securities and/or the relative Coupons, **provided that** such change would not in the opinion of the Trustee be materially prejudicial to the interests of such Securityholders but the Trustee shall not have regard to the consequences of such change for individual Securityholders or Couponholders (if any) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of any particular territory and the Trustee shall not be entitled to require nor shall any Securityholder or Couponholder be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon individual Securityholders or Couponholders, except to the extent already provided for by Condition 7 (*Taxation*).
- 24.2 The claims of the Securityholders and Couponholders under the Securities and under any guarantee given by the Issuer pursuant to sub-clause 24.1.4 shall be subordinated (if legally possible) in a manner *mutatis mutandis* to the provisions of Clause 6

(*Subordination*) to the rights of Prior Ranking Creditors (with the substitution, in the case of the subordination of the Securities, of references to "the Substituted Company" in place of references to "the Issuer").

- 24.3 Any such agreement by the Trustee shall, if so expressed, operate to release the Issuer or any previous Substituted Company as principal debtor from any or all of its obligations under the relevant Securities and Coupons (if any) or any or all of its relevant obligations under this Trust Deed. Not later than 14 days after the execution of any such documents as aforesaid and after compliance with the said requirements of the Trustee, the Trustee shall give notice thereof to the Securityholders in relation to such Series in the manner provided in Condition 14 (*Notices*).
- 24.4 Upon the execution of such documents and compliance with the said requirements, the Substituted Company shall be deemed to be named in this Trust Deed in relation to such Series of Securities and on the relevant Securities and Coupons (if any) as the principal debtor in place of the Issuer (or of any previous Substituted Company under this Clause) and insofar as relevant this Trust Deed and the relevant Securities and Coupons (if any) shall be deemed to be amended in such manner as shall be necessary to give effect to the substitution and in relation to such Series of Securities any references in this Trust Deed, the relevant Securities and the relevant Coupons (if any) to the Issuer shall be deemed to be references to the Substituted Company.
- 24.5 The Issuer may only be substituted as principal debtor hereunder in accordance with this Clause 24 if the Issuer has obtained any Relevant Supervisory Consent. A certificate signed by two Authorised Signatories certifying either that (i) it has obtained a Relevant Supervisory Consent; or (ii) that the Issuer is not required to obtain a Relevant Supervisory Consent. The Trustee shall accept such certificate without further enquiry as sufficient evidence of the same.

25. **CURRENCY INDEMNITY**

- 25.1 In relation to any Series of Securities, in the event of a winding-up of the Issuer at any time while any amount or any damages remain owing to the Trustee or the Securityholders or Couponholders (if any) in relation to such Series under this Trust Deed, the Issuer shall indemnify and hold the Trustee harmless against any deficiency arising or resulting from any variation in rates of exchange between (i) the date as of which the equivalent amount denominated in the currency claimed by the Trustee against the relevant specified currency as the case may be due or contingently due under this Trust Deed (other than this Clause 25.1) is calculated for the purpose of such winding-up and (ii) the final date or dates for the filing of proofs of claim in such winding-up. For the purpose of this Clause 25.1 the final date or dates for the filing of proofs in a winding-up of the Issuer shall be the date fixed by the liquidator or otherwise applicable under the relevant provisions of English law as being the latest practicable date as at which liabilities of the Issuer may be ascertained for such winding-up prior to payment by the liquidator in respect thereof.
- 25.2 **Provided always that** any claim in respect of the above indemnities shall remain subject to postponement in accordance with Clause 6 (*Subordination*), the above indemnities shall constitute separate and independent obligations of the Issuer from its other obligations under this Trust Deed, shall apply irrespective of any indulgence granted by the Trustee from time to time and shall continue in full force and effect

notwithstanding the filing of any proof or proofs in such winding-up of the Issuer for the liquidated sum or sums in respect of amounts due hereunder (other than under Clause 25.1 hereof). Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the Trustee, the Securityholders and the Couponholders in relation to such Series of Securities and no proof or evidence of any actual loss shall be required by the Issuer or its liquidator. The amount of such deficiency shall not be deemed to be reduced by any variation in rates of exchange occurring between the said final date or dates and the date of any liquidation distribution.

26. **NOTICES**

Any notice or demand to the Issuer or the Trustee or any approval or certificate of the Trustee required to be given, made or served for any purpose hereof shall be given, made or served by sending the same by prepaid post (first class if inland, airmail if overseas), by delivering the same by hand to the Issuer or the Trustee, as the case may be, or (if to the Trustee only) by facsimile transmission as follows:

(a) if to the Issuer, to it at:

8 Canada Square
London E14 5HQ

Attention: Group Treasurer

with a copy to the Group Company Secretary at the address specified above in this Clause 26(a).

(b) if to the Trustee, to it at:

8th Floor
100 Bishopsgate
London EC2N 4AG

Fax: 020 7606 0643

Attention: The Manager, Commercial Trusts

or, in any case, at such other address as shall have been notified (in accordance with this Clause) to the other parties hereto for the purposes of this Clause and any notice sent by post or facsimile transmission as provided in this Clause shall be deemed to have been given, made or served at the time of receipt by the addressee.

27. **TRUSTEE'S POWERS ADDITIONAL TO THOSE UNDER GENERAL LAW**

The powers conferred by this Trust Deed upon the Trustee shall be in addition to any powers which may from time to time be vested in it by general law or as the holder of any of the Securities.

28. **FURTHER ISSUES**

For the purposes of permitting the creation and issue of further Securities which are to form a single Series with any Securities for the time being outstanding as envisaged by

Condition 16 (*Further Issues*), the Trustee may agree to such modification or supplement of this Trust Deed and the Conditions as it may consider appropriate.

29. **GOVERNING LAW**

This Trust Deed, the Securities and the Coupons, and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law.

30. **RIGHTS OF THIRD PARTIES**

No person shall have any right to enforce any term or condition of this Trust Deed under the Contracts (Right of Third Parties) Act 1999.

IN WITNESS WHEREOF this Trust Deed has been executed as a deed by the parties hereto and is intended to be and is hereby delivered on the date first above written.

**SCHEDULE 1
FORMS OF SECURITIES**

PART I(A) – FORM OF TEMPORARY GLOBAL SECURITY

THESE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO OR FOR THE ACCOUNT OF A U.S. PERSON (AS SUCH TERM IS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT), OTHER THAN DISTRIBUTORS, UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE.

Series Number: []

ISIN Number: []

Tranche Number: []

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.

HSBC Holdings plc

(a company incorporated in England with registered number 617987; the liability of its members is limited)

TEMPORARY GLOBAL SECURITY

representing up to

[Aggregate principal amount of Series]

[Description of Securities]

ISSUED in London on: [•]

This Temporary Global Security is issued in respect of an issue of *[aggregate principal amount of Series]* in aggregate principal amount of *[Description of Securities]* (the "**Securities**") by HSBC Holdings plc (the "**Issuer**").

The Issuer for value received promises, all in accordance with the terms and conditions set out in Schedule 2 (*Terms and Conditions of the Securities*) to the Trust Deed (as defined below) and the Pricing Supplement (the "**Pricing Supplement**"), a copy of which is attached hereto, prepared in relation to the Securities (the "**Conditions**") to pay to the bearer upon presentation or, as the case may be, surrender hereof on such date as the same may become payable in accordance with the Conditions the aggregate principal amount of the Securities or such other redemption amount as may be specified therein and to pay interest and all other amounts as may be payable pursuant to the Conditions, all subject to and in accordance therewith.

Except as specified herein, the bearer of this Temporary Global Security is entitled to the benefit of the Conditions and of the same obligations on the part of the Issuer as if such bearer were the bearer of the Securities represented hereby and to the benefit of those Conditions (and the obligations on the part of the Issuer contained therein) applicable specifically to temporary global Securities, and all payments under and to the bearer of this Temporary Global Security

shall be valid and effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Securities.

This Temporary Global Security is issued subject to, and with the benefit of, the Conditions and a Trust Deed dated 2 September 2014 (such Trust Deed as last modified and restated on 31 March 2023 and as modified and/or restated and/or supplemented from time to time, the "**Trust Deed**") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Securities.

This Temporary Global Security is issued pursuant to an Agency Agreement dated 2 September 2014 (such Agency Agreement as last modified and restated on 6 March 2018 and as modified and/or restated and/or supplemented from time to time, the "**Agency Agreement**") and made between, *inter alios*, the Issuer, HSBC Bank plc in its capacities as principal paying and conversion agent, as transfer agent and as registrar (in such capacities, the "**Principal Paying and Conversion Agent**", the "**Transfer Agent**" and the "**Registrar**" respectively, each of which expressions shall include any successor to HSBC Bank plc in its capacity as such) and the Trustee.

This Temporary Global Security is exchangeable in whole or in part for a permanent global security (the "**Permanent Global Security**") representing the Securities and in substantially the form (subject to completion) set out in Part I(B) of Schedule 1 to the Trust Deed or, if so specified in the Pricing Supplement, for definitive bearer securities ("**Definitive Bearer Securities**") in substantially the form (subject to completion) set out in Part II of Schedule 1 to the Trust Deed. An exchange for a Permanent Global Security or, as the case may be, Definitive Bearer Securities will be made only on or after the Exchange Date specified in the Pricing Supplement and upon presentation or, as the case may be, surrender of this Temporary Global Security to the Principal Paying and Conversion Agent at its specified office in relation to the Securities and, if TEFRA D is specified in the relevant Pricing Supplement as applicable, upon and to the extent of delivery to the Principal Paying and Conversion Agent of a certificate or certificates issued by Euroclear Bank SA/NV and/or Clearstream Banking S.A. (together, the relevant "**Clearing Systems**") as may be agreed in the relevant Pricing Supplement and dated not earlier than the Exchange Date in substantially the form set out in Annex I hereto regarding certifications received by such Clearing System substantially in the form of Annex II hereto. Definitive Bearer Securities will be made available in accordance with the Conditions and the Agency Agreement. Payments of interest otherwise falling due before the Exchange Date will be made only upon presentation of this Temporary Global Security to the Principal Paying and Conversion Agent at its specified office in relation to the Securities and, if TEFRA D is specified in the relevant Pricing Supplement as applicable, upon or to the extent of delivery to the Principal Paying and Conversion Agent of a certificate or certificates issued by such Clearing System as may be agreed in the Pricing Supplement and dated on the relevant interest payment date expected to be in substantially the form set out in Annex I hereto.

The bearer of this Temporary Global Security shall not (unless, upon due presentation of this Temporary Global Security for exchange (in whole or in part) for a Permanent Global Security or for delivery of Definitive Bearer Securities 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 Securities represented by this Temporary Global Security which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.

On any occasion on which a payment of interest is made in respect of this Temporary Global Security, the Issuer shall procure that the same is noted on Schedule I hereto.

On any occasion on which a payment of principal or redemption amount is made in respect of this Temporary Global Security or on which this Temporary Global Security is exchanged in whole or in part as aforesaid or on which Securities represented by this Temporary Global Security are to be cancelled, the Issuer shall procure that (i) the aggregate principal amount of the Securities in respect of which such payment is made (or, in the case of a partial payment, the corresponding part thereof) or which are delivered in definitive form or which are to be exchanged for a Permanent Global Security or which are to be cancelled and (ii) the remaining principal amount of this Temporary Global Security (which shall be the previous principal amount hereof less the amount referred to at (i) above) are noted on Schedule II hereto, whereupon the principal amount of this Temporary Global Security shall for all purposes be as most recently so noted.

Notwithstanding the provisions of Condition 9(k) (*Procedure for Settlement in respect of a Conversion upon Capital Adequacy Trigger*), if the Securities are represented by this Temporary Global Security and/or the Permanent Global Security (together, the "**Global Bearer Securities**") and held through one of the Clearing Systems, the Securityholder shall give a notice to the Settlement Shares Depository in accordance with the standard procedures of the relevant Clearing System prior to the Notice Cut-off Date (which may include notice being given on its instruction by the Clearing Systems or any common depository for them to the Settlement Shares Depository by electronic means) in a form acceptable to the relevant Clearing System from time to time with the following details: (1) the name of the Securityholder; (2) the principal amount of Securities held by it and the subject of the conversion; (3) the CREST account details or, if on conversion the Ordinary Shares are not a participating security in CREST, the address to which any Ordinary Shares (if any) should be delivered; (4) details of an account to which any cash component of any Alternative Consideration (if any) should be paid; and (5) such other details as the relevant Clearing System may require. Any reference in the Conditions to the delivery of Conversion Notices shall be construed accordingly.

Transfers of beneficial interests in this Temporary Global Security will not be registered by the Clearing Systems after the date specified as the "Suspension Date" in the Suspension Notice, which date shall be no later than 38 London Business Days after the Latest Conversion Shares Offer Election Date and, if the Issuer elects to conduct a Conversion Shares Offer, shall be at least two London Business Days prior to the end of the relevant Conversion Shares Offer Period. For these purposes, "**Suspension Notice**" means a notice given by the Issuer to Holders of Affected Securities in accordance with Condition 14 (*Notices*) at any time on or after the Capital Adequacy Trigger Notice has been given and on or prior to the Latest Conversion Shares Offer Election Date, specifying the Suspension Date.

No drawing of Securities will be required under Condition 6(c) (*Redemption at the Option of the Issuer*) in the event that the Issuer exercises any option to redeem such Securities in part while all such Securities which are outstanding are represented by this Temporary Global Security and/or the Permanent Global Security. In such event, the standard procedures of the Clearing Systems will operate to determine which interests in such Global Bearer Securities are to be subject to such option. Such partial redemption is to be reflected in the records of the Clearing Systems as either a pool factor or a reduction in nominal amount, at their discretion.

This Temporary Global Security and any non-contractual obligations arising out of or in connection with it are governed by, and will be construed in accordance with, English law.

This Temporary Global Security shall not be valid for any purpose until authenticated for and on behalf of HSBC Bank plc as Principal Paying and Conversion Agent.

AS WITNESS the signature of a duly authorised signatory for and on behalf of the Issuer.

**SCHEDULE I
INTEREST PAYMENTS**

Interest Payment Date	Date of Payment	Total Amount of Interest Payable	Amount of Interest Paid	Confirmation of payment by or on behalf of Issuer
First				
Second*				

* Continue numbering until the appropriate number of interest payment dates for the particular Series of Securities is reached

SCHEDULE II
PAYMENTS, EXCHANGE FOR PERMANENT GLOBAL SECURITY, DELIVERY
OF DEFINITIVE BEARER SECURITIES AND CANCELLATION OF SECURITIES

<u>Date of payment, exchange, delivery or cancellation</u>	<u>Amount of principal or redemption amount then paid</u>	<u>Aggregate principal amount of Definitive Bearer Securities then delivered</u>	<u>Aggregate principal amount of Temporary Global Security exchanged for Permanent Global Security</u>	<u>Aggregate principal amount of Securities then cancelled</u>	<u>Remaining principal amount of this Temporary Global Security</u>	<u>Authorised Signatory</u>
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HSBC HOLDINGS PLC

By:
(*duly authorised*)

AUTHENTICATED for and on behalf of
HSBC BANK PLC,
as principal paying and conversion agent
without recourse, warranty or liability

By:
(*duly authorised*)

ANNEX I
FORM OF CERTIFICATE TO PRINCIPAL PAYING AND CONVERSION AGENT

HSBC Holdings plc

[Aggregate principal amount and title of Securities]

This is to certify that, based solely on certifications we have received in writing, by electronic transmission from member organisations appearing in our records as persons being entitled to a portion of the principal amount set forth below (our "**Member Organisations**") substantially to the effect set forth in the Agency Agreement, as of the date hereof, _____ principal amount of the above-captioned Securities (i) is owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("**United States person(s)**"), (ii) is owned by United States person(s) that are (a) foreign branches of United States financial institutions (as defined in United States Treasury Regulations Section 1.165-12(c)(1)(iv)) ("**financial institutions**") purchasing for their own account or for resale, or (b) United States person(s) who acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (a) or (b), each such United States financial institution has agreed, on its own behalf or through its agent, that we may advise the Issuer or the Issuer's agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the United States Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) is owned by United States or foreign financial institutions for purposes of resale during the restricted period (as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and to the further effect that United States or foreign financial institutions described in Clause (iii) above (whether or not also described in Clause (i) or (ii)), have certified that they have not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "**United States**" means the United States of America (including the States and the District of Columbia); and its "**possessions**" include Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We further certify that (i) we are not making available herewith for exchange any portion of the temporary global Security representing the above-captioned Securities except in the above-referenced certificates of Member Organisations and (ii) as of the date hereof we have not received any notification from any of our Member Organisations to the effect that the statements made by such Member Organisations with respect to any portion of the part submitted herewith are no longer true and cannot be relied upon as the date hereof.

We understand that this certification is required in connection with certain tax laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Dated¹:

Yours faithfully,

[CLEARING SYSTEM]

By:

Title:

¹ To be dated on the date of exchange or interest payment date, as applicable.

ANNEX II
FORM OF CERTIFICATE TO CLEARING SYSTEM

HSBC Holdings plc

[Aggregate principal amount and title of Securities]

This is to certify that, as of the date hereof, and except as set forth below, the above-referenced securities (the "**Securities**") held by you for our account (i) are owned by person(s) that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States federal income taxation regardless of its source ("**United States person(s)**"), (ii) are owned by United States person(s) that are (a) foreign branches of United States financial institutions (as defined in United States Treasury Regulations Section 1.165-12(c)(1)(iv)) ("**financial institutions**") purchasing for their own account or for resale, or (b) United States person(s) who acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (a) or (b), each such United States financial institution hereby agrees, on its own behalf or through its agent, that you may advise the Issuer or the Issuer's agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the United States Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) are owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and, in addition, if the owner is a United States or foreign financial institution described in Clause (iii) above (whether or not also described in Clause (i) or (ii)), this is to further certify that such financial institution has not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "**United States**" means the United States of America (including the States and the District of Columbia); and its "**possessions**" include Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We undertake to advise you promptly by electronic transmission on or prior to the date on which you intend to submit your certification relating to the Securities held by you for our account in accordance with your operating procedures if any applicable statement herein is not correct on such date, and, in the absence of any such notification, it may be assumed that this certification applies as of such date.

This certification excepts and does not relate to _____ of such interest in the above Securities, in respect of which we are not able to certify and as to which we understand exchange for and delivery of definitive Securities (or, if relevant, exercise of any rights or collection of any principal or interest) cannot be made until we do so certify.

We understand that this certification is required in connection with certain tax laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Dated²:
Name of Person Making Certification

By:
Title:

² To be dated not earlier than 15 days prior to the date of exchange or interest payment date, as applicable.

This Permanent Global Security is issued subject to, and with the benefit of, the Conditions and a Trust Deed dated 2 September 2014 (such Trust Deed as last modified and restated on 31 March 2023 and as modified and/or restated and/or supplemented from time to time, the "**Trust Deed**") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Securities.

This Permanent Global Security is issued pursuant to an Agency Agreement dated 2 September 2014 (such Agency Agreement as last modified and restated on 6 March 2018 and as modified and/or restated and/or supplemented from time to time, the "**Agency Agreement**") and made between, *inter alios*, the Issuer, HSBC Bank plc in its capacities as principal paying and conversion agent, as transfer agent and as registrar (in such capacities, the "**Principal Paying and Conversion Agent**", the "**Transfer Agent**" and the "**Registrar**" respectively, each of which expressions shall include any successor to HSBC Bank plc in its capacity as such) and the Trustee.

This Permanent Global Security is exchangeable in whole but not in part for definitive bearer securities ("**Definitive Bearer Securities**") in substantially the form (subject to completion) set out in Part II of Schedule 1 to the Trust Deed if (a) in the circumstances set out in Condition 10(a) (*Enforcement*); (b) Euroclear Bank SA/NV as operator of the Euroclear System ("**Euroclear**") or Clearstream Banking S.A. or any other relevant clearing system (together, the "**Clearing Systems**" and each, a "**Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to cease business permanently or in fact does so; or (c) at the option of the Issuer, if the Issuer or any Paying Agent by reason of any change in, or amendment to, the laws of the United Kingdom, is or will be required to make any deduction or withholding from any payment under the Securities which would not be required if such Securities were in definitive form; or (d) if the Issuer so elects, where the Issuer would suffer a material disadvantage in respect of the Securities as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction, which would not be suffered were the Securities in definitive form, in each case at the cost and expense of the Issuer. The bearer hereof must, not less than 45 days before the date upon which the delivery of such Definitive Bearer Securities, deposit this Permanent Global Security with the Principal Paying and Conversion Agent at its specified office for the purposes of the Securities with the form of exchange notice endorsed hereon duly completed.

The Issuer may, at any time in writing, waive or limit its right to elect to exchange this Permanent Global Security for Definitive Securities in the circumstances described in (d) above, where the Issuer at its sole discretion considers such limitation or waiver to be desirable in respect of the Securities.

Any Definitive Bearer Securities will be made available for collection by the persons entitled thereto at the specified office of the Principal Paying and Conversion Agent.

On any occasion on which a payment of interest is made in respect of this Permanent Global Security, the Issuer shall procure that the same is noted on Schedule I hereto.

On any occasion on which a payment of principal or redemption amount is made in respect of this Permanent Global Security or on which this Permanent Global Security is exchanged as aforesaid or on which any Securities represented by this Permanent Global Security are to be cancelled, the Issuer shall procure that (i) the aggregate principal amount of the Securities in respect of which such payment is made (or, in the case of a partial payment, the corresponding part thereof) or which are delivered in definitive or registered form or which are to be cancelled

and (ii) the remaining principal amount of this Permanent Global Security (which shall be the previous principal amount hereof less the amount referred to at (i) above) are noted on Schedule II hereto, whereupon the principal amount of this Permanent Global Security shall for all purposes be as most recently so noted.

Insofar as the Temporary Global Security by which the Securities were initially represented has been exchanged in part only for this Permanent Global Security and is then to be further exchanged as to the remaining principal amount or part thereof for this Global Security, then upon presentation of this Permanent Global Security to the Principal Paying and Conversion Agent at its specified office in relation to the Securities and to the extent that the aggregate principal amount of such Temporary Global Security is then reduced by reason of such further exchange, the Issuer shall procure that (i) the aggregate principal amount of the Securities in respect of which such further exchange is then made and (ii) the new principal amount of this Permanent Global Security (which shall be the previous principal amount hereof plus the amount referred to at (i) above) are noted on Schedule II hereto, whereupon the principal amount of this Permanent Global Security shall for all purposes be as most recently noted.

Notwithstanding the provisions of Condition 9(k) (*Procedure for Settlement in respect of a Conversion upon Capital Adequacy Trigger*), if the Securities are represented by this Permanent Global Security and/or the Temporary Global Security (together, the "**Global Bearer Securities**") and held through one of the Clearing Systems, the Securityholder shall give a notice to the Settlement Shares Depository in accordance with the standard procedures of the relevant Clearing System prior to the Notice Cut-off Date (which may include notice being given on its instruction by the Clearing Systems or any common depository for them to the Settlement Shares Depository by electronic means) in a form acceptable to the relevant Clearing System from time to time with the following details: (1) the name of the Securityholder; (2) the principal amount of Securities held by it and the subject of the conversion; (3) the CREST account details or, if on conversion the Ordinary Shares are not a participating security in CREST, the address to which any Ordinary Shares (if any) should be delivered; (4) details of an account to which any cash component of any Alternative Consideration (if any) should be paid; and (5) such other details as the relevant Clearing System may require. Any reference in the Conditions to the delivery of Conversion Notices shall be construed accordingly.

Transfers of beneficial interests in this Permanent Global Security will not be registered by the Clearing Systems after the date specified as the "Suspension Date" in the Suspension Notice, which date shall be no later than 38 London Business Days after the Latest Conversion Shares Offer Election Date and, if the Issuer elects to conduct a Conversion Shares Offer, shall be at least two London Business Days prior to the end of the relevant Conversion Shares Offer Period. For these purposes, "**Suspension Notice**" means a notice given by the Issuer to Holders of Affected Securities in accordance with Condition 14 (*Notices*) at any time on or after the Capital Adequacy Trigger Notice has been given and on or prior to the Latest Conversion Shares Offer Election Date, specifying the Suspension Date.

No drawing of Securities will be required under Condition 6(c) (*Redemption at the Option of the Issuer*) in the event that the Issuer exercises any option to redeem such Securities in part while all such Securities which are outstanding are represented by the Temporary Global Security and/or this Permanent Global Security. In such event, the standard procedures of the Clearing Systems will operate to determine which interests in such Global Bearer Securities are to be subject to such option. Such partial redemption is to be reflected in the records of the Clearing Systems as either a pool factor or a reduction in nominal amount, at their discretion.

This Permanent Global Security and any non-contractual obligation arising out of or in connection with it are governed by, and will be construed in accordance with, English law.

This Permanent Global Security shall not be valid for any purpose until authenticated for and on behalf of HSBC Bank plc as Principal Paying and Conversion Agent.

AS WITNESS the signature of a duly authorised signatory for and on behalf of the Issuer.

**SCHEDULE I
INTEREST PAYMENTS**

Interest Payment Date	Date of Payment	Total Amount of Interest Payable	Amount of Interest Paid	Confirmation of payment by or on behalf of Issuer
First				
Second*				

* Continue numbering until the appropriate number of interest payment dates for the particular Series of Securities is reached

SCHEDULE II
PAYMENTS, EXCHANGES AGAINST TEMPORARY GLOBAL SECURITIES,
DELIVERY OF DEFINITIVE BEARER SECURITIES AND CANCELLATION OF
SECURITIES

<u>Date of payment, exchange, delivery or cancellation</u>	<u>Amount of principal or redemption amount then paid</u>	<u>Aggregate principal amount of Definitive Bearer Securities then delivered</u>	<u>Aggregate principal amount of Temporary Global Security exchanged for Permanent Global Security</u>	<u>Aggregate principal amount of Securities then cancelled</u>	<u>New principal amount of this Permanent Global Security</u>	<u>Authorised Signatory</u>
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HSBC HOLDINGS PLC

By:
(*duly authorised*)

AUTHENTICATED for and on behalf of
HSBC BANK PLC,
as principal paying and conversion agent
without recourse, warranty or liability

By:
(*duly authorised*)

PART II – FORM OF DEFINITIVE BEARER SECURITY

THESE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO OR FOR THE ACCOUNT OF A U.S. PERSON (AS SUCH TERM IS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT), OTHER THAN DISTRIBUTORS, UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE.

[On the Front]

Series Number: []

[*Denomination*]

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.

HSBC Holdings plc

(a company incorporated in England with registered number 617987; the liability of its members is limited)

*[Aggregate principal amount of Series]
[Description of Securities]*

HSBC Holdings plc (the "**Issuer**") for value received promises, all in accordance with the terms and conditions [endorsed hereon/attached hereto][and the Pricing Supplement referred to therein and prepared in relation to the Securities] (the "**Conditions**") to pay to the bearer upon surrender hereof on such date as the same may become payable in accordance therewith the principal amount of:

[aggregate principal amount in words (and numerals)]

or such other redemption amount as may be specified therein and to pay interest and all other amounts as may be payable pursuant to the Conditions, all subject to and in accordance therewith.

This Security is issued subject to, and with the benefit of, the Conditions and a Trust Deed dated 2 September 2014 (such Trust Deed as last modified and restated on 31 March 2023 and as modified and/or restated and/or supplemented from time to time, the "**Trust Deed**") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Securities.

Words and expressions defined in the Conditions shall have the same meanings when used on the face of this Security.

Title to this Security, Coupon and any Talon (as defined below) shall pass by delivery. The Issuer may treat the bearer hereof as the absolute owner of this Security for all purposes.

Neither this Security, any of the interest coupons appertaining hereto (the "**Coupons**") nor any Talon appertaining hereto shall be valid for any purpose until this Security has been authenticated for and on behalf of HSBC Bank plc as principal paying and conversion agent.

This Definitive Security and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

AS WITNESS the signature of a duly authorised signatory for and on behalf of the Issuer.

HSBC HOLDINGS PLC

By:
(*duly authorised*)

ISSUED in London as of []

AUTHENTICATED for and on behalf of
HSBC BANK PLC,
as principal paying and conversion agent
without recourse, warranty or liability

By:
(*duly authorised*)

[On the reverse of the Securities:]

TERMS AND CONDITIONS

[As contemplated in the Offering Memorandum and as amended, supplemented or replaced by the relevant Pricing Supplement]

[At the foot of the Terms and Conditions:]

PRINCIPAL PAYING AND HSBC Bank plc
CONVERSION AGENT: 8 Canada Square
London E14 5HQ

FORM OF COUPONS

[Attached to the Security:]

[On the front of Coupon:]

[HSBC HOLDINGS PLC]

(a company incorporated in England with registered number 617987; the liability of its members is limited)

Series No: []

[Amount and Description of Securities]

Coupon for [[] due on []] [the amount of interest due on []]

Such amount is payable (subject to the terms and conditions [endorsed on/attached to] the [Description of Securities] to which this Coupon appertains [and the Pricing Supplement referred to therein], which shall be binding on the holder of this Coupon whether or not it is for the time being attached to such [Description of Securities]) against surrender of this Coupon at the specified office of the Principal Paying and Conversion Agent (or any other or further paying agents and/or specified offices from time to time designated for the purpose by notice duly given in accordance with such terms and conditions).

The Security to which this Coupon appertains may, in certain circumstances specified in such terms and conditions, fall due for redemption before the due date in relation to this Coupon. In such event, this Coupon will become void and no payment will be made in respect hereof.

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.

By:

HSBC HOLDINGS PLC

[On the reverse of each Coupon:]

**PRINCIPAL PAYING AND
CONVERSION AGENT:**

HSBC Bank plc
8 Canada Square
London E14 5HQ

FORM OF TALON

[On the front:]

HSBC HOLDINGS PLC

(a company incorporated in England with registered number 617987; the liability of its members is limited)

[Amount and Description of Securities]

Series No: []]

After all the Coupons appertaining to the Security to which this Talon appertains have matured, further Coupons (including, if appropriate, a Talon for further Coupons) will be issued at the specified office of the Principal Paying and Conversion Agent set out on the reverse hereof (or any other paying agent or specified office duly appointed or nominated and notified to the Securityholders) upon production and surrender of this Talon.

The Security to which this Talon appertains may, in certain circumstances specified in the terms and conditions, fall due before the due date for exchange of this Talon. In such event this Talon shall become void and no exchange shall be made in respect of it.

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.

By:
HSBC HOLDINGS PLC

[On the reverse:]

**PRINCIPAL PAYING AND
CONVERSION AGENT:**

HSBC Bank plc
8 Canada Square
London E14 5HQ

become repayable in accordance with the Conditions the principal sum as is noted at the time of payment on the Register of the Registrar as the principal sum hereof or such other redemption amount as may be specified therein and to pay interest and all other amounts as may be payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

Except as permitted by the terms of the following paragraphs, transfers of this Global Registered Security shall be limited to transfers in whole, but not in part, to nominees of the common depository (the "**Common Depository**") or the common safe-keeper as the case may be for Euroclear and Clearstream, Luxembourg in respect of the Securities or to a successor of the Common Depository or the common safe-keeper as the case may be or to such successor's nominees.

This Global Registered Security is exchangeable in whole but not in part for definitive registered Securities ("**Definitive Registered Securities**") in substantially the form (subject to completion) set out in Part IV of Schedule 1 to the Trust Deed if (a) in the circumstances set out in Condition 10(a) (*Enforcement*) (b) Euroclear Bank SA/NV as operator of the Euroclear System ("**Euroclear**") or Clearstream Banking S.A. or any other relevant clearing system (together, the "**Clearing Systems**" and each, a "**Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to cease business permanently or in fact does so; or (c) at the option of the Issuer, if the Issuer or any Paying Agent, by reason of any change in, or amendment to, the laws of the United Kingdom, is or will be required to make any deduction or withholding from any payment under the Securities which would not be required if such Securities were in definitive form; or (d) if the Issuer so elects, where the Issuer would suffer a material disadvantage in respect of the Securities as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction, which would not be suffered were the Securities in definitive form, in each case at the cost and expense of the Issuer.

Such Definitive Registered Securities shall be registered in such names as the Common Depository or common safe-keeper as the case may be shall direct in writing. The Issuer shall procure that the Registrar will give notice in accordance with this Global Registered Security of the occurrence of any of the events specified above as soon as practicable thereafter.

Whenever this Global Registered Security is to be exchanged for Definitive Registered Securities, the Issuer shall procure the prompt delivery, without charge, of such Definitive Registered Securities, without Coupons attached, to the Registrar (and in any event within five Relevant Banking Days of surrender to and receipt by the Registrar or any Transfer Agent of this Global Registered Security and any further information required to authenticate effectuate (if applicable) and deliver such Definitive Registered Securities) against the surrender by Euroclear and Clearstream, Luxembourg or the Common Depository or common safe-keeper as the case may be, of this Global Registered Security at the specified office of the Registrar or such Transfer Agent, all in accordance with the provisions of the Agency Agreement and, in particular, the regulations concerning the transfer, exchange and registration of the Securities set out in Schedule 2 thereto.

Exchange of beneficial interests in this Global Registered Security for Definitive Registered Securities, will be effected without charge to the holder or the transferee thereof, but against such indemnity as the Issuer, the Registrar or the relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection therewith.

On each occasion on which:

- (a) a payment of principal or redemption amount is made in respect of this Global Registered Security; or
- (b) Definitive Registered Securities are delivered; or
- (c) Securities represented by this Global Registered Security are to be cancelled in accordance with the Conditions,

the Issuer shall procure that the aggregate principal amount of such Registered Securities or of the Registered Securities to which such payment relates and the remaining principal amount of this Global Registered Security (which shall be the previous principal amount hereof *less* the aggregate principal amount of such Registered Securities or of the Registered Securities to which such payment relates) are noted in Schedule 1 hereto and in the Register relating to the Securities whereupon the principal amount of this Global Registered Security shall for all purposes be as most recently so noted.

All payments in respect of this Global Registered Security shall be made against presentation and (in the case of payment of principal in full [with all interest accrued thereon]) surrender of this Global Registered Security at the specified office of the Registrar or any Transfer Agent and shall be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Securities. [Payments of interest in respect of this Global Registered Security shall be made to the Holder of this Global Registered Security in accordance with the Conditions.] On each occasion on which a payment of [interest and/or] principal is made in respect of this Global Registered Security, the Issuer shall procure that the same is noted in Schedule I hereto and in the case of a payment of principal, that the aggregate principal amount of this Global Registered Security is decreased accordingly. Notwithstanding Condition 8(b) (*Payments – Registered Securities*), each payment in respect of this Global Registered Security shall be made to the person shown in the Register as the registered holder of the Securities represented by this Global Registered Security at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where the "**Clearing System Business Day**" means a day on which each clearing system for which the Global Registered Security is being held is open for business.

Until the whole of this Global Registered Security has been exchanged or (as the case may be) transferred to a transferee who has requested that the Registered Securities in respect of which he is the beneficial holder shall be represented by Definitive Registered Securities as provided herein or cancelled in accordance with the Agency Agreement, the registered holder of this Global Registered Security shall be subject to the Conditions and, subject as herein or in the Trust Deed otherwise provided, shall be entitled to the same rights and benefits under the Conditions as if the registered holder were the Holder (as defined in the Conditions) of the Definitive Registered Securities represented by the relevant part of this Global Registered Security.

Notwithstanding Condition 14 (*Notices*), while this Global Registered Security is held on behalf of Euroclear and/or Clearstream, Luxembourg or any other clearing system (the "**Alternative Clearing System**"), notices may be delivered to Euroclear and Clearstream, Luxembourg or, as the case may be, the Alternative Clearing System, and any such notice shall be deemed to have been given to the Holders in accordance with Condition 14 (*Notices*) on the date of delivery to Euroclear and Clearstream, Luxembourg or, as the case may be, the

Alternative Clearing System and each Agent; **provided, however, that** so long as the Securities are Listed Securities, notices shall also be published as Euronext Dublin may require.

Notwithstanding the provisions of Condition 9(k) (*Procedure for Settlement in respect of a Conversion upon Capital Adequacy Trigger*), if the Securities are represented by this Global Registered Security and held through one of the Clearing Systems, the Securityholder shall give a notice to the Settlement Shares Depository in accordance with the standard procedures of the relevant Clearing System prior to the Notice Cut-off Date (which may include notice being given on its instruction by the Clearing Systems or any common depository for them to the Settlement Shares Depository by electronic means) in a form acceptable to the relevant Clearing System from time to time with the following details: (1) the name of the Securityholder; (2) the principal amount of Securities held by it and the subject of the conversion; (3) the CREST account details or, if on conversion the Ordinary Shares are not a participating security in CREST, the address to which any Ordinary Shares (if any) should be delivered; (4) details of an account to which any cash component of any Alternative Consideration (if any) should be paid; and (5) such other details as the relevant Clearing System may require. Any reference in the Conditions to the delivery of Conversion Notices shall be construed accordingly.

Transfers of beneficial interests in this Global Registered Security will not be registered by the Clearing Systems after the date specified as the "Suspension Date" in the Suspension Notice, which date shall be no later than 38 London Business Days after the Latest Conversion Shares Offer Election Date and, if the Issuer elects to conduct a Conversion Shares Offer, shall be at least two London Business Days prior to the end of the relevant Conversion Shares Offer Period. For these purposes, "**Suspension Notice**" means a notice given by the Issuer to Holders of Affected Securities in accordance with Condition 14 (*Notices*) at any time on or after the Capital Adequacy Trigger Notice has been given and on or prior to the Latest Conversion Shares Offer Election Date, specifying the Suspension Date.

No redemption *pro rata* of Registered Securities will be required under Condition 6(c) (*Redemption at the Option of the Issuer*) in the event that the Issuer exercises any option to redeem such Securities in part while all such Securities which are outstanding are represented by this Global Registered Security. In such event, the standard procedures of the Clearing Systems will operate to determine which interests in such Global Registered Security are to be subject to such option. Such partial redemption is to be reflected in the records of the Clearing Systems as either a pool factor or a reduction in nominal amount, at their discretion.

The statements set forth in the legend, if any, set forth above are an integral part of the terms of this Security and by acceptance hereof each Holder of this Security agrees to be subject to and bound by the terms and provisions set forth in such legend, if any.

This Global Registered Security and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

AS WITNESS the signature of a duly authorised signatory for and on behalf of the Issuer.

HSBC HOLDINGS PLC

By:
(*duly authorised*)

ISSUED on []

This Global Registered Security shall not be valid for any purpose until it has been authenticated for and on behalf of HSBC Bank plc as Registrar.

AUTHENTICATED for and on behalf of
HSBC BANK PLC
as registrar
without recourse, warranty or liability

By:
(*duly authorised*)

SCHEDULE I
PAYMENTS, EXCHANGE OR DELIVERY OF DEFINITIVE REGISTERED
SECURITIES AND CANCELLATION OF SECURITIES

<u>Date of payment, exchange, delivery, cancellation or increase</u>	<u>Amount of interest then paid</u>	<u>Amount of principal/ redemption amount then paid</u>	<u>Principal amount of Definitive Registered Securities then exchanged</u>	<u>Aggregate principal amount of Definitive Registered Securities then delivered</u>	<u>Aggregate principal amount of Registered Securities then represented by this Global Registered Security then cancelled</u>	<u>New principal amount of this Global Registered Security</u>	<u>Authorised signature</u>
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FORM OF TRANSFER

FOR VALUE RECEIVED, I,, being the duly registered Holder of this Global Registered Security, [*Title of Security*], hereby transfer to.....
..... (being my successor as nominee of the Common Depositary (as defined in this Global Registered Security) or common safe-keeper as the case may be [] in principal amount of this [*Title of Security*] to which this form of transfer relates, and we hereby irrevocably request and authorise HSBC Bank plc in its capacity as registrar in relation to the [*Title of Securities*] (or any successor to HSBC Bank plc in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it relating to the Securities.

Dated:

By:
(*duly authorised*)

Securities:

The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered Holder as it appears on the face of this Global Registered Security.

- (a) A representative of such registered Holder should state the capacity in which he signs, e.g. executor.
- (b) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered Holder or be certified by a recognised bank, notary public or in such other manner as the Registrar or the relevant Transfer Agent may require.
- (c) Any transfer of [*Title of Securities*] shall be in an amount equal to the minimum denomination as may be specified in the relevant Pricing Supplement or an integral multiple thereof.

[Attached to the Global Registered Security:]

[The Pricing Supplement]

PART IV – FORM OF DEFINITIVE REGISTERED SECURITY

THESE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO OR FOR THE ACCOUNT OF A U.S. PERSON (AS SUCH TERM IS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT), OTHER THAN DISTRIBUTORS, UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE.

Series Number: []

Serial Number: []

Tranche Number: []

ISIN Number: []

[On the front:]

HSBC Holdings plc

(a company incorporated in England with registered number 617987; the liability of its members is limited)

DEFINITIVE REGISTERED SECURITY

*[Aggregate principal amount of Series]
[Description of Securities]*

This Security forms one of an issue of [*aggregate principal amount of Tranche*] in aggregate principal amount of [*Title of Securities*] (the "**Securities**") issued by HSBC Bank plc (the "**Issuer**") which are in the denominations of [•] or integral multiples thereof. This Security is issued subject to, and with the benefit of, the Conditions and a Trust Deed dated 2 September 2014 (such Trust Deed as last modified and restated on 31 March 2023 and as modified and/or restated and/or supplemented from time to time, the "**Trust Deed**") and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Securities. The Securities are issued pursuant to an Agency Agreement dated 2 September 2014 (such Agency Agreement as last modified and restated on 6 March 2018 and as modified and/or restated and/or supplemented from time to time, the "**Agency Agreement**") and made between, *inter alios*, the Issuer, HSBC Bank plc in its capacities as principal paying and conversion agent, as transfer agent and as registrar (in such capacities, the "**Principal Paying and Conversion Agent**", the "**Transfer Agent**" and the "**Registrar**" respectively, each of which expressions shall include any successor to HSBC Bank plc in its capacity as such) and the Trustee.

Any reference herein to the "**Conditions**" is to the terms and conditions of the Securities [attached hereto/ scheduled to the Trust Deed and incorporated by reference herein] as amended, supplemented or replaced by the Pricing Supplement prepared in relation to the Securities (the "**Pricing Supplement**"). Terms defined in the Trust Deed or the Conditions and not otherwise defined herein shall have the same meanings as in the Trust Deed and the Conditions.

This is to certify that:

.....

of

.....

is the person registered in the register maintained by the Registrar in relation to the Securities (the "**Register**") as the duly registered holder of the Securities represented by this Definitive Registered Security or, if more than one person is so registered, the first-named of such persons (the "**Holder**"). The Issuer promises all in accordance with the Conditions to pay to the Holder, and the Holder is entitled to receive, the principal sum of:

[denomination in words (and numerals)]

[or such other redemption amount as may be specified in the Conditions] on such date as the same may become payable in accordance with the Conditions, [together with interest on such principal sum at the rate or rates specified in the Conditions] together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

This Definitive Registered Security is evidence of entitlement only. Title to the Securities passes only on due registration in the Register and only the Holder is entitled to payment in respect of this Definitive Registered Security.

This Definitive Registered Security shall not be valid for any purpose until it has been authenticated for and on behalf of HSBC Bank plc as registrar.

This Definitive Registered Security and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

AS WITNESS the signature of a duly authorised signatory for and on behalf of the Issuer.

HSBC HOLDINGS PLC

By:
(*duly authorised*)

ISSUED on []

AUTHENTICATED for and on behalf of
HSBC BANK PLC
as registrar without recourse, warranty
or liability

By:
(*duly authorised*)

FORM OF TRANSFER

FOR VALUE RECEIVED, I, [*name of registered holder*]....., being the registered Holder of this Definitive Registered Security, [*Title of Security*], hereby transfer to

.....
of.....
.....
.....

..... [] in principal amount of this [*Title of Security*] and to which this form of transfer relates and irrevocably request and authorise HSBC Bank plc in its capacity as registrar in relation to the [*Title of Securities*] (or any successor to HSBC Bank plc in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it relating to the Securities.

Dated:

By:
(*duly authorised*)

Notes:

The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Definitive Registered Security.

- (a) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (b) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar or the relevant Transfer Agent may require.
- (c) Any transfer of [*Title of Securities*] shall be in an amount equal to the minimum denomination as may be specified in the relevant Pricing Supplement or an integral multiple thereof.

[Attached to each Definitive Registered Security:]

[Terms and Conditions as set out in Schedule 2 to the Trust Deed and the Pricing Supplement]

[At the foot of the Terms and Conditions:]

REGISTRAR

HSBC Bank plc
8 Canada Square
London E14 5HQ
England

**PRINCIPAL PAYING AND
CONVERSION AGENT**

HSBC Bank plc
8 Canada Square
London E14 5HQ
England

SCHEDULE 2 TERMS AND CONDITIONS OF THE SECURITIES

The following (disregarding any text in italics) is the text of the terms and conditions applicable to the Securities, which, as completed in accordance with the provisions of the relevant Pricing Supplement, will be incorporated by reference into each Security in global form (subject to the section entitled "Forms of Securities; Summary of Provisions Relating to the Securities while in Global Form" above) and which will be endorsed on the Securities in definitive form (if any) issued in exchange for Securities in global form representing each Tranche, details of the relevant Tranche being as set out in the relevant Pricing Supplement.

This Security is one of a Series of Securities (the "**Securities**") issued pursuant to the programme for issuance of perpetual subordinated contingent convertible securities (the "**Programme**") established by HSBC Holdings plc (the "**Issuer**") and is constituted by and issued subject to and with the benefit of a Trust Deed dated 2 September 2014 (such Trust Deed as last modified and restated on or about 31 March 2023 and as further modified and/or supplemented and/or restated from time to time, the "**Trust Deed**") made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**" which expression shall wherever the context so admits include its successors) and has the benefit of an Agency Agreement dated 2 September 2014 (such Agency Agreement as last modified and restated on 6 March 2018 and as further modified and/or supplemented and/or restated from time to time, the "**Agency Agreement**") each made between, amongst others, the Issuer, the Principal Paying and Conversion Agent (the "**Principal Paying and Conversion Agent**" which expression shall wherever the context so admits include its successors as such, and, together with any successor or additional paying agent appointed in respect of the Securities, the "**Paying Agents**", which expression shall wherever the context so admits include any successor and/or additional paying agents), the Registrar (the "**Registrar**" which expression shall wherever the context so admits include any successor or additional person appointed as such in respect of the Securities), the Calculation Agent (the "**Calculation Agent**" which expression shall wherever the context so admits include any successor or other person appointed as such in respect of the Securities or any Series of the Securities) each named therein and the Trustee. Under the terms of the Agency Agreement, one or more transfer agents (each a "**Transfer Agent**", which expression shall wherever the context so admits include any successor or additional person appointed as such in respect of the Securities) may be appointed by the Issuer from time to time in respect of any Series of Securities, but none were appointed as of the date of the Agency Agreement. The initial Principal Paying and Conversion Agent, the initial Registrar and (if applicable) the initial Calculation Agent and any Transfer Agent(s) appointed in respect of a Series of Securities, are as named herein or in the relevant Pricing Supplement (as defined below). The Trustee shall exercise the duties, powers, trusts, authorities and discretions vested in it by the Trust Deed separately in relation to each Series of Securities in accordance with the provisions of the Trust Deed. Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours by prior arrangement at the registered office for the time being of the Trustee and at the specified office of each of the Principal Paying and Conversion Agent, the other Paying Agents (if any), the Registrar and the Transfer Agents appointed from time to time pursuant to the terms of the Agency Agreement. The Holders (as defined in Condition 1(e) (*Title*)) for the time being of Securities (the "**Securityholders**") and of any coupons ("**Coupons**") or talons ("**Talons**") (the "**Couponholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. Certain

provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and are subject to their detailed provisions.

References in these terms and conditions (the "**Conditions**") to "**Securities**" shall, where the context so requires include the temporary global Securities, the permanent global Securities and global registered Securities and such other Securities as may from time to time be issued under the Programme, as the case may be, and the term "**Securities**" includes subordinated debt securities, by whatever name called, issued under the Programme. All Securities will be issued in series (each, a "**Series**") and each Series may comprise one or more tranches (each, a "**Tranche**") of Securities. Each Tranche will be the subject of a Pricing Supplement (the "**Pricing Supplement**"), a copy of which will be attached to or incorporated by reference in each Security of such Tranche. Subject as set out in the relevant Pricing Supplement, all Securities issued pursuant to the Programme on the same date, denominated in the same currency, bearing interest on the same basis and issued on identical terms will constitute one Tranche of Securities.

In the event of any inconsistency between these Conditions and the relevant Pricing Supplement, the Pricing Supplement shall prevail.

Words and expressions defined or used in the Pricing Supplement relating to a Tranche of Securities shall have the same meanings where used in these Conditions unless the context otherwise requires.

Any defined terms not defined in Condition 19 (*Definitions*) have the meaning given to them elsewhere in the Conditions or the Pricing Supplement (as applicable).

1. **Form, Denomination and Title**

(a) ***Form***

Securities are issued in bearer form ("**Bearer Securities**") or in registered form ("**Registered Securities**") as set out in the relevant Pricing Supplement.

(b) ***Form of Bearer Securities***

Bearer Securities will be in substantially the relevant form (subject to amendment and completion) scheduled to the Trust Deed or in such other form as from time to time may be agreed. Bearer Securities will, if so specified in the relevant Pricing Supplement, have attached at the time of their initial delivery Coupons, presentation of which will be a prerequisite to the payment of interest in certain circumstances specified below. Bearer Securities will also, if so specified in the relevant Pricing Supplement, have attached at the time of their initial delivery a Talon exchangeable for further Coupons and the expression "**Coupons**" shall, where the context so requires, include Talons.

(c) ***Form of Registered Securities***

Registered Securities will be in substantially the relevant form (subject to amendment and completion) scheduled to the Trust Deed or in such other form as may from time to time be agreed. A single Registered Security will be issued to each Holder of Registered Securities in respect of its registered holding. Each

Registered Security will be numbered serially with an identifying number which will be recorded in the Register.

(d) ***Denomination***

Bearer Securities will be in the Specified Denomination(s) set out in the relevant Pricing Supplement and Registered Securities will be in the denomination(s) and multiples set out in the relevant Pricing Supplement.

(e) ***Title***

Title to Bearer Securities, Coupons and Talons will pass by delivery. Title to Registered Securities passes by registration in the register (the "**Register**") which is kept by the Registrar. References herein to the "**Holders**" of Bearer Securities or of Coupons are to the bearers of such Bearer Securities or such Coupons and references herein to the "**Holders**" of Registered Securities are to the persons in whose names such Registered Securities are so registered in the Register.

To the extent permitted by law and subject to the provisions of the fourth paragraph of Condition 14 (*Notices*) while the Securities of any Series are represented by a Security or Securities in global form, the Issuer, the Trustee, the Principal Paying and Conversion Agent, any other Paying Agents, any Transfer Agents, the Calculation Agent and the Registrar may deem and treat the Holder of any Bearer Security or of any Coupon and the person in whose name any Registered Security is registered (and, if more than one, the first named thereof) as the absolute owner thereof (whether or not such Security shall be overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for the purpose of receiving payment on account thereof and for all other purposes.

(f) ***Transfer of Registered Securities***

Subject as provided in the final sentence of this Condition 1(f), a Registered Security may, upon the terms and subject to the conditions set forth in the Agency Agreement, be transferred in whole or in part only upon the surrender of the Registered Security to be transferred, together with the form of transfer (including, without limitation, any certification as to compliance with restrictions on transfer included in such form of transfer) endorsed on it duly completed and executed, at the specified office of the Registrar or any Transfer Agent together with such evidence as the Registrar, or as the case may be, the relevant Transfer Agent may reasonably require to prove the title of the transferor and the authority of the persons who have executed the form of transfer. A new Registered Security will be issued to the transferee and, in the case of a transfer of part only of a Registered Security, a new Registered Security in respect of the balance not transferred will be issued to the transferor. No Holder may require the transfer of a Registered Security to be registered (i) during the period of 15 calendar days ending on the due date for any payment (whether of principal, redemption amount, interest or otherwise) and (ii) at any time after the Suspension Date.

(g) ***Delivery***

Each new Registered Security to be issued upon the transfer of a Registered Security will, within five Relevant Banking Days (as defined in Condition 13 (*Replacement and Transfer*)) of the Transfer Date (as defined in Condition 13 (*Replacement and Transfer*)), be available for delivery at the specified office of the Registrar or, as the case may be, the relevant Transfer Agent or (at the request and risk of the Holder of such Registered Security) be mailed by uninsured post to such address as may be specified by such Holder. For these purposes, a form of transfer received by the Registrar or any Transfer Agent after the Record Date (as defined in Condition 8(b) (*Registered Securities*)) in respect of any payment due in respect of Registered Securities shall be deemed not to be effectively received by the Registrar or such Transfer Agent until the day following the due date for such payment.

(h) ***No charge***

The issue of new Registered Securities on transfer will be effected without charge to the Holder or the transferee by or on behalf of the Issuer, the Registrar or the relevant Transfer Agent, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Registrar or, as the case may be, the relevant 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 transfers or exchanges.

(i) ***Regulations concerning transfer and registration of Registered Securities***

All transfers of Registered Securities and entries on the Register will be made subject to the detailed regulations (the "**Regulations**") concerning exchange and transfer of Registered Securities scheduled to the Agency Agreement. The Regulations may be amended, supplemented or replaced by the Issuer with the prior written approval of the Registrar but without the consent of the Securityholders. A copy of the current Regulations are available for inspection during usual business hours at the specified office of the Registrar and any Transfer Agent.

(j) ***No Exchange***

Registered Securities may not be exchanged for Bearer Securities and Bearer Securities may not be exchanged for Registered Securities.

2. **Status and Subordination**

(a) ***Status***

The Securities constitute direct, unsecured obligations of the Issuer ranking *pari passu* without any preference among themselves. The rights and claims of the Securityholders and Couponholders are subordinated in the event of the winding-up of the Issuer in England to the Prior Ranking Creditors and as described in this Condition 2.

(b) ***Subordination – conditions to payment***

Other than where Condition 2(c) (*Winding-up prior to a Capital Adequacy Trigger*) or 2(d) (*Winding-up after a Capital Adequacy Trigger*) or (in relation to the cash component of any Alternative Consideration) 9(f) (*Conversion Shares Offer*) applies, the Issuer's obligation to make any payment to Securityholders or Couponholders in respect of or arising from (including any damages for breach of any obligations under) the Securities is, in addition to the provisions of Condition 5 (*Cancellation of Interest*), conditional upon the Issuer being Solvent at the time of payment by the Issuer and no principal, interest or other amount shall be due and payable to Securityholders or Couponholders in respect of or arising from the Securities except to the extent that the Issuer could make such payment and still be Solvent immediately thereafter.

A certificate as to whether or not the Issuer is Solvent by the Auditors of the Issuer, on the basis of the information provided to the Auditors by the Issuer, shall, in the absence of manifest error, be treated by the Issuer, the Trustee, the Holders and all other interested parties as correct and sufficient evidence thereof.

Any payment of interest that does not fall due by reason of this Condition 2(b) shall be cancelled as provided in Condition 5(a) (*Interest Payments Discretionary*).

(c) ***Winding-up prior to a Capital Adequacy Trigger***

If, at any time prior to the date on which a Capital Adequacy Trigger occurs, a Winding-up Event occurs, there shall be payable by the Issuer in respect of each Security (in lieu of any other payment by the Issuer) such amount, if any, as would have been payable to the Holder of such Security if, throughout such winding-up or administration in England, such Holder were the holder of one of a class of preference shares in the capital of the Issuer denominated in the Specified Currency of the relevant Security ("**Notional Preference Shares**") having an equal right to a return of assets in the winding-up or administration in England to, and so ranking *pari passu* with, the holders of the most senior class or classes of issued preference shares in the capital of the Issuer from time to time (if any) and which have a preferential right to a return of assets in the winding-up or administration over, and so rank ahead of, the holders of all other classes of issued shares for the time being in the capital of the Issuer but ranking junior to the claims of Prior Ranking Creditors, and on the assumption that the amount such holder was entitled to receive in respect of each Notional Preference Share on a return of assets in such winding-up or administration were an amount equal to the principal amount of the relevant Security, including any accrued but unpaid interest thereon (to the extent not cancelled in accordance with these Conditions) and any damages awarded for breach of any obligations, whether or not the conditions referred to in Condition 2(b) (*Subordination – conditions to payment*) are satisfied on the date upon which the same would otherwise be due and payable.

(d) ***Winding-up after a Capital Adequacy Trigger***

If, at any time on or after the date on which a Capital Adequacy Trigger occurs, a Winding-up Event occurs, but the relevant Ordinary Shares to be issued and delivered to the Settlement Shares Depository on conversion in accordance with Condition 9 (*Capital Adequacy Trigger*) have not been so delivered, there shall be payable by the Issuer in respect of each Security (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to the Holder of such Security if, throughout such winding-up or administration, such Holder were the holder of such number of Ordinary Shares as that Holder would have been entitled to receive on conversion in accordance with Condition 9 (*Capital Adequacy Trigger*) (ignoring for these purposes the Issuer's right to make an election for a Conversion Shares Offer to be effected in accordance with Condition 9(f) (*Conversion Shares Offer*) (if applicable)) whether or not the conditions referred to in Condition 2(b) (*Subordination – conditions to payment*) are satisfied on the date upon which the same would otherwise be due and payable.

(e) ***Set-off***

Claims in respect of any Securities or 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, the Trustee 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 claim of his in respect of any Securities or Coupons, against or in respect of any obligations of his to the Issuer, the Trustee 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 Security or Coupon by virtue of any such set-off or counterclaim, such Holder 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 liquidator of the Issuer.

(f) ***Trustee***

The provisions of this Condition 2 apply only to the principal and interest and any other amounts payable to the Securityholders and Couponholders in respect of the Securities and the Coupons and nothing in this Condition 2 or in Condition 9 (*Capital Adequacy Trigger*) or Condition 10 (*Enforcement*) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

The Trustee shall have no responsibility for, or liability or obligation in respect of, any loss, claim or demand incurred as a result of or in connection with any non-payment of principal, interest or other amounts by reason of Condition 2(b) (*Subordination – conditions to payment*) or Condition 5 (*Cancellation of Interest*) or conversion pursuant to Condition 9 (*Capital Adequacy Trigger*). Furthermore, the Trustee shall not be responsible for any calculation or the verification of any calculation in connection with any of the foregoing.

3. **Interest on Fixed Rate Securities and Resetable Securities**

(a) ***Interest on Fixed Rate Securities***

Subject to Conditions 2(b) (*Subordination – conditions to payment*), 5 (*Cancellation of Interest*) and 9(g) (*Accrued Interest following Capital Adequacy Trigger*), Securities which are specified in the relevant Pricing Supplement as being Fixed Rate Securities (each a "**Fixed Rate Security**") will bear interest on the principal amount of each Security at the applicable fixed rate or rates per annum specified in the relevant Pricing Supplement as the Rate of Interest from the Interest Commencement Date specified in the relevant Pricing Supplement. Interest will be payable in arrear on the Fixed Interest Payment Date(s). Subject to Conditions 2(b) (*Subordination – conditions to payment*), 5 (*Cancellation of Interest*) and 9(g) (*Accrued Interest following Capital Adequacy Trigger*), the first payment of interest will be made on the first Fixed Interest Payment Date following the Interest Commencement Date.

(b) ***Interest on Resetable Securities***

Subject to Conditions 2(b) (*Subordination – conditions to payment*), 5 (*Cancellation of Interest*) and 9(g) (*Accrued Interest following Capital Adequacy Trigger*), Securities which are specified in the relevant Pricing Supplement as being Resetable Securities (each a "**Resetable Security**") will bear interest on the principal amount of each Security:

- (i) from (and including) the Interest Commencement Date specified in the relevant Pricing Supplement until (but excluding) the First Reset Date at the Initial Rate of Interest;
- (ii) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Pricing Supplement, the Redemption Date (if any), at the First Reset Rate of Interest; and
- (iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest.

Subject to Conditions 2(b) (*Subordination – conditions to payment*), 5 (*Cancellation of Interest*) and 9(g) (*Accrued Interest following Capital Adequacy Trigger*), interest will be payable in arrear on the Resetable Security Interest Payment Date(s). The first payment of interest will be made on the first Resetable Security Interest Payment Date following the Interest Commencement Date.

(c) ***Determination of Resetable Security Reference Rate, First Reset Rate of Interest and Subsequent Reset Rate of Interest***

The Resetable Security Reference Rate and the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as the case may be) applicable to the Securities for each Reset Period shall be determined by the Calculation Agent on the following basis:

(i) *Mid-Swap Rate*

(A) if Mid-Swap Rate is specified in the relevant Pricing Supplement as the Resettable Security Reference Rate, the Mid-Swap Rate in relation to a Reset Determination Date (each such a rate, a "**Mid-Swap Rate**") shall be either:

(1) if Single Mid-Swap Rate is specified in the relevant Pricing Supplement, the rate for swaps in the Specified Currency:

(x) with a term equal to the relevant Reset Period;
and

(y) commencing on the relevant Resettable Security Reset Date,

which appears on the Relevant Screen Page; or

(2) if Mean Mid-Swap Rate is specified in the relevant Pricing Supplement, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(x) with a term equal to the relevant Reset Period;
and

(y) commencing on the relevant Resettable Security Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately the Relevant Time in the Relevant Financial Centre on such Reset Determination Date, all as determined by the Calculation Agent; **provided, however, that** if there is no such rate appearing on the Relevant Screen Page for a term equal to the relevant Reset Period, then the Mid-Swap Rate shall be determined through the use of straight-line interpolation by reference to two rates, one of which shall be determined in accordance with the above provisions, but as if the relevant Reset Period were the period of time for which rates are available next shorter than the length of the actual Reset Period and the other of which shall be determined in accordance with the above provisions, but as if the relevant Reset Period were the period of time for which rates are available next longer than the length of the actual Reset Period, and the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the Mid-Swap Rate as determined in accordance with the above provisions and

the Resettable Security Margin with such sum converted as set out in the definition of "First Reset Rate of Interest" or "Subsequent Reset Rate of Interest" (as applicable), all as determined by the Calculation Agent; and

(B) if on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately the Relevant Time in the principal financial centre of the Specified Currency on the Reset Determination Date in question; **provided that:**

(1) if two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the Resettable Security Margin with such sum converted as set out in the definition of First Reset Rate of Interest or Subsequent Reset Rate of Interest (as applicable), all as determined by the Calculation Agent; and

(2) if only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 3(c)(i), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the rate of interest as at the last preceding Resettable Security Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest;

(ii) *Resettable Security Interbank Rate*

if Resettable Security Interbank Rate is specified in the relevant Pricing Supplement as the Resettable Security Reference Rate, then the Calculation Agent will, in respect of a Reset Period, determine the rate or arithmetic mean of the rates (as the case may be) for the relevant Reference Rate for such Reset Period in accordance with the provisions of Condition 4(c) (*Screen Rate Determination for Floating Rate Securities not referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*) (but excluding sub-paragraph (ii) thereof) and Condition 4(e) (*Benchmark Replacement*), but as if:

(A) references therein to 'Rate of Interest' were to 'First Reset Rate of Interest' or 'Subsequent Reset Rate of Interest' (as applicable);

(B) references therein to 'Interest Determination Date' were to 'Reset Determination Date;' and

(C) references therein to 'Interest Period' were to 'Reset Period',

and the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the rate or (as the case may be) arithmetic mean of the rates so determined and the Resettable Security Margin with such sum converted as set out in the definition of First Reset Rate of Interest or Subsequent Reset Rate of Interest (as applicable), all as determined by the Calculation Agent;

(iii) *U.S. Treasury Rate*

if U.S. Treasury Rate is specified in the relevant Pricing Supplement as the Resettable Security Reference Rate, then the Calculation Agent will, in respect of a Reset Period, determine the rate per annum (such rate, the "**U.S. Treasury Rate**") equal to: (1) the yield which represents the average for the week immediately prior to the relevant Reset Determination Date in the most recent H.15, (a) under the caption "Treasury constant maturities" and (b) for a maturity comparable with the Reset Period; or (2) if such release (or any successor release) is not published during the week immediately prior to the relevant Reset Determination Date or does not contain such yields, the rate per annum equal to the yield to maturity (on the relevant day count basis) of the Reference Bond, calculated using a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Reset Determination Date; **provided, however, that** if the U.S. Treasury Rate cannot be determined, for whatever reason, as described under (1) or (2) above, "U.S. Treasury Rate" means the rate per annum as notified by the Calculation Agent to the Issuer equal to the yield on U.S. Treasury securities having a maturity comparable with the Reset Period as set forth in the most recent H.15 under the caption "Treasury constant maturities" for the maturity comparable to the Reset Period as at the Quotation Time on the last available date preceding the relevant Reset Determination Date on which such rate was set forth in such release (or any successor release); and the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the U.S. Treasury Rate as determined in accordance with this Condition 3(c)(iii) and the Resettable Security Margin with such sum converted as set out in the definition of "First Reset Rate of Interest" or "Subsequent Reset Rate of Interest" (as applicable), all as determined by the Calculation Agent;

(iv) *Resettable Security Reference Bond Rate*

if Resettable Security Reference Bond Rate is specified in the relevant Pricing Supplement as the Resettable Security Reference Rate, the Calculation Agent will, in respect of a Reset Period, determine:

- (A) if the "Reference Bond Rate Source" specified in the relevant Pricing Supplement is "Price", the yield to maturity or interpolated yield to maturity (as calculated by the Calculation Agent on the Reset Determination Date in accordance with generally accepted market practice at such time) of the Reference Bond in respect of that Reset Period, with the price of the Reference Bond for this purpose being equal to that calculated by reference to (i) (if Screen Page Reference Bond Rate is specified as applicable in the relevant Pricing Supplement) such Screen Page Reference Bond Rate or (ii) otherwise Reference Bond Rate Quotations, in each case for such Reset Determination Date; or
- (B) if the "Reference Bond Rate Source" specified in the relevant Pricing Supplement is "Yield", in respect of a Reset Period, the yield to maturity or interpolated yield to maturity (as calculated by the Calculation Agent on the Reset Determination Date) of the Reference Bond in respect of that Reset Period calculated by reference to (i) (if Screen Page Reference Bond Rate is specified as applicable in the relevant Pricing Supplement) such Screen Page Reference Bond Rate or (ii) otherwise Reference Bond Rate Quotations, in each case for such Reset Determination Date,

(such yield being the "**Resettable Security Reference Bond Rate**"), and the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the Resettable Security Reference Bond Rate as determined in accordance with this Condition 3(c)(iv) (*Resettable Security Reference Bond Rate*) and the Resettable Security Margin with such sum converted as set out in the definition of "First Reset Rate of Interest" or "Subsequent Reset Rate of Interest" (as applicable), all as determined by the Calculation Agent; **provided, however, that**, if no Reference Bond Rate Quotations are received, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the rate of interest as at the last preceding Resettable Security Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

Definitions:

"**Reference Bond Rate Quotations**" means:

- (1) if the "Reference Bond Rate Source" specified in the relevant Pricing Supplement is "Price", in respect of a Reference Bond, the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)), as determined by the Calculation Agent, of the bid and offered prices of such Reference Bond (expressed in each case as a percentage of its principal amount) as at the Quotation Time on the relevant Reset Determination Date and, if relevant, on a dealing basis for settlement customarily used at such time, as

quoted in writing to the Calculation Agent by each Reference Government Bond Dealer; or

- (2) if the "Reference Bond Rate Source" specified in the relevant Pricing Supplement is "Yield", in respect of a Reference Bond, the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)), as determined by the Calculation Agent, of the bid and offered yield to maturity or interpolated yield to maturity of such Reference Bond (expressed in each case as a percentage of its principal amount) as at the Quotation Time on the relevant Reset Determination Date, as quoted in writing to the Calculation Agent by each Reference Government Bond Dealer,

and the price or (as applicable) the yield to maturity or interpolated yield to maturity of the Reference Bond for the purposes of calculating the Resettable Security Reference Bond Rate will be: (a) if five quotations are provided, the arithmetic average of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest); or (b) if fewer than five, but more than one, quotations are provided, the arithmetic average of the quotations provided; or (c) if only one quotation is provided, such quotation;

"Screen Page Reference Bond Rate" means:

- (A) if the "Reference Bond Rate Source" specified in the relevant Pricing Supplement is "Price":
 - (1) if the price of the Reference Bond is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Screen Page Reference Bond Rate as being the mid-market price of the Reference Bond which is displayed on, or derived from the prices displayed on, the Relevant Screen Page at the Quotation Time on the relevant Reset Determination Date;
 - (2) in any other case, the Calculation Agent will determine the Screen Page Reference Bond Rate as being the arithmetic mean (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the mid-market prices of the Reference Bond which are displayed on, or derived from the prices displayed on, the Relevant Screen Page at the Quotation Time on the relevant Reset Determination Date;
 - (3) if, in the case of (1) above, such mid-market price does not appear on, or cannot be derived from the prices on, the Relevant Screen Page or, in the case of (2) above, fewer than two such mid-market prices appear on, or can

be derived from the prices displayed on, the Relevant Screen Page or if, in either case, the Relevant Screen Page is unavailable or not determined in accordance with the definition of "Relevant Screen Page", the Calculation Agent will calculate the price of the Reference Bond for the purposes of determining the Resettable Security Reference Bond Rate by reference to the Reference Bond Rate Quotations (as if Screen Page Reference Bond Rate had not been specified as applicable in the relevant Pricing Supplement); or

(B) if the "Reference Bond Rate Source" specified in the relevant Pricing Supplement is "Yield":

- (1) if the yield to maturity or interpolated yield to maturity of the Reference Bond is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Screen Page Reference Bond Rate as being the mid-market yield to maturity or interpolated yield to maturity of the Reference Bond which is displayed on, or derived from the yields displayed on, the Relevant Screen Page at the Quotation Time on the relevant Reset Determination Date;
- (2) in any other case, the Calculation Agent will determine the Screen Page Reference Bond Rate as being the arithmetic mean (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards) of the mid-market yield to maturity or interpolated yield to maturity quotations of the Reference Bond which are displayed on, or derived from the yields displayed on, the Relevant Screen Page at the Quotation Time on the relevant Reset Determination Date;
- (3) if, in the case of (1) above, such mid-market yield does not appear on, or cannot be derived from the yields displayed on, the Relevant Screen Page or, in the case of (2) above, fewer than two such mid-market yields appear on, or can be derived from the yields displayed on, the Relevant Screen Page or if, in either case, the Relevant Screen Page is unavailable or not determined in accordance with the definition of "Relevant Screen Page", the Calculation Agent will calculate the yield to maturity or interpolated yield to maturity of the Reference Bond for the purposes of determining the Resettable Security Reference Bond Rate by reference to the Reference Bond Rate Quotations (as if Screen Page Reference Bond Rate had not been specified as applicable in the relevant Pricing Supplement);

(v) *SORA-OIS Rate*

if SORA-OIS Rate is specified in the relevant Pricing Supplement as the Resettable Security Reference Rate, the Calculation Agent will, in respect of a Reset Period, determine the SORA-OIS reference rate for the relevant Reference Rate Duration available on the Relevant Screen Page (or such other substitute page thereof or if there is no substitute page, the screen page which is the generally accepted page used by market participants at that time as determined by an independent financial institution (which is appointed by the Issuer and notified to the Calculation Agent)) at the close of business on the Reset Determination Date (such rate, the "**SORA-OIS Rate**"), and the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the SORA-OIS Rate as determined in accordance with this Condition 3(c)(v) and the Resettable Security Margin, with such sum converted as set out in the definition of "First Reset Rate of Interest" or "Subsequent Reset Rate of Interest" (as applicable), all as determined by the Calculation Agent; **provided, however, that** if the Relevant Screen Page is not available or such rate does not appear on the Relevant Screen Page on the relevant Reset Determination Date, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the rate of interest as at the last preceding Resettable Security Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest;

(vi) *TONA-TSR Rate*

if TONA-TSR Rate is specified in the relevant Pricing Supplement as the Resettable Security Reference Rate, the Calculation Agent will, in respect of a Reset Period, determine the applicable semi-annual or annualised (as specified in the relevant Pricing Supplement) mid-swap rate at around the TONA-TSR Applicable Time for swap transactions in JPY with a maturity equal to that of the relevant Reset Period where the floating leg references the Tokyo Overnight Average Rate ("**TONA**"), known as the "Tokyo Swap Rate (for swaps referencing TONA)" as displayed on the Relevant Screen Page at or around the Quotation Time on the relevant Reset Determination Date (such rate the "**TONA-TSR Rate**"), **provided, however, that** if the TONA-TSR Rate is subsequently corrected and published within the longer of one hour of the Quotation Time and the republication cut-off time, if any, as specified by the relevant benchmark administrator in the relevant benchmark methodology, then that TONA-TSR Rate will be subject to those corrections, and the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the TONA-TSR Rate, as determined in accordance with the above provisions or (as applicable) in accordance with the fallback provisions set out below in paragraphs (A) to (D), and the Resettable Security Margin, with such sum converted as set out in the definition of

"First Reset Rate of Interest" or "Subsequent Reset Rate of Interest" (as applicable), all as determined by the Calculation Agent.

- (A) If the TONA-TSR Rate is not published and otherwise unavailable, in either case, at or around Quotation Time on the relevant Reset Determination Date, then unless any of the TONA/TSR Index Cessation Events has occurred in addition to the occurrence of the TONA/TSR Index Cessation Effective Date, the TONA-TSR Rate on the relevant Reset Determination Date shall be such rate published at or around the Quotation Time on the immediately preceding Business Day on which the TONA-TSR Rate was published on the Relevant Screen Page.
- (B) If TONA is not provided in respect of a day on which banks are open for business in Tokyo ("**Tokyo Business Day**") and any of the TONA/TSR Index Cessation Events listed in limbs (i) and/or (ii) of the definition thereof has occurred in addition to the occurrence of the TONA/TSR Index Cessation Effective Date in respect of TONA, then, in respect of such Tokyo Business Day and each Tokyo Business Day thereafter (subject to Conditions 3(c)(vi)(C) and (D)), the TONA-TSR Rate for the relevant Reset Determination Date occurring on or after the TONA/TSR Index Cessation Effective Date will be the mid-swap rate (the "**Successor JPY Tokyo Swap Rate**") for swap transactions in JPY with a maturity equal to that of the relevant Reset Period provided by the administrator of the TONA-TSR Rate where the floating leg references the JPY Recommended Rate, which is designated, nominated or recommended as a successor mid-swap rate for the TONA-TSR Rate.
- (C) If any of the TONA/TSR Index Cessation Events listed in limbs (i) and/or (ii) of the definition thereof has occurred in addition to the occurrence of the TONA/TSR Index Cessation Effective Date in respect of TONA, and there is a Successor JPY Tokyo Swap Rate, but the administrator does not publish such Successor JPY Tokyo Swap Rate (or the Successor JPY Tokyo Swap Rate is unavailable) at or around the Quotation Time on the relevant Reset Determination Date, then unless any of the Successor JPY Tokyo Swap Rate Index Cessation Events has occurred, subject to Condition 3(c)(vi)(D), references to the Successor JPY Tokyo Swap Rate on the relevant Reset Determination Date will be deemed to be references to the last published Successor JPY Tokyo Swap Rate.
- (D)
 - (1) If, as of the relevant Reset Determination Date, any of the TONA/TSR Index Cessation Events listed in limbs (i) and/or (ii) of the definition thereof has occurred in addition to the occurrence of the TONA/TSR Index

Cessation Effective Date in respect of TONA, but there is:

- (a) no JPY Recommended Rate; or
 - (b) no previously published Successor JPY Tokyo Swap Rate; or
 - (c) a JPY Recommended Rate and a JPY Recommended Rate Index Cessation Event subsequently occurs;
- (2) if any of the TONA/TSR Index Cessation Events has occurred in addition to the occurrence of the TONA/TSR Index Cessation Effective Date in respect of the TONA-TSR Rate; or
- (3) if there is a Successor JPY Tokyo Swap Rate but any of the Successor JPY Tokyo Swap Rate Index Cessation Events subsequently occurs,

then the TONA-TSR Rate will be a mid-swap rate for swap transactions in JPY with a maturity equal to that of the relevant Reset Period where the floating leg references (x) if no TONA/TSR Index Cessation Event in respect of TONA has occurred, TONA, (y) if a TONA/TSR Index Cessation Event in respect of TONA has occurred and there is a JPY Recommended Rate and no JPY Recommended Rate Index Cessation Event has occurred, the JPY Recommended Rate or (z) in all other cases, an alternative JPY risk free rate. Such mid-swap rate (the "**Alternative Mid-Swap Rate**") shall be determined by the Replacement Rate Agent (as defined below) acting in good faith, taking into account all available information including industry standard for international debt capital markets transactions and over-the-counter derivative transactions that the Replacement Rate Agent considers sufficient for that rate to be a representative alternative rate. If the Replacement Rate Agent determines that an Alternative Mid-Swap Rate Adjustment Spread should be applied to the Alternative Mid-Swap Rate, then such Alternative Mid-Swap Rate Adjustment Spread shall be applied to the Alternative Mid-Swap Rate. If the Replacement Rate Agent is unable to determine the quantum of, or a formula or methodology for determining such Alternative Mid-Swap Rate Adjustment Spread, then the Alternative Mid-Swap Rate will be referenced without an Alternative Mid-Swap Rate Adjustment Spread. If the Replacement Rate Agent determines the Alternative Mid-Swap Rate and (if applicable) Alternative Mid-Swap Rate Adjustment Spread in accordance with the above provisions, the Replacement Rate Agent may also specify changes to these Conditions, including (but not limited to) the method for determining the fallback rate in relation to the Securities, in order to follow market practice in relation to the mid-swap rate for swap transactions in JPY with a maturity equal to that of the relevant Reset Period and/or the Alternative Mid-Swap Rate Adjustment Spread.

The Trustee shall, at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by two Authorised Signatories, confirming that the Replacement Rate Agent has made the relevant determinations in accordance with this Condition 3(c)(vi)(D) and attaching the proposed amendments to the Conditions, be obliged to concur with the Issuer to effect such amendments to the Conditions together with such consequential amendments to the Trust Deed and Agency Agreement as the Trustee may deem appropriate in order to give effect to this Condition 3(c)(vi)(D) and the Trustee shall not be liable to any person for any consequences thereof, save as provided in the Trust Deed. No consent of the Securityholders of the relevant Series or of the Holders of the Coupons appertaining thereto shall be required in connection with effecting such changes, including for the execution of any documents or the taking of other steps by the Trustee, the Issuer or any of the parties to the Agency Agreement (if required). The Trustee shall not be obliged to agree to any amendments which in the sole opinion of the Trustee would have the effect of (A) exposing the Trustee to any liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the documents to which it is a party and/or these Conditions. The Agents (as defined in the Agency Agreement) shall give effect to this Condition 3(c)(vi)(D) (by effecting such consequential amendments to the Agency Agreement or otherwise as is necessary on the part of each Agent (acting reasonably)), **provided that** the Agents shall not be obliged to give effect to any such amendments, if in the reasonable opinion of the relevant Agent (acting in good faith and following consultation, to the extent practicable, with the Issuer), the same would not be operable in accordance with the terms proposed pursuant to this Condition 3(c)(vi)(D) or would expose it to any additional duties or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or the Agency Agreement. The Issuer shall promptly following the determination by the Replacement Rate Agent of any changes pursuant to this Condition 3(c)(vi)(D) give notice thereof to the Trustee, the Principal Paying and Conversion Agent, the Calculation Agent and the Securityholders (in accordance with Condition 14 (*Notices*)).

In the event that this Condition 3(c)(vi)(D) applies, the Issuer shall use its reasonable endeavours to appoint, as soon as reasonably practicable, a "**Replacement Rate Agent**" on or prior to the relevant Reset Determination Date. The Issuer may appoint an affiliate of the Issuer or any other person as Replacement Rate Agent, so long as such affiliate or other person is a leading financial institution that is experienced in the calculations or determinations to be made by the Replacement Rate Agent. Notwithstanding any other provision of this Condition 3(c)(vi)(D), no Alternative Mid-Swap Rate determined by the Replacement Rate Agent will be adopted, nor will the applicable Alternative Mid-Swap Rate Adjustment Spread be applied, nor will any such amendments to these Conditions be made, if in the determination

of the Issuer, the same could reasonably be expected to result in: (i) the exclusion of the Securities in whole or in part from the regulatory capital of the Group (other than as a consequence of their conversion pursuant to Condition 9(b) (*Conversion upon occurrence of Capital Adequacy Trigger*)); or (ii) the reclassification of the Securities in whole or in part as a form of regulatory capital of the Group that is lower than Additional Tier 1 capital. If the Issuer is unable to appoint a Replacement Rate Agent or the Replacement Rate Agent is unable to determine the Alternative Mid-Swap Rate on or prior to the relevant Reset Determination Date despite acting in good faith and using reasonable endeavours of the Issuer and the Replacement Rate Agent, or if no Alternative Mid-Swap Rate is adopted pursuant to the previous sentence, the applicable TONA-TSR Rate on the relevant Reset Determination Date shall be such rate published at or around the Quotation Time, on the immediately preceding Business Day on which the TONA-TSR Rate was published on the Relevant Screen Page.

Definitions:

"Alternative Mid-Swap Rate Adjustment Spread" means a spread (which may be positive or negative or zero) or formula or methodology for calculating a spread, in each case to be applied to the Alternative Mid-Swap Rate, and is the spread, formula or methodology which:

- (i) the Replacement Rate Agent (in consultation with the Issuer) determines is customarily applied to the relevant Alternative Mid-Swap Rate in international debt capital markets transactions to produce an industry-accepted replacement rate for the TONA-TSR Rate or the Successor JPY Tokyo Swap Rate; or
- (ii) (if the Replacement Rate Agent determines that there is no customarily applied spread in relation to the TONA-TSR Rate or the Successor JPY Tokyo Swap Rate as envisaged by limb (i) above), the Replacement Rate Agent (in consultation with the Issuer) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the TONA-TSR Rate or the Successor JPY Tokyo Swap Rate, where such rate has been replaced by the Alternative Mid-Swap Rate.

"JPY Recommended Rate" means the rate (inclusive of any spreads or adjustments) recommended as the replacement for TONA by a committee officially endorsed or convened by the Bank of Japan for the purpose of recommending a replacement for TONA (which rate may be produced by the Bank of Japan or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof, published by an authorised distributor.

"JPY Recommended Rate Index Cessation Event" means any of the following:

- (i) a public statement or publication of information by or on behalf of the administrator of the JPY Recommended Rate announcing that it has ceased or will cease to provide the JPY Recommended Rate permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the JPY Recommended Rate; or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the JPY Recommended Rate, the Bank of Japan, an insolvency official with jurisdiction over the administrator of the JPY Recommended Rate, a resolution authority with jurisdiction over the administrator of the JPY Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the JPY Recommended Rate, which states that the administrator of the JPY Recommended Rate has ceased or will cease to provide the JPY Recommended Rate permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the JPY Recommended Rate.

"Successor JPY Tokyo Swap Rate Index Cessation Event" means any of the following:

- (i) a public statement or publication of information by or on behalf of the administrator of the Successor JPY Tokyo Swap Rate announcing that it has ceased or will cease to provide the Successor JPY Tokyo Swap Rate permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Successor JPY Tokyo Swap Rate; or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Successor JPY Tokyo Swap Rate, the Bank of Japan, an insolvency official with jurisdiction over the administrator of the Successor JPY Tokyo Swap Rate, a resolution authority with jurisdiction over the administrator of the Successor JPY Tokyo Swap Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Successor JPY Tokyo Swap Rate, which states that the administrator of the Successor JPY Tokyo Swap Rate has ceased or will cease to provide the Successor JPY Tokyo Swap Rate permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Successor JPY Tokyo Swap Rate.

"TONA-TSR Applicable Time" means either 10:00a.m. Tokyo time or 3:00p.m. Tokyo time, as specified in the relevant Pricing Supplement.

"TONA/TSR Index Cessation Event" means any of the following:

- (i) a public statement or publication of information by or on behalf of the Bank of Japan (or a successor administrator) announcing that it has ceased or will cease to provide TONA permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide TONA;
- (ii) a public statement or publication of information by the regulatory supervisor for the successor administrator of TONA, the Bank of Japan, an insolvency official with jurisdiction over the successor administrator of TONA, a resolution authority with jurisdiction over the successor administrator of TONA or a court or an entity with similar insolvency or resolution authority over the successor administrator of TONA, which states that the successor administrator of TONA has ceased or will cease to provide TONA permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no further successor administrator or provider that will continue to provide TONA;
- (iii) a public statement or publication of information by or on behalf of the administrator of the TONA-TSR Rate announcing that it has ceased or will cease to provide the TONA-TSR Rate permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the TONA-TSR Rate; or
- (iv) a public statement or publication of information by the regulatory supervisor for administrator of the TONA-TSR Rate, the Bank of Japan, an insolvency official with jurisdiction over the administrator of the TONA-TSR Rate, a resolution authority with jurisdiction over the administrator of the TONA-TSR Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the TONA-TSR Rate, which states that the administrator of the TONA-TSR Rate has ceased or will cease to provide the TONA-TSR Rate permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the TONA-TSR Rate.

"TONA/TSR Index Cessation Effective Date" means, in respect of TONA and/or the TONA-TSR Rate and a TONA/TSR Index Cessation Event, the first date on which TONA and/or the TONA-TSR Rate would ordinarily have been provided and is no longer provided.

(d) ***Notification of Rate of Interest for Resetable Securities***

The Calculation Agent will cause the First Reset Rate of Interest or (if applicable) the relevant Subsequent Reset Rate of Interest for each interest period to be notified to the Issuer, the Principal Paying and Conversion Agent and, for as long as such Securities are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, to such listing authority, stock exchange and/or quotation system in accordance with the rules thereof, and, for as long as such Securities are represented by Securities in global form, Euroclear and/or Clearstream, Luxembourg and/or such other clearing system or depositary as may be set out in the relevant Pricing Supplement as soon as possible after the determination thereof but in any event no later than the fourth business day thereafter. In respect of Resetable Securities which are in definitive form, the Calculation Agent will give notice to the Securityholders of the First Reset Rate of Interest and (if applicable) the relevant Subsequent Reset Rate of Interest in accordance with the provisions of Condition 14 (*Notices*).

(e) ***Fixed Coupon Amounts and Resetable Coupon Amounts***

If the Fixed Rate Securities are in definitive form and a Fixed Coupon Amount is specified in the relevant Pricing Supplement, the amount of interest payable in respect of each Fixed Rate Security for any Interest Period shall be the relevant Fixed Coupon Amount multiplied by a fraction equal to the Specified Denomination of such Security divided by the Calculation Amount and, if the Securities are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount multiplied by a fraction equal to that relevant Specified Denomination divided by the Calculation Amount.

If the Resetable Securities are in definitive form and a Resetable Coupon Amount is specified in the relevant Pricing Supplement in relation to a Resetable Security Interest Payment Date, the amount of interest payable in respect of each Resetable Security on such a Resetable Security Interest Payment Date shall be the relevant Resetable Coupon Amount multiplied by a fraction equal to the Specified Denomination of such Security divided by the Calculation Amount and, if the Securities are in more than one Specified Denomination, shall be the relevant Resetable Coupon Amount multiplied by a fraction equal to that relevant Specified Denomination divided by the Calculation Amount.

(f) ***Calculation of Interest Amount for Fixed Rate Securities or Resetable Securities***

Except in the case of Fixed Rate Securities and Resetable Securities in definitive form where an applicable Fixed Coupon Amount or (as the case may be) Resetable Coupon Amount in relation to an Interest Period is specified in the relevant Pricing Supplement, the amount of interest payable in respect of a Fixed Rate Security or (as the case may be) Resetable Security in relation to any period shall be calculated by applying the Rate of Interest (in the case of a Fixed Rate Security) or the Initial Rate of Interest, First Reset Rate of Interest

or (if applicable) relevant Subsequent Reset Rate of Interest (in the case of a Resettable Security) to:

- (i) in the case of Fixed Rate Securities or, as the case may be, Resettable Securities which are represented by a Security in global form, the principal amount of the Securities represented by such Security in global form during such Interest Period; or
- (ii) in the case of Fixed Rate Securities or, as the case may be, Resettable Securities in definitive form, the Calculation Amount during such Interest Period, as so specified in the relevant Pricing Supplement,

in each case, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest applicable sub-unit of the currency in which the Security is denominated or, as the case may be, in which such interest is payable (one half of any sub-unit being rounded upwards or otherwise in accordance with applicable market convention, as determined by the Calculation Agent). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Fixed Rate Security or, as the case may be, Resettable Security in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Security shall be the aggregate of the amounts determined in the manner provided above for each Calculation Amount comprising the Specified Denomination without any further rounding.

(g) ***Determination or Calculation by an agent appointed by the Trustee in relation to Resettable Securities***

If the Calculation Agent does not at any time for any reason determine the First Reset Rate of Interest or Subsequent Reset Rate of Interest, the Trustee may (at the expense of the Issuer) appoint an agent to do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, such agent appointed by the Trustee shall apply the foregoing provisions of this Condition 3, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(h) ***Certificates, etc. to be Final***

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purpose of the provisions of this Condition 3 whether by the Calculation Agent, the Replacement Rate Agent, the Independent Adviser or any agent appointed by the Trustee shall (in the absence of manifest error) be final and binding on the Issuer, the Trustee, any agent appointed by the Trustee, the Paying Agents, (where appropriate) the Registrar and the Holders of Securities and of the Coupons appertaining thereto. No Holder of Securities or of the Coupons appertaining thereto shall be entitled to proceed against the Calculation Agent, the Replacement Rate Agent, the Independent Adviser, the Trustee, any agent

appointed by the Trustee, the Paying Agents, the Registrar or any of them in connection with the exercise or non-exercise by them of their powers, duties and discretions hereunder, including, without limitation, in respect of any notification, opinion, communication, determination, certificate, calculation, quotation or decision given, expressed or made for the purposes of this Condition 3.

(i) ***Cessation of Interest Accrual***

Without prejudice to Conditions 2(b) (*Subordination – conditions to payment*), 5 (*Cancellation of Interest*) and 9(g) (*Accrued Interest following Capital Adequacy Trigger*), interest will cease to accrue on each Fixed Rate Security or Resettable Security on the Redemption Date (if any) unless, upon due presentation thereof or, in the case of a Registered Security, upon such due date, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue (as well after as before any judgment) up to and including the date on which, in the case of a Bearer Security, upon further presentation thereof, payment in full of the principal amount due in respect of such Fixed Rate Security or (as the case may be) Resettable Security is made or (if earlier) the date upon which notice is duly given to the Holder of such Fixed Rate Security or (as the case may be) Resettable Security that sufficient funds for payment of the principal amount due in respect of it, together with accrued interest, have been received by the Principal Paying and Conversion Agent or the Trustee or, in the case of a Registered Security, the date on which payment in full is made.

4. **Interest on Floating Rate Securities**

(a) ***Accrual of Interest***

Subject to Conditions 2(b) (*Subordination – conditions to payment*), 5 (*Cancellation of Interest*) and 9(g) (*Accrued Interest following Capital Adequacy Trigger*), Securities which are specified in the relevant Pricing Supplement as being Floating Rate Securities (each a "**Floating Rate Security**") bear interest on the principal amount of each Security from the Interest Commencement Date specified in the relevant Pricing Supplement.

Without prejudice to 2(b) (*Subordination – conditions to payment*), 5 (*Cancellation of Interest*) and 9(g) (*Accrued Interest following Capital Adequacy Trigger*), interest will cease to accrue on each Floating Rate Security on its Redemption Date (if any) unless, upon due presentation thereof or, in the case of a Registered Security, upon such due date, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue (as well after as before any judgment) up to and including the date on which, in the case of a Bearer Security, upon further presentation thereof, payment in full of the principal amount due in respect of such Security is made or (if earlier) the date upon which notice is duly given to the Holder of such Security that sufficient funds for payment of the principal amount due in respect of it, together with accrued interest, have been received by the Principal Paying and Conversion Agent or the Trustee or, in the case of a Registered Security, the date on which payment in full is made.

(b) ***Interest Payment Dates***

Subject to Conditions 2(b) (*Subordination – conditions to payment*), 5 (*Cancellation of Interest*) and 9(g) (*Accrued Interest following Capital Adequacy Trigger*), interest on each Floating Rate Security will be payable in arrear on the Interest Payment Date(s). The first payment of interest will be made on the first Interest Payment Date following the Interest Commencement Date.

(c) ***Screen Rate Determination for Floating Rate Securities not referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA***

If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Securities for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the rate of the relevant Reference Rate for the Relevant Period as being the rate which appears on the Relevant Screen Page for the Relevant Period as of the Relevant Time on the relevant Interest Determination Date;
- (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period or generally in relation to the Securities in the relevant Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates for the relevant Reference Rate which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
 - (A) one such rate shall be determined as if the Relevant Period were the period of time for which rates for the relevant Reference Rate are available next shorter than the length of the relevant Interest Period; and
 - (B) the other such rate shall be determined as if the Relevant Period were the period of time for which rates for the relevant Reference Rate are available next longer than the length of the relevant Interest Period,

provided, however, that if no such 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, acting in a commercially reasonable manner, shall determine such rate for the relevant Reference Rate at such time and by reference to such sources as it determines appropriate;

- (iii) in any other case, the Calculation Agent will determine the arithmetic mean of the rates for the relevant Reference Rate for the Relevant Period

which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

- (iv) if a Screen Rate Fallback Trigger has occurred, then:
 - (A) if ISDA Determination for Fallback provisions is specified in the relevant Pricing Supplement as being applicable, the Calculation Agent will determine the relevant Floating Rate for the relevant Interest Determination Date in accordance with Condition 4(f) (*ISDA Determination*) on the basis of the Floating Rate Option, Designated Maturity and Reset Date specified in the relevant Pricing Supplement;
 - (B) if ISDA Determination for Fallback provisions is not specified in the relevant Pricing Supplement as being applicable, the Specified Currency is AUD and the Reference Rate is BBSW, the Reference Rate for an Interest Period, whilst such Temporary Disruption Trigger is continuing or after a Permanent Discontinuation Trigger has occurred, shall be calculated by the Calculation Agent on the following basis (in the following order of application and precedence):
 - (i) if a Temporary Disruption Trigger has occurred with respect to the BBSW Rate, in the following order of precedence:
 - (A) *first*, the Administrator Recommended Rate;
 - (B) then the Supervisor Recommended Rate; and
 - (C) *lastly*, the Closing Fallback Rate;
 - (ii) where a determination of the AONIA Rate is required for the purposes of paragraph (i) above, if a Temporary Disruption Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required will be the last provided or published level of AONIA;
 - (iii) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (i) or (ii) above, if a Temporary Disruption Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required will be the last rate provided or published by the Administrator of the RBA Recommended Rate (or if no such rate has been so provided or published, the last provided or published level of AONIA);
 - (iv) if a Permanent Discontinuation Trigger has occurred with respect to the BBSW Rate, the rate for any day for which the BBSW Rate is required on or after the

Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

- (A) *first*, if at the time of the BBSW Rate Permanent Fallback Effective Date, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Rate;
 - (B) *then*, if at the time of the BBSW Rate Permanent Fallback Effective Date, an AONIA Permanent Fallback Effective Date has occurred, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and
 - (C) *lastly*, if neither paragraph (A) nor paragraph (B) above apply, the Closing Fallback Rate;
- (v) where a determination of the AONIA Rate is required for the purposes of paragraph (iv)(A) above, if a Permanent Discontinuation Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required on or after the AONIA Permanent Fallback Effective Date will be the first rate available in the following order of precedence:
- (A) *first*, if at the time of the AONIA Permanent Fallback Effective Date, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Rate; and
 - (B) *lastly*, if paragraph (A) above does not apply, the Closing Fallback Rate; and
- (vi) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (iv) or (v) above, respectively, if a Permanent Discontinuation Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required on or after that Permanent Fallback Effective Date will be the Closing Fallback Rate.

When calculating an amount of interest in circumstances where a Fallback Rate other than the Closing Fallback Rate applies, that interest will be calculated as if references to the BBSW Rate, AONIA Rate or RBA Recommended Rate (as applicable) were references to that Fallback Rate. When calculating interest in circumstances where the Closing Fallback Rate applies, the

amount of interest will be calculated on the same basis as if the Applicable Benchmark Rate in effect immediately prior to the application of that Closing Fallback Rate remained in effect but with necessary adjustments to substitute all references to that Applicable Benchmark Rate with corresponding references to the Closing Fallback Rate.

In this respect, the Issuer (in consultation, to the extent practicable, with the Calculation Agent) may at any time, specify any BBSW Benchmark Replacement Conforming Changes which changes shall apply to the Securities for all future Interest Periods (without prejudice to the further operation of this Condition 4(c)(iv)(B)) and, for the avoidance of doubt, the Trustee shall, at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by two Authorised Signatories, confirming that the Issuer has made the relevant determinations in accordance with this Condition 4(c)(iv)(B) and attaching the proposed amendments to the Conditions, be obliged to concur with the Issuer to effect such amendments to the Conditions together with such consequential amendments to the Trust Deed and Agency Agreement as the Trustee may deem appropriate in order to give effect to this Condition 4(c)(iv)(B) and the Trustee shall not be liable to any person for any consequences thereof, save as provided in the Trust Deed. No consent of the Securityholders of the relevant Series or of the Holders of the Coupons appertaining thereto shall be required in connection with effecting such changes, including for the execution of any documents or the taking of other steps by the Trustee, the Issuer or any of the parties to the Agency Agreement (if required). The Trustee shall not be obliged to agree to any amendments which in the sole opinion of the Trustee would have the effect of (A) exposing the Trustee to any liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the documents to which it is a party and/or these Conditions. The Agents (as defined in the Agency Agreement) shall give effect to this Condition 4(c)(iv)(B) (by effecting such consequential amendments to the Agency Agreement or otherwise as is necessary on the part of each Agent (acting reasonably)), **provided that** the Agents shall not be obliged to give effect to any such amendments, if in the reasonable opinion of the relevant Agent (acting in good faith and following consultation, to the extent practicable, with the Issuer), the same would not be operable in accordance with the terms proposed pursuant to this Condition 4(c)(iv)(B) or would expose it to any additional duties or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or the Agency Agreement. The Issuer shall promptly following the determination of any changes pursuant to

Condition 4(c)(iv)(B) give notice thereof to the Trustee, the Principal Paying and Conversion Agent, the Calculation Agent and the Securityholders (in accordance with Condition 14 (*Notices*)).

If the Calculation Agent is unwilling or unable to determine a necessary rate, adjustment, quantum, formula, methodology or other variable in order to calculate the applicable Rate of Interest in accordance with this Condition 4(c)(iv)(B), such rate, adjustment, quantum, formula, methodology or other variable will be determined by the Issuer (acting in good faith and in a commercially reasonable manner) or, an alternate financial institution (acting in good faith and in a commercially reasonable manner) appointed by the Issuer (in its sole discretion) to so determine.

Notwithstanding any other provision of this Condition 4(c)(iv)(B), no fallback rate will be adopted, nor will any amendment to the Conditions be made, in each case pursuant to this Condition 4(c)(iv)(B), if in the determination of the Issuer, the same could reasonably be expected to result in: (i) the exclusion of the Securities in whole or in part from the regulatory capital of the Group (other than as a consequence of their conversion pursuant to Condition 9(b) (*Conversion upon occurrence of Capital Adequacy Trigger*)); or (ii) the reclassification of the Securities in whole or in part as a form of regulatory capital of the Group that is lower than Additional Tier 1 capital.

All rates determined pursuant to this Condition 4(c)(iv)(B) shall be expressed as a percentage rate per annum and the resulting percentage will be rounded if necessary to the fourth decimal place (i.e., to the nearest one ten-thousandth of a percentage point) with 0.00005 being rounded upwards.

Definitions for the purposes of this Condition 4(c)(iv)(B):

"**Adjustment Spread**" means the adjustment spread as at the Adjustment Spread Fixing Date (which may be a positive or negative value or zero and determined pursuant to a formula or methodology) that is:

- (a) determined as the median of the historical differences between the BBSW Rate and AONIA over a five calendar year period prior to the Adjustment Spread Fixing Date using practices based on those used for the determination of the Bloomberg Adjustment Spread as at 1 December 2022, **provided that** for so long as the Bloomberg Adjustment Spread is published and determined based on the five year median of the historical differences between the BBSW Rate and

AONIA, that adjustment spread will be deemed to be acceptable for the purposes of this paragraph (a); or

- (b) if no such median can be determined in accordance with paragraph (a), set using the method for calculating or determining such adjustment spread determined by the Calculation Agent (after consultation with the Issuer where practicable) to be appropriate;

"Adjustment Spread Fixing Date" means the first date on which a Permanent Discontinuation Trigger occurs with respect to the BBSW Rate;

"Administrator" means:

- (a) in respect of the BBSW Rate, ASX Benchmarks Pty Limited (ABN 38 616 075 417);
- (b) in respect of AONIA (or where AONIA is used to determine an Applicable Benchmark Rate), the Reserve Bank of Australia; and
- (c) in respect of any other Applicable Benchmark Rate, the administrator for that rate or benchmark or, if there is no administrator, the provider of that rate or benchmark,

and, in each case, any successor administrator or, as applicable, any successor administrator or provider;

"Administrator Recommended Rate" means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Administrator of the BBSW Rate;

"AONIA" mean the Australian dollar interbank overnight cash rate (known as AONIA);

"AONIA Rate" means, for an Interest Period and in respect of an Interest Determination Date, the rate determined by the Calculation Agent to be Compounded Daily AONIA for that Interest Period and Interest Determination Date plus the Adjustment Spread;

"Applicable Benchmark Rate" means the BBSW Rate and, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, AONIA or the RBA Recommended Rate, then the rate determined in accordance with this Condition 4(c)(iv)(B);

"BBSW Benchmark Replacement Conforming Changes" means, with respect to any replacement rate for the Applicable Benchmark Rate determined in accordance with this Condition 4(c)(iv)(B) (the **"Relevant Replacement Rate"**), changes to (1)

any Interest Determination Date, Interest Payment Date, Business Day Convention or Interest Period, (2) the manner, timing and frequency of determining the rate and amounts of interest that are payable on the Securities during the Interest Period and the conventions relating to such determination and calculations with respect to interest, (3) rounding conventions, (4) tenors and (5) any other terms or provisions of the Securities during the Interest Period, in each case that the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines, from time to time, to be appropriate to reflect the determination and implementation of Relevant Replacement Rate in a manner substantially consistent with market practice (or, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) decides that implementation of any portion of such market practice is not administratively feasible or determine that no market practice for use of the Relevant Replacement Rate exists, in such other manner as the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines is appropriate (acting in good faith));

"BBSW Rate" means BBSW for the Relevant Period which is calculated in accordance with Condition 4(c)(i) to (iii);

"Bloomberg Adjustment Spread" means the term adjusted AONIA spread relating to the BBSW Rate provided by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time as the provider of term adjusted AONIA and the spread) ("**BISL**") on the Fallback Rate (AONIA) Screen (or by other means), or provided to, and published by, authorised distributors where **"Fallback Rate (AONIA) Screen"** means the Bloomberg Screen corresponding to the Bloomberg ticker for the fallback for the BBSW Rate accessed via the Bloomberg Screen <FBAK> <GO> Page (or, if applicable, accessed via the Bloomberg Screen <HP> <GO>) or any other published source designated by BISL;

"Business Day (AONIA)" means any day on which commercial banks are open for general business in Sydney;

"Closing Fallback Rate" means, in respect of an Applicable Benchmark Rate, the rate:

- (a) determined by the Calculation Agent as a commercially reasonable alternative for the Applicable Benchmark Rate taking into account all available information that, in good faith, it considers relevant, **provided that** any rate (inclusive of any spreads or adjustments) implemented by central counterparties and/or futures exchanges with representative trade volumes in derivatives or futures referencing the Applicable Benchmark Rate will be

deemed to be acceptable for the purposes of this paragraph (a), together with (without double counting) such adjustment spread (which may be a positive or negative value or zero) that is customarily applied to the relevant successor rate or alternative rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for Applicable Benchmark Rate-linked floating rate notes at such time (together with such other adjustments to the Business Day Convention, interest determination dates and related provisions and definitions, in each case that are consistent with accepted market practice for the use of such successor rate or alternative rate for Applicable Benchmark Rate-linked floating rate notes at such time), or, if no such industry standard is recognised or acknowledged, the method for calculating or determining such adjustment spread determined by the Calculation Agent (in consultation with the Issuer) to be appropriate; **provided that**

- (b) if and for so long as no such successor rate or alternative rate can be determined in accordance with paragraph (a), the Closing Fallback Rate will be the last provided or published level of that Applicable Benchmark Rate;

"Compounded Daily AONIA" means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with AONIA as the reference rate for the calculation of interest) as calculated by the Calculation Agent on the relevant Interest Determination Date, as follows:

$$\left[\prod_{i=1}^{(Add)} \left(1 + \frac{AONIA_{i-5 \text{ BD} \times n_i}}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"AONIA_{i-5 BD}" means the per annum rate expressed as a decimal which is the level of AONIA provided by the Administrator and published as of the Publication Time for the Business Day (AONIA) falling five Business Days (AONIA) prior to such Business Day (AONIA) "i";

"d" is the number of calendar days in the relevant Interest Period;

"d₀" is the number of Business Days (AONIA) in the relevant Interest Period;

"i" is a series of whole numbers from 1 to d₀, each representing the relevant Business Day (AONIA) in chronological order from (and including) the first Business Day (AONIA) in the relevant

Interest Period to (and including) the last Business Day (AONIA) in such Interest Period;

"**ni**", for any Business Day (AONIA) "i" in the relevant Interest Period, means the number of calendar days from (and including) such Business Day (AONIA) "i" up to (but excluding) the following Business Day (AONIA); and

If, for any reason, Compounded Daily AONIA needs to be determined for a period other than an Interest Period, Compounded Daily AONIA is to be determined as if that period were an Interest Period starting on (and including) the first day of that period and ending on (but excluding) the last day of that period;

"**Fallback Rate**" means, where a Permanent Discontinuation Trigger for an Applicable Benchmark Rate has occurred, the rate that applies to replace that Applicable Benchmark Rate in accordance with this Condition 4(c)(iv)(B);

"**Interest Determination Date**" for the purposes of this Condition 4(c)(iv)(B) only:

- (a) where the BBSW Rate applies, has the meaning given to such term in Condition 19 (*Definitions*);
- (b) where the Final Fallback Rate applies under paragraph (iv)(C) of this Condition 4(c)(iv)(B) and notwithstanding the meaning given to such term in Condition 19 (*Definitions*), it means the first day of that Interest Period; and
- (c) in any other circumstances and notwithstanding the provisions of Condition 19 (*Definitions*), it means the third Business Day prior to the Interest Payment Date in respect of that Interest Period;

"**Non-Representative**" means, in respect of an Applicable Benchmark Rate, that the Supervisor of that Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate:

- (a) has determined that such Applicable Benchmark Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark Rate is intended to measure and that representativeness will not be restored; and

- (b) is aware that such determination will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such Supervisor (howsoever described) in contracts;

"Permanent Discontinuation Trigger" means, in respect of an Applicable Benchmark Rate:

- (a) a public statement or publication of information by or on behalf of the Administrator of the Applicable Benchmark Rate announcing that it has ceased or that it will cease to provide the Applicable Benchmark Rate permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;
- (b) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate, the Reserve Bank of Australia (or any successor central bank for Australian dollars), an insolvency official or resolution authority with jurisdiction over the Administrator of the Applicable Benchmark Rate or a court or an entity with similar insolvency or resolution authority over the Administrator of the Applicable Benchmark Rate which states that the Administrator of the Applicable Benchmark Rate has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate and a public statement or publication of information other than by the Supervisor, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;
- (c) a public statement by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, as a consequence of which the Applicable Benchmark Rate will be prohibited from being used either generally, or in respect of the Securities, or that its use will be subject to restrictions or adverse consequences to the Issuer or a Securityholder;

- (d) as a consequence of a change in law or directive arising after the Issue Date of the first Tranche of Securities of a Series, it has become unlawful for the Calculation Agent, the Issuer or any other party responsible for calculations of interest under the Conditions to calculate any payments due to be made to any Securityholder using the Applicable Benchmark Rate;
- (e) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, stating that the Applicable Benchmark Rate is Non-Representative; or
- (f) the Applicable Benchmark Rate has otherwise ceased to exist or be administered on a permanent or indefinite basis;

"Permanent Fallback Effective Date" means, in respect of a Permanent Discontinuation Trigger for an Applicable Benchmark Rate:

- (a) in the case of paragraphs (a) and (b) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided and is no longer published or provided;
- (b) in the case of paragraphs (c) and (d) of the definition of "Permanent Discontinuation Trigger", the date from which use of the Applicable Benchmark Rate is prohibited or becomes subject to restrictions or adverse consequences or the calculation becomes unlawful (as applicable);
- (c) in the case of paragraph (e) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided but is Non-Representative by reference to the most recent statement or publication contemplated in that paragraph and even if such Applicable Benchmark Rates continues to be published or provided on such date; or
- (d) in the case of paragraph (f) of the definition of "Permanent Discontinuation Trigger", the date that event occurs;

"Publication Time" means 4.00 pm (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for AONIA in its benchmark methodology;

"RBA Recommended Fallback Rate" means, for an Interest Period and in respect of an Interest Determination Date, the rate determined by the Calculation Agent to be the RBA Recommended Rate for that Interest Period and Interest Determination Date;

"RBA Recommended Rate" means, in respect of any relevant day (including any day "i"), the rate (inclusive of any spreads or adjustments) recommended as the replacement for AONIA by the Reserve Bank of Australia (which rate may be produced by the Reserve Bank of Australia or another administrator) and as provided by the Administrator of that rate or, if that rate is not provided by the Administrator thereof, published by an authorised distributor in respect of that day;

"Supervisor" means, in respect of an Applicable Benchmark Rate, the supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate, or any committee officially endorsed or convened by any such supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate;

"Supervisor Recommended Rate" means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Supervisor of the BBSW Rate; and

"Temporary Disruption Trigger" means, in respect of any Applicable Benchmark Rate which is required for any determination:

- (a) the Applicable Benchmark Rate has not been published by the applicable Administrator or an authorised distributor and is not otherwise provided by the Administrator, in respect of, on, for or by the time and date on which that Applicable Benchmark Rate is required; or
 - (b) the Applicable Benchmark Rate is published or provided but the Calculation Agent determines that there is an obvious or proven error in that rate;
- (C) if ISDA Determination for Fallback provisions is not specified in the relevant Pricing Supplement as being applicable, the

Specified Currency is TWD and the Reference Rate is TAIBIR, the Calculation Agent will:

- (1) request the principal Taipei offices of five leading dealers in Taiwan Secondary Market Bills in Taipei to provide quotations of the Taiwan Secondary Markets Bills Rates offered by them to prime banks in the Taipei interbank market for the Relevant Period at approximately 11:00 a.m. Taipei time on the Interest Determination Date; and
 - (2) determine the arithmetic mean (rounded, if necessary, to the nearest four decimal places, with 0.00005 being rounded upwards) of such quotations; and
 - (3) if fewer than four quotations are provided as requested, the Calculation Agent will determine the rate in its discretion;
- (D) if ISDA Determination for Fallback provisions is not specified in the relevant Pricing Supplement as being applicable, the Specified Currency is TWD and the Reference Rate is TAIBOR, the Calculation Agent will:
- (1) request the principal Taipei offices of fourteen prime banks in Taiwan to provide a quotation at approximately 11:30 a.m. Taipei time on the Interest Determination Date of the rate offered by them to other prime banks in the Taipei interbank market for deposits in TWD for a period equal to the Relevant Period and in an amount that is representative for a single transaction in that market at that time; and
 - (2) determine the arithmetic mean (rounded, if necessary, to the nearest four decimal places, with 0.00005 being rounded upwards) of such quotations; and
 - (3) if fewer than four quotations are provided as requested, the Calculation Agent will determine the rate in its discretion;
- (E) if ISDA Determination for Fallback provisions is not specified in the relevant Pricing Supplement as being applicable, the Specified Currency is MXN and the Reference Rate is TIIE, the Calculation Agent will:
- (1) request the principal Mexico City office of the Reference Banks to provide a quotation of their mid-market rate for cost of funds for MXN for the Relevant Period at approximately the Relevant Time on the Interest Determination Date in an amount that is representative for a single transaction in that market at that time; and

- (2) determine the arithmetic mean (rounded, if necessary, to the nearest four decimal places, with 0.00005 being rounded upwards) of such quotations; and
 - (3) if fewer than two quotations are provided as requested, the Calculation Agent will determine the rate in its discretion, using a representative rate;
- (F) if ISDA Determination for Fallback provisions is not specified in the relevant Pricing Supplement as being applicable, the Specified Currency is CNH and the Reference Rate is CNH HIBOR, the Calculation Agent will:
- (1) request the Hong Kong office of each of the Reference Banks to provide a quotation at approximately 11:15 a.m. Hong Kong time on the Interest Determination Date of the rate offered by it to prime banks in the Hong Kong interbank market for deposits in CNH for a period equal to the Relevant Period and in an amount that is representative for a single transaction in that market at that time; and
 - (2) determine the arithmetic mean (rounded, if necessary, to the nearest four decimal places, with 0.00005 being rounded upwards) of such quotations; and
 - (3) if fewer than two quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates quoted by major banks (being at least two in number) in Hong Kong, selected by the Calculation Agent, at approximately the Relevant Time in Hong Kong on the Interest Determination Date for loans in CNH for settlement in Hong Kong to Leading Banks for a period equal to the Relevant Period and in an amount that is representative for a single transaction in that market at that time;
- (G) if ISDA Determination for Fallback provisions is not specified in the relevant Pricing Supplement as being applicable, the Specified Currency is CNY and the Reference Rate is SHIBOR, the Calculation Agent will:
- (1) request the principal Shanghai offices of four leading dealers in the Shanghai Interbank Offered Rate market to provide a quotation at approximately 11:00 a.m. Beijing time on the Interest Determination Date of the rate offered by it to prime banks in the Shanghai interbank market for deposits in CNY for a period equal to the Relevant Period and in an amount that is representative for a single transaction in that market at that time; and

- (2) determine the arithmetic mean (rounded, if necessary, to the nearest four decimal places, with 0.00005 being rounded upwards) of such quotations, after eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest), unless only two or three quotations are provided, in which case neither the highest quotation nor the lowest quotation will be eliminated; and
 - (3) if fewer than two quotations are provided as requested, the Calculation Agent will determine the rate in its discretion;
- (H) in all other cases where ISDA Determination for Fallback provisions is not specified in the relevant Pricing Supplement as being applicable, the proviso in the paragraph immediately below shall apply,

and, in each case, the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, including (without limitation) in the circumstances described in Condition 4(c)(iv)(H) above: (i) subject to (ii) below, the Rate of Interest applicable to the Securities during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Securities in respect of a preceding Interest Period; or (ii) if the Securities are Fixed/Floating Rate Securities for which no Rate of Interest has yet been determined under this Condition 4 (*Interest on Floating Rate Securities*), the Rate of Interest applicable to the Securities during such Interest Period will be the rate applicable to the Securities in respect of the preceding Interest Period for which Condition 3 (*Interest on Fixed Rate Securities and Resetable Securities*) applied.

(d) **Screen Rate Determination for Floating Rate Securities referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA**

- (i) If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined and the Reference Rate is specified in the relevant Pricing Supplement as being "SONIA", "SOFR", "€STR", "SORA", "SARON", "CORRA" or "HONIA", the Rate of Interest applicable to the Securities for each Interest Period will be sum of the Margin and the Relevant Rate, all as determined by the Calculation Agent on the Interest Determination Date for such Interest Period.
- (ii) If the Securities become due and payable in accordance with Condition 10 (*Enforcement*), the final Interest Determination Date shall,

notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which the Securities became due and payable and the Rate of Interest applicable to the Securities shall, for so long as any such Security remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

(iii) If "Payment Delay" is specified as the Observation Method in the relevant Pricing Supplement, all references in these Conditions to interest on the Securities being payable on an Interest Payment Date shall be read as reference to interest on the Securities being payable on an Effective Interest Payment Date instead.

(iv) Definitions

"Applicable Period" means,

(A) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, in relation to any Interest Period, the Observation Period relating to such Interest Period; and

(B) where "Lag", "Lock-Out" or "Payment Delay" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Interest Period.

"d" means the number of calendar days in the Applicable Period.

"d_c" means the number of calendar days from (and including) Index_{Start} to (but excluding) Index_{End}.

"d₀" means the number of Reference Rate Business Days in the Applicable Period.

"Effective Interest Payment Date" means each date specified as such in the relevant Pricing Supplement.

"i" means a series of whole numbers from one to d₀, each representing the relevant Reference Rate Business Day in the Applicable Period in chronological order from (and including) the first Reference Rate Business Day in the Applicable Period (each a "**Reference Rate Business Day(i)**").

"IndexEnd" means in relation to any Interest Period, the Index Value on the day which is "p" Reference Rate Business Days prior to the Interest Payment Date for such Interest Period.

"IndexStart" means, in relation to any Interest Period, the Index Value on the day which is "p" Reference Rate Business Days prior to the first day of such Interest Period.

"Index Value" means, in relation to any Reference Rate Business Day:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Pricing Supplement, the value of the SONIA Compounded Index for such Reference Rate Business Day as published by authorised redistributors on such Reference Rate Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorised redistributors, as published on the Bank of England's Website at www.bankofengland.co.uk/boeapps/database/ (or on such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on the next following Reference Rate Business Day; **provided, however, that** in the event that the value originally so published is corrected on such Reference Rate Business Day, then such corrected value, instead of the value that was originally published, shall be deemed the Index Value in relation to such Reference Rate Business Day; and
- (B) where "SOFR" is specified as the Reference Rate in the relevant Pricing Supplement, the value of the SOFR Index published by Federal Reserve Bank of New York, as the administrator of the daily Secured Overnight Financing Rate (or any successor administrator of such rate) on the New York Federal Reserve's Website at <https://apps.newyorkfed.org/markets/autorates/sofr-avg-idx> (or on such other page or website as may replace such page for the purposes of publishing the SOFR Index) at or about 3:00 p.m. (New York City time) on such Reference Rate Business Day; **provided, however, that** in the event that the value originally so published is subsequently corrected and such corrected value is published by the Federal Reserve Bank of New York, as the administrator of such rate on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the Index Value in relation to such Reference Rate Business Day.

"New York Federal Reserve's Website" means the website of the Federal Reserve Bank of New York currently at <http://www.newyorkfed.org>, or any successor website.

"n_i" means, in relation to any Reference Rate Business Day(i), the number of calendar days from (and including) such Reference Rate Business Day(i) up to (but excluding) the next following Reference Rate Business Day.

"Non-Reset Date" means each Reference Rate Business Day(i) in an Applicable Period, the Reference Rate Determination Date in relation to which falls on or after the Rate Cut-Off Date (if any).

"Observation Period" means, in relation to an Interest Period:

- (A) where "Standard Shift" is specified as applicable in the relevant Pricing Supplement, the period from (and including) the date which is "p" Reference Rate Business Days prior to the first day of such Interest Period (and in respect of the first Interest Period, the Interest Commencement Date) and ending on (but excluding) the date which is "p" Reference Rate Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Reference Rate Business Days prior to such earlier date, if any, on which the Securities become due and payable); and
- (B) where "IDD Shift" is specified as applicable in the relevant Pricing Supplement, the period from (and including) the Reference Rate Business Day falling prior to the Interest Determination Date for the immediately preceding Interest Payment Date to (but excluding) the last Reference Rate Business Day falling prior to the Interest Determination Date for such Interest Period, **provided that** the first Observation Period shall commence on (and include) the last Reference Rate Business Day falling prior to the date falling two Business Days prior to the Interest Commencement Date.

"p" means the whole number specified as such in the Pricing Supplement representing a number of Reference Rate Business Days.

"Rate Cut-Off Date" means:

- (A) where "Lock-Out" is specified as the Observation Method in the relevant Pricing Supplement and "SONIA", "SARON" or "HONIA" is specified as the relevant Reference Rate, in relation to any Interest Period, the Reference Rate Business Day immediately prior to the Interest Determination Date;
- (B) where "Lock-Out" is specified as the Observation Method in the relevant Pricing Supplement and a Reference Rate other than "SONIA", "SARON" or "HONIA" is specified as the relevant Reference Rate, in relation to any Interest Period, the second Reference Rate Business Day falling prior to the Interest Determination Date;
- (C) where "Payment Delay" is specified as the Observation Method in the relevant Pricing Supplement, and:
 - (I) "SONIA", "SARON" or "HONIA" is specified as the relevant Reference Rate, the Reference Rate Business Day immediately prior to the Interest Determination Date in relation to the final Interest Period only;
 - (II) a Reference Rate other than "SONIA", "SARON" or "HONIA" is specified as the relevant Reference Rate, the

second Reference Rate Business Day falling prior to the Interest Determination Date; and

- (D) in any other circumstances, no Rate Cut-Off Date shall apply.

"Reference Rate" means in relation to any Reference Rate Business Day:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Pricing Supplement, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such Reference Rate Business Day as provided by the administrator of SONIA (or any successor administrator) to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the Reference Rate Business Day immediately following such Reference Rate Business Day;
- (B) where "SOFR" is specified as the Reference Rate in the relevant Pricing Supplement, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) published at or around 3:00 p.m. (New York City time) on the New York Federal Reserve's Website on the next succeeding Reference Rate Business Day for trades made on such Reference Rate Business Day;
- (C) where "€STR" is specified as the Reference Rate in the relevant Pricing Supplement, a reference rate equal to the daily euro short-term rate for such Reference Rate Business Day as published by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank currently at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the "**ECB's Website**") on the Reference Rate Business Day immediately following such Reference Rate Business Day;
- (D) where "SORA" is specified as the Reference Rate in the relevant Pricing Supplement, a reference rate equal to the daily Singapore Overnight Rate Average ("**SORA**") rate for such Reference Rate Business Day as provided by the Monetary Authority of Singapore as the administrator of such rate (or any successor administrator of such rate) ("**MAS**"), on the website of the MAS currently at <http://www.mas.gov.sg> or any successor website officially designated by the MAS (or as published by its authorised distributors) on the Reference Rate Business Day immediately following such Reference Rate Business Day;

- (E) where "SARON" is specified as the Reference Rate in the relevant Pricing Supplement, a reference rate equal to the daily Swiss Average Rate Overnight ("SARON") rate for such Reference Rate Business Day as provided by the SIX Swiss Exchange AG ("SIX"), as the administrator of such rate (or any successor administrator of such rate), on the website of the SIX Group currently at https://www.six-group.com/exchanges/indices/data_centre/swiss_reference_rates/reference_rates_en.html or any successor website or other source on which SARON is published at the close of trading on the trading platform of SIX Repo AG (or any successor thereto) on such Reference Rate Business Day, which is expected to be on or around 6.00 p.m. (Zurich time);
- (F) where "CORRA" is specified as the Reference Rate in the relevant Pricing Supplement, a reference rate equal to the daily Canadian Overnight Repo Rate Average ("CORRA") rate for such Reference Rate Business Day as provided by the Bank of Canada, as the administrator of such rate (or any successor administrator of such rate) ("BOC"), on the website of the BOC currently at <https://www.bankofcanada.ca/rates/interest-rates/corra/> or any successor website officially designated by the BOC on the Reference Rate Business Day immediately following such Reference Rate Business Day; or
- (G) where "HONIA" is specified as the Reference Rate in the relevant Pricing Supplement, a reference rate equal to the daily Hong Kong Dollar Overnight Index Average ("HONIA") rate for such Reference Rate Business Day as provided by the Treasury Markets Association, as the administrator of such rate (or any successor administrator of such rate) ("TMA"), on the website of the TMA currently at https://www.tma.org.hk/en/market_info.aspx or any successor website officially designated by the TMA (or as published by its authorised distributors) on such Reference Rate Business Day.

"Reference Rate(i)" or "REF_i" means in relation to any Reference Rate Business Day(i), the Reference Rate for the Reference Rate Determination Date in relation to such Reference Rate Business Day(i), *provided that* where either "Lock Out" or "Payment Delay" are specified as the Observation Method in the relevant Pricing Supplement, Reference Rate(i) (or REF_i) in respect of each Non-Reset Date (if any) in an Applicable Period shall be Reference Rate(i) (or REF_i) as determined in relation to the Rate Cut-Off Date.

"Reference Rate Business Day" means:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Pricing Supplement, any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

- (B) where "SOFR" is specified as the Reference Rate in the relevant Pricing Supplement, means any day except for a Saturday, Sunday or a day on which The Securities Industry and Financial Markets Association ("SIFMA") recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;
- (C) where "€STR" is specified as the Reference Rate in the relevant Pricing Supplement, a Euro Business Day;
- (D) where "SORA" is specified as the Reference Rate in the relevant Pricing Supplement, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;
- (E) where "SARON" is specified as the Reference Rate in the relevant Pricing Supplement, a day on which banks are open in the City of Zurich for the settlement of payments and of foreign exchange transactions;
- (F) where "CORRA" is specified as the Reference Rate in the relevant Pricing Supplement, a day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in the city of Toronto, Canada; or
- (G) where "HONIA" is specified as the Reference Rate in the relevant Pricing Supplement, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Hong Kong.

"Reference Rate Determination Date" means, in relation to any Reference Rate Business Day(i):

- (A) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the Reference Rate Business Day falling "p" Reference Rate Business Days prior to such Reference Rate Business Day(i); and
- (B) otherwise, such Reference Rate Business Day(i).

"Relevant Rate" means with respect to an Interest Period:

- (A) if RFR Index Determination is specified as being not applicable in the relevant Pricing Supplement (or is deemed to be not applicable as set out in the proviso to paragraph (B) below):
 - (I) where "Compounded Daily Rate" is specified as the Determination Method in the relevant Pricing Supplement, the rate of return of a daily compound interest investment (with the applicable Reference Rate specified in the Pricing Supplement as reference rate for

the calculation of interest) calculated as follows, with the resulting percentage rounded, if necessary, (i) in the case of SONIA, €STR or SORA to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards and (ii) in the case of SOFR, SARON, CORRA or HONIA to the nearest one hundred-thousandth of a percentage point (0.00001%), with 0.000005% being rounded upwards and:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{REF_i \times n_i}{Y} \right) - 1 \right] \times \frac{Y}{d}$$

(II) where "Weighted Average Rate" is specified as the Determination Method in the relevant Pricing Supplement the arithmetic mean of Reference Rate(i) for each Reference Rate Business Day during such Applicable Period (each "**Reference Rate Business Day(i)**"), calculated by multiplying the relevant Reference Rate(i) for any Reference Rate Business Day(i) by the number of days such Reference Rate(i) is in effect (being the number of calendar days from (and including) such Reference Rate Business Day(i) up to (but excluding) the next following Reference Rate Business Day), determining the sum of such products and dividing such sum by the number of calendar days in the relevant Applicable Period; or

(B) where SONIA or SOFR is specified as the Reference Rate in the relevant Pricing Supplement, if RFR Index Determination is specified as being applicable in the relevant Pricing Supplement, the rate calculated as follows, with the resulting percentage rounded, if necessary, (i) in the case of SONIA, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards and (ii) in the case of SOFR to the nearest one hundred-thousandth of a percentage point (0.00001%), with 0.000005% being rounded upwards:

$$\left(\frac{Index_{End}}{Index_{Start}} - 1 \right) \times \frac{Y}{d_c}$$

provided, however, that if the Calculation Agent is unable for any reason to determine IndexEnd or IndexStart in relation to any Interest Period, the Relevant Rate shall be calculated for such Interest Period as if RFR Index Determination had been specified as being not applicable in the relevant Pricing Supplement (and accordingly paragraph (A)(I) of this definition and "Observation Shift" and "Standard Shift" will apply).

"**SONIA Compounded Index**" means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof).

"**Y**" is the number specified as such in the relevant Pricing Supplement, or if no number is so specified, a number reflecting the denominator for day count fractions customarily used to calculate floating rate interest amounts on instruments denominated in the Specified Currency and with an original maturity equal to that of the Securities, as determined by the Calculation Agent.

(v) Additional Provisions applicable where "SONIA", "€STR", "CORRA" or "SARON" is specified as the Reference Rate in the relevant Pricing Supplement:

(A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date, and:

(I) where "Benchmark Replacement" is specified as applicable in the relevant Pricing Supplement, a Benchmark Event has not occurred; or

(II) where "Benchmark Replacement" is not specified as applicable in the relevant Pricing Supplement, and neither (A) an Index Cessation Event and an Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date, in each case with respect to the Reference Rate, have occurred,

Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published as provided in the relevant definition thereof.

(B) Where "Benchmark Replacement" is specified as applicable in the relevant Pricing Supplement, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines that a Benchmark Event has occurred in relation to the Reference Rate (or any Successor Rate or Alternative Reference Rate (or any component part(s) thereof) determined and applicable to the Securities pursuant to the earlier operation of Condition 4(e) (*Benchmark Replacement*)) in accordance with the terms of Condition 4(e) (*Benchmark Replacement*), then the provisions of Condition 4(e) (*Benchmark Replacement*) shall apply.

(C) Where "Benchmark Replacement" is not specified as applicable in the relevant Pricing Supplement, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and Administrator/Benchmark Event Date have occurred, in each case with respect to the Reference Rate, then:

(1) Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be calculated as if references to the "Reference Rate" in Condition 4(d)(i) to (iv) were to the Relevant Recommended Rate;

(2) if there is a Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date, but neither the administrator of the Relevant Recommended Rate nor authorised distributors provide or publish the Relevant Recommended Rate in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, then, subject to paragraph (3) below, in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Relevant Recommended Rate prior to the related Reference Rate Determination Date. If there is no last provided or published Relevant Recommended Rate, then in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Reference Rate (without taking into account any deemed changes to the term "Reference Rate" pursuant to Condition 4(d)(v)(C)(1) above) prior to the related Reference Rate Determination Date; and

(3) if:

(i) there is no Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective date referred to in Condition 4(d)(v)(C) above; or

- (ii) there is a Relevant Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and Administrator/Benchmark Event Date have occurred, in each case with respect to the Relevant Recommended Rate,

then Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be calculated as if references in Condition 4(d)(i) to (iv) to the "Reference Rate" were to the Final Fallback Rate. In respect of any day for which the Final Fallback Rate is required, references to the Final Fallback Rate will be deemed to be references to the last provided or published Final Fallback Rate as at close of business in the RFR Financial Centre on that day.

- (D) If the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Securities for the first Interest Period had the Securities been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period), **provided, however, that** if the Securities are Fixed/Floating Rate Securities for which no Rate of Interest has yet been determined under this Condition 4 (*Interest on Floating Rate Securities*), the Rate of Interest applicable to the Securities during such Interest Period will be the rate applicable to the Securities in respect of the preceding Interest Period for which Condition 3 (*Interest on Fixed Rate Securities and Resettable Securities*) applied.
- (E) The Issuer (in consultation, to the extent practicable, with the Calculation Agent) may at any time, specify any Benchmark Replacement Conforming Changes which changes shall apply to the Securities for all future Interest Periods (without prejudice to the further operation of this Condition 4(d)(v)) and, for the avoidance of doubt, the Trustee shall, at the direction and expense of the Issuer, and having received a certificate from the

Issuer, signed by two Authorised Signatories, confirming that the Issuer has made the relevant determinations in accordance with this Condition 4(d)(v) and attaching the proposed amendments to the Conditions, be obliged to concur with the Issuer to effect such amendments to the Conditions together with such consequential amendments to the Trust Deed and Agency Agreement as the Trustee may deem appropriate in order to give effect to this Condition 4(d)(v) and the Trustee shall not be liable to any person for any consequences thereof, save as provided in the Trust Deed. No consent of the Securityholders of the relevant Series or of the Holders of the Coupons appertaining thereto shall be required in connection with effecting such changes, including for the execution of any documents or the taking of other steps by the Trustee, the Issuer or any of the parties to the Agency Agreement (if required). The Trustee shall not be obliged to agree to any amendments which in the sole opinion of the Trustee would have the effect of (A) exposing the Trustee to any liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the documents to which it is a party and/or these Conditions. The Agents (as defined in the Agency Agreement) shall give effect to this Condition 4(d)(v) (by effecting such consequential amendments to the Agency Agreement or otherwise as is necessary on the part of each Agent (acting reasonably)), **provided that** the Agents shall not be obliged to give effect to any such amendments, if in the reasonable opinion of the relevant Agent (acting in good faith and following consultation, to the extent practicable, with the Issuer), the same would not be operable in accordance with the terms proposed pursuant to this Condition 4(d)(v) or would expose it to any additional duties or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or the Agency Agreement. The Issuer shall promptly following the determination of any changes pursuant to Condition 4(d)(v) give notice thereof to the Trustee, the Principal Paying and Conversion Agent, the Calculation Agent and the Securityholders (in accordance with Condition 14 (*Notices*)). Notwithstanding any other provision of this Condition 4(d)(v), no fallback rate will be adopted, nor will any amendment to the Conditions be made, in each case pursuant to this Condition 4(d)(v), if in the determination of the Issuer, the same could reasonably be expected to result in: (i) the exclusion of the Securities in whole or in part from the regulatory capital of the Group (other than as a consequence of their conversion pursuant to Condition 9(b) (*Conversion upon occurrence of Capital Adequacy Trigger*)); or (ii) the reclassification of the Securities in whole or in part as a form of regulatory capital of the Group that is lower than Additional Tier 1 capital.

- (F) Definitions for the purposes of this Condition 4(d)(v) and Condition 4(d)(vii):

"Administrator/Benchmark Event" means that it has or will prior to the next Interest Determination Date become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Securityholder using the Applicable Benchmark (including, without limitation, under Regulation (EU) 2016/1011 as it forms part of domestic law in the United Kingdom by virtue of the EUWA, if applicable);

"Administrator/Benchmark Event Date" means the date from which it becomes unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Securityholder using the Applicable Benchmark;

"Applicable Fallback Effective Date" means in respect of an Applicable Benchmark and an Index Cessation Event or an Administrator/Benchmark Event, the Index Cessation Effective Date or the Administrator/Benchmark Event Date, as applicable;

"Applicable Benchmark" means the applicable Reference Rate or (if applicable) any subsequent fallback rate determined or applicable to the Securities pursuant to Conditions 4(d)(v) or 4(d)(vii);

"Benchmark Replacement Conforming Changes" means, with respect to any replacement rate for the Applicable Benchmark determined in accordance with Conditions 4(d)(v) or 4(d)(vii) (the **"Relevant Replacement Rate"**), changes to (1) any Interest Determination Date, Interest Payment Date, Effective Interest Payment Date, Reference Time, Reference Rate Business Day, Business Day Convention or Interest Period, (2) the manner, timing and frequency of determining the rate and amounts of interest that are payable on the Securities during the Interest Period and the conventions relating to such determination and calculations with respect to interest, (3) rounding conventions, (4) tenors and (5) any other terms or provisions of the Securities during the Interest Period, in each case that the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines, from time to time, to be appropriate to reflect the determination and implementation of Relevant Replacement Rate in a manner substantially consistent with market practice (or, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) decides that implementation of any portion of such market practice is not administratively feasible or determine that no market practice for use of the Relevant Replacement Rate exists, in such other manner as the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines is appropriate (acting in good faith));

"EDFR" means, in respect of any relevant day, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, in respect of that day;

"EDFR Spread" means:

- (A) if no Relevant Recommended Rate is recommended before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to the Reference Rate referred to in the first paragraph of Condition 4(d)(v)(C), the arithmetic mean of the daily difference between €STR and EDFR over an observation period of 30 Reference Rate Business Days starting 30 Reference Rate Business Days prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the Reference Rate referred to in the first paragraph of Condition 4(d)(v)(C) occurs and ending on the Reference Rate Business Day immediately preceding such day; or
- (B) if an Index Cessation Event or Administrator/Benchmark Event with respect to the Relevant Recommended Rate occurs, the arithmetic mean of the daily difference between the Relevant Recommended Rate and EDFR over an observation period of 30 Reference Rate Business Days starting 30 Reference Rate Business Days prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the ECB Recommended Rate occurs and ending on the TARGET Settlement Day immediately preceding such day;

"Final Fallback Rate" means in respect of any relevant day:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Pricing Supplement, the official bank rate as determined by the Monetary Policy Committee of the Bank of England and published by the Bank of England from time to time, in effect on that day;
- (B) where "€STR" is specified as the Reference Rate in the relevant Pricing Supplement, a rate equal to EDFR in respect of that day, plus the EDFR Spread;
- (C) where "CORRA" is specified as the Reference Rate in the relevant Pricing Supplement, the BOC's target for the overnight rate as set by the BOC, in respect of that day; or

- (D) where "SARON" is specified as the Reference Rate in the relevant Pricing Supplement, a rate equal to the SNB Policy Rate in respect of that day, plus the SNB Spread;

"Index Cessation Effective Date" means:

- (A) in the case of limbs (A) or (B) of the definition of "Index Cessation Event", the first date on which the Applicable Benchmark would ordinarily have been published or provided and is no longer published or provided; or
- (B) in the case of limb (C) of the definition of "Index Cessation Event," the latest of (i) the date of such statement or publication and (ii) the date, if any, specified in such statement or publication as the date on which the Applicable Benchmark will no longer be representative;

"Index Cessation Event" means, in respect of an Applicable Benchmark, the occurrence of one or more of the following events:

- (A) a public statement or publication of information by or on behalf of the administrator of the Applicable Benchmark announcing that it has ceased or will cease to provide the Applicable Benchmark permanently or indefinitely, **provided that**, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark;
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Applicable Benchmark, the central bank for the currency of the Applicable Benchmark, an insolvency official with jurisdiction over the administrator for the Applicable Benchmark, a resolution authority with jurisdiction over the administrator for the Applicable Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Applicable Benchmark, which states that the administrator of the Applicable Benchmark has ceased or will cease to provide the Applicable Benchmark permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark; or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Applicable Benchmark announcing that the regulatory supervisor has determined that such Applicable

Benchmark is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark is intended to measure and that representativeness will not be restored;

"RFR Financial Centre" means:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Pricing Supplement, London;
- (B) where "€STR" is specified as the Reference Rate in the relevant Pricing Supplement, Frankfurt;
- (C) where "CORRA" is specified as the Reference Rate in the relevant Pricing Supplement, Toronto; or
- (D) where "SARON" is specified as the Reference Rate in the relevant Pricing Supplement, Zurich;

"Relevant Recommended Rate" means in respect of any relevant day:

- (A) where "SONIA" is specified as the Reference Rate in the relevant Pricing Supplement, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SONIA by (i) the administrator of SONIA if the administrator of SONIA is a national central bank, or (ii) if the national central bank administrator of SONIA does not make a recommendation or the administrator of SONIA is not a national central bank, a committee designated for this purpose by one or both of the Financial Conduct Authority (or any successor thereto) and the Bank of England and as provided by the then administrator or provider of that rate, or if that rate is not provided by the then administrator or provider thereof, published by an authorised distributor, in respect of that day;
- (B) where "€STR" is specified as the Reference Rate in the relevant Pricing Supplement, the rate (inclusive of any spreads or adjustments) recommended as the replacement for €STR by:
 - (i) the European Central Bank (or any successor administrator for €STR); or
 - (ii) a committee officially endorsed or convened by (a) the European Central Bank (or any successor administrator of €STR) and/or (b) the European Securities and Markets Authority,

in each case for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day;

- (C) where "CORRA" is specified as the Reference Rate in the relevant Pricing Supplement, the rate (inclusive of any spreads or adjustments) recommended as the replacement for CORRA by a committee officially endorsed or convened by the BOC for the purpose of recommending a replacement for CORRA (which rate may be produced by the BOC or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day;
- (D) where "SARON" is specified as the Reference Rate in the relevant Pricing Supplement, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SARON by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for the purpose of, among other things, considering proposals to reform reference interest rates in Switzerland, and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day;
- (E) where "SORA" is specified as the Reference Rate in the relevant Pricing Supplement, the rate (inclusive of any spreads or adjustments) recommended as the replacement for SORA by the Monetary Authority of Singapore or by a committee officially endorsed or convened by the Monetary Authority of Singapore (which rate may be produced by the Monetary Authority of Singapore or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day; or
- (F) where "HONIA" is specified as the Reference Rate in the relevant Pricing Supplement, the rate (inclusive of any spreads or adjustments) recommended as the replacement for HONIA by the administrator of HONIA or by a committee officially endorsed or convened by the

administrator of HONIA for the purpose of recommending a replacement for HONIA (which rate may be produced by the administrator of HONIA or another administrator) and as provided by the then administrator of that rate or, if that rate is not provided by the then administrator thereof, published by an authorised distributor, in respect of that day;

"SNB Policy Rate" means, in respect of any relevant day, the policy rate of the Swiss National Bank, in respect of that day; and

"SNB Spread" means:

- (A) if no Relevant Recommended Rate is recommended before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date with respect to the Reference Rate referred to in the first paragraph of Condition 4(d)(v)(C), the historical median between SARON and the SNB Policy Rate over an observation period of two years starting two years prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event occurs with respect to the Reference Rate referred to in the first paragraph of Condition 4(d)(v)(C) occurs and ending on the Reference Rate Business Day immediately preceding such day; or
 - (B) if an Index Cessation Event or Administrator/Benchmark Event with respect to the Relevant Recommended Rate occurs, the historical median between the Relevant Recommended Rate (or, in the absence of the Relevant Recommended Rate, SARON) and the SNB Policy Rate over an observation period of two years starting two years prior to the day on which the Index Cessation Event or (as applicable) Administrator/Benchmark Event with respect to the Relevant Recommended Rate occurs and ending on the Reference Rate Business Day immediately preceding such day.
- (vi) Additional Provisions applicable where "SOFR" is specified as the Reference Rate in the relevant Pricing Supplement:
- (A) If, in respect of any Reference Rate Business Day (i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date, and:
 - (I) where "ARRC Fallbacks" are specified as applicable in the relevant Pricing Supplement, a SOFR Transition

Event and a related SOFR Replacement Date have not both occurred; or

- (II) where "ARRC Fallbacks" are not specified as applicable in the relevant Pricing Supplement, a SOFR Index Cessation Event and SOFR Index Cessation Effective Date have not both occurred,

Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published as provided in the relevant definition thereof.

- (B) Where "ARRC Fallbacks" are specified as applicable in the relevant Pricing Supplement, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines that a SOFR Transition Event and the related SOFR Replacement Date have occurred in relation to the Reference Rate (or any SOFR Replacement Rate previously determined in accordance with this Condition 4(d)(vi)) on the Reference Rate Business Day on which a determination of Reference Rate is due to be made, the SOFR Replacement Rate will replace the then-current Reference Rate for all purposes and in respect of all determinations on such Reference Rate Business Day and (without prejudice to the further operation of this Condition 4(d)(vi)) all subsequent determinations; **provided that**, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or our designee (in consultation with the Issuer) is unable to or do not determine a SOFR Replacement Rate in accordance with the provisions below prior to 5:00 p.m. (New York time) on the relevant Interest Determination Date, the interest rate for the related Interest Period will be equal to (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Securities for the first Interest Period had the Securities been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period), **provided, however, that** if the Securities are Fixed/Floating Rate Securities for which no Rate of Interest has yet been determined under this Condition 4 (*Interest on Floating Rate Securities*), the Rate of Interest applicable to the Securities during such Interest

Period will be the rate applicable to the Securities in respect of the preceding Interest Period for which Condition 3 (*Interest on Fixed Rate Securities and Resettable Securities*) applied.

- (C) If "ARRC Fallbacks" are not specified as applicable in the relevant Pricing Supplement, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determines that a SOFR Index Cessation Event and SOFR Index Cessation Effective Date have occurred (the first date on which this occurs, being the "**Rate Switch Date**"), Reference Rate(i) in respect of such Reference Rate Business Day(i) shall be the rate that was recommended as the replacement for the daily Secured Overnight Financing Rate by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for the daily Secured Overnight Financing Rate (which rate may be produced by the Federal Reserve Bank of New York or other designated administrator, and which rate may include any adjustments or spreads) as determined in relation to related Reference Rate Determination Date for such Reference Rate Business Day(i); **provided, however, that**, if no such rate has been recommended within one Reference Rate Business Day of the Rate Switch Date, then:
- (1) subject to (2) below, Reference Rate(i) in relation to each Reference Rate Business Day(i) falling on or after the Rate Switch Date shall be equal to the rate determined in accordance with Condition 4(d)(i) to (iv) or Condition 4(d)(vi)(A) (as applicable), but as if:
- (aa) references in Condition 4(d)(i) to (iv) to "Reference Rate Business Day" were to "New York Fed Business Day", but so that in the case of the Applicable Period in which the SOFR Index Cessation Effective Date occurred, "d₀" shall be construed so that it means the aggregate of (x) the number of Reference Rate Business Days in the Applicable Period up to (but excluding) the Rate Switch Date and (y) the number of New York Fed Business Days in the Applicable Period relating to such Interest Period from (and including) the Rate Switch Date (and "i" shall be construed accordingly);
- (bb) references to "daily Secured Overnight Financing Rate" were to the "daily Overnight Bank Funding Rate";

- (cc) references to "SOFR Index Cessation Event" were references to "OBFR Index Cessation Event"; and
 - (dd) references to "SOFR Index Cessation Effective Date" were references to "OBFR Index Cessation Effective Date"; and
- (2) if an OBFR Index Cessation Event and an OBFR Index Cessation Effective Date have both occurred (the first date on which this occurs, being the "**OBFR Switch Date**"), then, in relation to each Reference Rate Business Day(i) falling on or after the later of the Rate Switch Date and the OBFR Switch Date, Reference Rate(i) shall be equal to the rate determined in accordance with Condition 4(d)(v)(i) to (iv) or Condition 4(d)(vi)(A) (as applicable), but as if:
- (aa) references in Condition 4(d)(i) to (iv) to "Reference Rate Business Day" were to "New York Fed Business Day", but so that in the case of the Applicable Period in which the OBFR Switch Date occurred, "d₀" shall be construed so that it means the aggregate of (x) the number of Reference Rate Business Days in the Applicable Period up to (but excluding) the OBFR Switch Date and (y) the number of New York Fed Business Days in the Applicable Period relating to such Interest Period from (and including) the OBFR Switch Date (and "i" shall be construed accordingly); and
 - (bb) references in Condition 4(d)(i) to (iv) to the "daily Secured Overnight Financing Rate published at or around 3:00 p.m. (New York City time) on the New York Federal Reserve's Website on the next succeeding Reference Rate Business Day for trades made on such Reference Rate Business Day" were a reference to the short-term interest rate target set by the Federal Open Market Committee, as published on the Federal Reserve's Website and as prevailing on such Reference Rate Determination Date, or if the Federal Open Market Committee has not set a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee, as published on the Federal Reserve's Website and as prevailing on such Reference Rate Determination Date (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target

range, rounded, if necessary, to the nearest second decimal place with 0.005 being rounded upwards).

- (D) The Issuer (in consultation, to the extent practicable, with the Calculation Agent) may at any time, specify any SOFR Replacement Conforming Changes which changes shall apply to the Securities for all future Interest Periods (without prejudice to the further operation of this Condition 4(d)(vi)) and, for the avoidance of doubt, the Trustee shall, at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by two Authorised Signatories, confirming that the Issuer has made the relevant determinations in accordance with this Condition 4(d)(vi) and attaching the proposed amendments to the Conditions, be obliged to concur with the Issuer to effect such amendments to the Conditions together with such consequential amendments to the Trust Deed and Agency Agreement as the Trustee may deem appropriate in order to give effect to this Condition 4(d)(vi) and the Trustee shall not be liable to any person for any consequences thereof, save as provided in the Trust Deed. No consent of the Securityholders of the relevant Series or of the Holders of the Coupons appertaining thereto shall be required in connection with effecting such changes, including for the execution of any documents or the taking of other steps by the Trustee, the Issuer or any of the parties to the Agency Agreement (if required)). The Trustee shall not be obliged to agree to any amendments which in the sole opinion of the Trustee would have the effect of (A) exposing the Trustee to any liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the documents to which it is a party and/or these Conditions. The Agents (as defined in the Agency Agreement) shall give effect to this Condition 4(d)(vi) (by effecting such consequential amendments to the Agency Agreement or otherwise as is necessary on the part of each Agent (acting reasonably)), **provided that** the Agents shall not be obliged to give effect to any such amendments, if in the reasonable opinion of the relevant Agent (acting in good faith and following consultation, to the extent practicable, with the Issuer), the same would not be operable in accordance with the terms proposed pursuant to this Condition 4(d)(vi) or would expose it to any additional duties or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or the Agency Agreement. The Issuer shall promptly following the determination of any changes pursuant to Condition 4(d)(vi) give notice thereof to the Trustee, the Principal Paying and Conversion Agent, the Calculation Agent and the Securityholders (in accordance with Condition 14 (*Notices*)).

Notwithstanding any other provision of this Condition 4(d)(vi), no fallback rate will be adopted, nor will any amendment to the Conditions be made, in each case pursuant to this Condition 4(d)(vi), if in the determination of the Issuer, the same could reasonably be expected to result in: (i) the exclusion of the Securities in whole or in part from the regulatory capital of the Group (other than as a consequence of their conversion pursuant to Condition 9(b) (*Conversion upon occurrence of Capital Adequacy Trigger*)); or (ii) the reclassification of the Securities in whole or in part as a form of regulatory capital of the Group that is lower than Additional Tier 1 capital.

(E) Definitions

"designee" means an affiliate or any other agent of the Issuer.

"Federal Reserve's Website" means the website of the Board of Governors of the Federal Reserve System currently at <http://www.federalreserve.gov>, or any successor website;

"ISDA Definitions" means (for the purposes of this Condition 4(d)(vi)) the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"ISDA Fallback Adjustment" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Reference Rate for the applicable tenor.

"ISDA Fallback Rate" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"New York Fed Business Day" means any day except for a Saturday, Sunday or a day on which the Fedwire Securities Services or the Fedwire Funds Service of the Federal Reserve Bank of New York is closed;

"New York Federal Reserve's Website" means the website of the Federal Reserve Bank of New York currently at <http://www.newyorkfed.org>, or any successor website;

"OBFR Index Cessation Effective Date" means, in relation to an OBFR Index Cessation Event, the date on which the Federal

Reserve Bank of New York (or any successor administrator of the daily Overnight Bank Funding Rate) ceases to publish the daily Overnight Bank Funding Rate or the date as of which the daily Overnight Bank Funding Rate may no longer be used;

"OBFR Index Cessation Event" means the occurrence of one or more of the following events:

- (1) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the daily Overnight Bank Funding Rate) announcing that it has ceased or will cease to publish or provide the daily Overnight Bank Funding Rate permanently or indefinitely, **provided that**, at that time, there is no successor administrator that will continue to publish or provide a daily Overnight Bank Funding Rate;
- (2) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the daily Overnight Bank Funding Rate) has ceased or will cease to provide the daily Overnight Bank Funding Rate permanently or indefinitely, **provided that**, at that time, there is no successor administrator that will continue to publish or provide the daily Overnight Bank Funding Rate; or
- (3) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of the daily Overnight Bank Funding Rate that applies to, but need not be limited to, all swap transactions, including existing swap transactions;

"Reference Time" with respect to any determination of the Reference Rate means (1) if the Reference Rate is SOFR, the time specified for such determination specified in the definition of the Reference Rate, and (2) if the Reference Rate is not SOFR, the time determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) after giving effect to the SOFR 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.

"SIFMA" means the Securities Industry and Financial Markets Association or any successor thereto;

"SOFR Index Cessation Effective Date" means, in relation to a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the daily Secured Overnight Financing Rate) ceases to publish the daily Secured Overnight Financing Rate, or the date as of which the daily Secured Overnight Financing Rate may no longer be used;

"SOFR Index Cessation Event" means the occurrence of one or more of the following events:

- (1) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the daily Secured Overnight Financing Rate) announcing that it has ceased or will cease to publish or provide the daily Secured Overnight Financing Rate permanently or indefinitely, **provided that**, at that time, there is no successor administrator that will continue to publish or provide a daily Secured Overnight Financing Rate;
- (2) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the daily Secured Overnight Financing Rate) has ceased or will cease to provide the daily Secured Overnight Financing Rate permanently or indefinitely, **provided that**, at that time there is no successor administrator that will continue to publish or provide the daily Secured Overnight Financing Rate; or
- (3) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of the daily Secured Overnight Financing Rate that applies to, but need not be limited to, all swap transactions, including existing swap transactions;

"SOFR Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as of the SOFR Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Replacement;
- (2) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate the ISDA Fallback Adjustment; or

- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) giving due consideration to any industry-accepted spread adjustments, or method for calculating or determining such spread adjustment, for the replacement of the then-current Reference Rate with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated floating rate notes at such time.

"SOFR Replacement Conforming Changes" means, with respect to any SOFR Replacement Rate or a replacement rate determined in accordance with Condition 4(d)(vi)(B) (the **"Relevant Replacement Rate"**), changes to (1) any Interest Determination Date, Interest Payment Date, Effective Interest Payment Date, Reference Time, Business Day Convention or Interest Period, (2) the manner, timing and frequency of determining the rate and amounts of interest that are payable on the Securities during the Interest Period and the conventions relating to such determination and calculations with respect to interest, (3) rounding conventions, (4) tenors and (5) any other terms or provisions of the Securities during the Interest Period, in each case that the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with Issuer) determine, from time to time, to be appropriate to reflect the determination and implementation of Relevant Replacement Rate in a manner substantially consistent with market practice (or, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) decide that implementation of any portion of such market practice is not administratively feasible or determine that no market practice for use of the Relevant Replacement Rate exists, in such other manner as the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) determine is appropriate (acting in good faith)).

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

- (1) in the case of clause (1) or (2) of the definition of "SOFR Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Reference Rate permanently or indefinitely ceases to provide the Reference Rate (or such component); or

- (2) in the case of clause (3) of the definition of "SOFR Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the SOFR Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the SOFR Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

"SOFR Replacement Rate" means the first alternative set forth in the order below that can be determined by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as of the SOFR Replacement Date.

- (1) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Reference Rate and (ii) the SOFR Replacement Adjustment;
- (2) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment; or
- (3) the sum of: (i) the alternate rate of interest that has been selected by the Issuer (in consultation, to the extent practicable, with the Calculation Agent) or the Issuer's designee (in consultation with the Issuer) as the replacement for the then-current Reference Rate for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Reference Rate for U.S. dollar-denominated floating rate notes at such time and (ii) the SOFR Replacement Adjustment.

"Corresponding Tenor" with respect to a SOFR Replacement Rate means a tenor (including overnight) having approximately the same length (disregarding business day adjustments) as the applicable tenor for the then-current Reference Rate.

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

- (1) a public statement or publication of information by or on behalf of the administrator of the Reference Rate (or such component) announcing that such administrator has ceased or will cease to provide the Reference Rate (or such component), permanently or indefinitely, **provided that**, at the time of such statement or publication, there

is no successor administrator that will continue to provide the Reference Rate (or such component); or

- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate (or such component), the central bank for the currency of the Reference Rate (or such component), an insolvency official with jurisdiction over the administrator for the Reference Rate (or such component), a resolution authority with jurisdiction over the administrator for the Reference Rate (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate (or such component) has ceased or will cease to provide the Reference Rate (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate (or such component); or
- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate announcing that the Reference Rate is no longer representative.

"Unadjusted SOFR Replacement" means the SOFR Replacement Rate excluding the SOFR Replacement Rate Adjustment.

- (vii) Additional Provisions applicable where "SORA" or "HONIA" is specified as the Reference Rate in the relevant Pricing Supplement:
 - (A) If, in respect of any Reference Rate Business Day(i) in the relevant Applicable Period, the Reference Rate is not published or otherwise provided as set out in the relevant definition thereof for the related Reference Rate Determination Date, and:
 - (I) where "Benchmark Replacement" is specified as applicable in the relevant Pricing Supplement, a Benchmark Event has not occurred; or
 - (II) where "Benchmark Replacement" is not specified as applicable in the relevant Pricing Supplement, and neither (A) an Index Cessation Event and Index Cessation Event Effective Date nor (B) an Administrator/Benchmark Event and Administrator/Benchmark Event Date, in each case with respect to the Reference Rate, have occurred,

Reference Rate (i) in respect of such Reference Rate Business Day(i) shall be the Reference Rate in respect of the last Reference Rate Business Day prior to the related Reference Rate Determination Date for which such Reference Rate was so published as provided in the relevant definition thereof.

- (B) Where "Benchmark Replacement" is specified as applicable in the relevant Pricing Supplement, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines that a Benchmark Event has occurred in relation to the Reference Rate (or any Successor Rate or Alternative Reference Rate (or any component part(s) thereof) determined and applicable to the Securities pursuant to the earlier operation of Condition 4(e) (*Benchmark Replacement*)) in accordance with the terms of Condition 4(e) (*Benchmark Replacement*), then the provisions of Condition 4(e) (*Benchmark Replacement*) shall apply.
- (C) Where "Benchmark Replacement" is not specified as applicable in the relevant Pricing Supplement, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and Administrator/Benchmark Event Date have occurred, in each case with respect to the Reference Rate, then:
 - (1) Reference Rate(i) in respect of each Reference Rate Business Day(i) falling on or after the Applicable Fallback Effective Date shall be calculated as if references to the "Reference Rate" in Condition 4(d)(i) to (iv) were to the Relevant Recommended Rate;
 - (2) if there is a Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective Date, but neither the administrator of the Relevant Recommended Rate nor authorised distributors provide or publish the Relevant Recommended Rate in respect of any Reference Rate Business Day(i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, then, subject to paragraph (3) below, in respect of any Reference Rate Business Day (i) and related Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Relevant Recommended Rate prior to the related Reference Rate Determination Date. If there is no last provided or published Relevant Recommended Rate, then in respect of any Reference Rate Business Day(i) and related

Reference Rate Determination Date for which the Relevant Recommended Rate is required, references to the Relevant Recommended Rate will be deemed to be references to the last provided or published Reference Rate (without taking into any deemed changes to the term "Reference Rate" pursuant to Condition 4(d)(vii)(C)(1) above) prior to the related Reference Rate Determination Date; and

- (3) if:
- (i) there is no Relevant Recommended Rate before the end of the first Reference Rate Business Day following the Applicable Fallback Effective date referred to in Condition 4(d)(vii)(C) above; or
 - (ii) there is a Relevant Recommended Rate and the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines either that (A) both an Index Cessation Event and Index Cessation Event Effective Date have occurred or (B) both an Administrator/Benchmark Event and Administrator/Benchmark Event Date have occurred, in each case with respect to the Relevant Recommended Rate,

then Reference Rate (i) in respect of each Reference Rate Business Day (i) falling on or after the Applicable Fallback Effective Date shall be determined in accordance with the provisions of Condition 4(e) (Benchmark Replacement), and for these purposes, it is deemed that (i) "Benchmark Replacement" has been selected as applicable in the relevant Pricing Supplement, (ii) the Issuer (in consultation, to the extent practicable, with the Calculation Agent) has determined that a Benchmark Event has occurred in relation to the Reference Rate in accordance with the first paragraph of Condition 4(e) (*Benchmark Replacement*), and (iii) Condition 4(e)(iv) (*Benchmark Replacement*) does not apply.

- (D) The Issuer (in consultation, to the extent practicable, with the Calculation Agent) may at any time, specify any Benchmark Replacement Conforming Changes which changes shall apply to the Securities for all future Interest Periods (without prejudice to the further operation of this Condition 4(d)(vii)) and, for the avoidance of doubt, the Trustee shall, at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by two Authorised Signatories, confirming that the Issuer has made the relevant determinations in accordance with this Condition 4(d)(vii) and attaching the proposed amendments to the Conditions, be obliged to concur with the Issuer to effect such amendments to the Conditions together with such

consequential amendments to the Trust Deed and Agency Agreement as the Trustee may deem appropriate in order to give effect to this Condition 4(d)(vii) and the Trustee shall not be liable to any person for any consequences thereof, save as provided in the Trust Deed. No consent of the Securityholders of the relevant Series or of the Holders of the Coupons appertaining thereto shall be required in connection with effecting such changes, including for the execution of any documents or the taking of other steps by the Trustee, the Issuer or any of the parties to the Agency Agreement (if required). The Trustee shall not be obliged to agree to any amendments which in the sole opinion of the Trustee would have the effect of (A) exposing the Trustee to any liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the documents to which it is a party and/or these Conditions. The Agents (as defined in the Agency Agreement) shall give effect to this Condition 4(d)(vii) (by effecting such consequential amendments to the Agency Agreement or otherwise as is necessary on the part of each Agent (acting reasonably)), **provided that** the Agents shall not be obliged to give effect to any such amendments, if in the reasonable opinion of the relevant Agent (acting in good faith and following consultation, to the extent practicable, with the Issuer), the same would not be operable in accordance with the terms proposed pursuant to this Condition 4(d)(vii) or would expose it to any additional duties or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or the Agency Agreement. The Issuer shall promptly following the determination of any changes pursuant to Condition 4(d)(vii) give notice thereof to the Trustee, the Principal Paying and Conversion Agent, the Calculation Agent and the Securityholders (in accordance with Condition 14 (*Notices*)). Notwithstanding any other provision of this Condition 4(d)(vii), no fallback rate will be adopted, nor will any amendment to the Conditions be made, in each case pursuant to this Condition 4(d)(vii), if in the determination of the Issuer, the same could reasonably be expected to result in: (i) the exclusion of the Securities in whole or in part from the regulatory capital of the Group (other than as a consequence of their conversion pursuant to Condition 9(b) (*Conversion upon occurrence of Capital Adequacy Trigger*)); or (ii) the reclassification of the Securities in whole or in part as a form of regulatory capital of the Group that is lower than Additional Tier 1 capital.

- (E) The definitions set out in Condition 4(d)(v)(F) shall be equally applicable to this Condition 4(d)(vii).

(e) ***Benchmark Replacement***

If any of Condition 4(c) (*Screen Rate Determination for Floating Rate Securities not referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*), Condition 3(c)(i) (*Mid-Swap Rate*), Condition 3(c)(ii) (*Resettable Security Interbank Rate*) or Condition 3(c)(v) (*SORA-OIS Rate*) is applicable to the Securities or Condition 4(d) (*Screen Rate Determination for Floating Rate Securities referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*) is applicable to the Securities and either "SONIA", "€STR", "SORA", "SARON", "CORRA" or "HONIA" is specified as the Reference Rate in the relevant Pricing Supplement, and in any case, Benchmark Replacement is specified as applicable in the relevant Pricing Supplement then notwithstanding the provisions of Condition 4(c) (*Screen Rate Determination for Floating Rate Securities not referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*), Condition 3(c)(i) (*Mid-Swap Rate*), Condition 3(c)(ii) (*Resettable Security Interbank Rate*), Condition 3(c)(v) (*SORA-OIS Rate*) or Condition 4(d) (*Screen Rate Determination for Floating Rate Securities referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*) (as applicable), if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions shall apply:

- (i)
 - (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 five (5) Business Days prior to the relevant Interest Determination Date or Reset Determination Date (as applicable) relating to the next succeeding Interest Period or Reset Period (as applicable) (the "IA Determination Cut-off Date"), a Successor Rate (as defined below) or, alternatively, if the Independent Adviser determines that there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Securities; or
 - (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, to the extent practicable, with the Calculation Agent and acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if the Issuer determines that there is no Successor Rate, an Alternative Reference Rate;
- (ii) 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 subsequently be used in place of such Original Reference Rate to determine the Rate of Interest (or the relevant

component part thereof) for each of the future Interest Periods or Reset Periods (as applicable) (subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(e) (*Benchmark Replacement*)); **provided, however, that** if sub-paragraph (i)(B) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Determination Date or Reset Determination Date (as applicable), the Rate of Interest applicable to the next succeeding Interest Period or Reset Period (as applicable) shall be equal to the Rate of Interest applicable to the Securities in respect of the Interest Period or Reset Period (as applicable) preceding such Interest Period or Reset Period; for the avoidance of doubt, the proviso in this sub-paragraph (ii) shall apply to the relevant Interest Period or Reset Period (as applicable) only and any subsequent Interest Periods or Reset Periods (as applicable) shall be subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(e) (*Benchmark Replacement*);

- (iii) if the Independent Adviser (in consultation with the Issuer) or (if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine whether an Adjustment Spread should be applied) the Issuer (in consultation, to the extent practicable, with the Calculation Agent and acting in good faith and in a commercially reasonable manner) determines that an Adjustment Spread should be applied to the relevant Successor Rate or the relevant Alternative Reference Rate (as applicable) then such Adjustment Spread shall be applied to such Successor Rate or 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 the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;
- (iv) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, any Adjustment Spread in accordance with the above provisions, the Independent Adviser or the Issuer (in consultation, to the extent practicable, with the Calculation Agent) (as applicable), may also specify changes to these Conditions, including but not limited to the Relevant Time, Relevant Financial Centre, Reference Banks, Leading Banks, Day Count Fraction, Business Day Convention, Business Days and/or Interest Determination Date applicable to the Securities, and the method for determining the fallback rate in relation to the Securities, in order to follow market practice in relation to the Successor Rate, the Alternative Reference Rate (as applicable) and/or the Adjustment Spread, which changes shall apply to the Securities for all future Interest Periods (subject to the subsequent operation of this Condition 4(e) (*Benchmark Replacement*)). For the avoidance of doubt, the Trustee shall, at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by two Authorised Signatories, confirming that the Issuer or the Independent Adviser has made the

relevant determinations in accordance with this Condition 4(e) (Benchmark Replacement); and attaching the proposed amendments to the Conditions, be obliged to concur with the Issuer to effect such amendments to the Conditions together with such consequential amendments to the Trust Deed and the Agency Agreement as the Trustee may deem appropriate in order to give effect to this Condition 4(e) (Benchmark Replacement); and the Trustee shall not be liable to any person for any consequences thereof, save as provided in the Trust Deed. No consent of the Holders of the Securities of the relevant Series or of the Holders of the Coupons appertaining thereto shall be required in connection with implementing the Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread or such other changes, including for the execution of any documents, amendments or other steps by the Trustee, the Issuer or any of the parties to the Agency Agreement (if required). The Trustee shall not be obliged to agree to any amendments which in the sole opinion of the Trustee would have the effect of (A) exposing the Trustee to any liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the documents to which it is a party and/or these Conditions. The Agents (as defined in the Agency Agreement) shall give effect to this Condition 4(e) (Benchmark Replacement) (by effecting such consequential amendments to the Agency Agreement or otherwise as is necessary on the part of each Agent (acting reasonably)), **provided that** the Agents shall not be obliged to give effect to any such amendments, if in the reasonable opinion of the relevant Agent (acting in good faith and following consultation, to the extent practicable, with the Issuer), the same would not be operable in accordance with the terms proposed pursuant to this Condition 4(e) (Benchmark Replacement) or would expose it to any additional duties or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or the Agency Agreement; and

- (v) the Issuer shall promptly, following the determination of any Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread, give notice thereof to the Trustee, the Principal Paying and Conversion Agent, the Calculation Agent and the Securityholders (in accordance with Condition 14 (Notices)), which notice shall specify the effective date(s) for such Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread and any consequential changes made to these Conditions.

Notwithstanding any other provision of this Condition 4(e) (*Benchmark Replacement*), no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any amendment to the Conditions be made pursuant to Condition 4(e)(iv), if in the determination of the Issuer, the same could reasonably be expected to result in:

- (i) the exclusion of the Securities in whole or in part from the regulatory capital of the Group (other than as a consequence of their conversion pursuant to Condition 9(b) (*Conversion upon occurrence of Capital Adequacy Trigger*)); or
- (ii) the reclassification of the Securities in whole or in part as a form of regulatory capital of the Group that is lower than Additional Tier 1 capital.

For the purposes of this Condition 4(e) (*Benchmark Replacement*):

"Adjustment Spread" means a spread (which may be positive or negative or zero) or formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Reference Rate (as the case may be), and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (ii) (if 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 (in consultation, to the extent practicable, with the Calculation Agent) (as applicable) determines is customarily applied to the relevant Successor Rate or Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
- (iii) (if the Independent Adviser or the Issuer determines that there is no customarily applied spread in relation to the Successor Rate or Alternative Reference Rate (as the case may be) as envisaged by limb (ii) above), the Independent Adviser (in consultation with the Issuer) or the Issuer (in consultation, to the extent practicable, with the Calculation Agent) (as applicable) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be);

"Alternative Reference Rate" means the rate that the Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) has replaced the Original 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 Reset Period (as applicable);

"Benchmark Event" means:

- (i) (A) the Original Reference Rate has ceased to be published for a period of at least 5 Business Days or has ceased to exist; (B) the making of a public statement by the administrator of the Original Reference Rate that it has ceased publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued; or
- (ii) the later of (A) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (B) the date falling six months prior to such date specified in (A); or
- (iii) the later of (A) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (B) the date falling six months prior to the date specified in (A); or
- (iv) the later of (A) the making of a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will, on or before a specified 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 Securities and (B) the date falling six months prior to the date specified in (A); or
- (v) the later of (A) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, the Original Reference Rate is or will, on or before a specified date, be no longer representative of an underlying market or, in any case, should be used for informational purposes only rather than as a benchmark Reference Rate for securities such as the Securities and (B) the date falling six months prior to the date specified in (A); or
- (vi) it has or will prior to the next Interest Determination Date or Reset Determination Date, as applicable, become unlawful for the Calculation Agent or the Issuer to calculate any payments

due to be made to any Securityholder using the Original Reference Rate (including, without limitation, under Regulation (EU) 2016/1011 as it forms part of domestic law in the UK by virtue of the EUWA, if applicable);

"Original Reference Rate" means (A) the benchmark or screen rate (as applicable) originally specified in the applicable Pricing Supplement for the purposes of determining the relevant Rate of Interest (or any component part(s) thereof) in respect of the Securities or (B) (if applicable) any other Successor Rate or Alternative Reference Rate (or any component part(s) thereof) determined and applicable to the Securities pursuant to the earlier operation of this Condition 4(e) (*Benchmark Replacement*);

"Relevant Nominating Body" means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate (as applicable) relates, or any other central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate (as applicable) relates, (B) any other central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (C) a group of the aforementioned central banks or other supervisory authorities, (D) the International Swaps and Derivatives Association, Inc. or any part thereof, or (E) the Financial Stability Board or any part thereof; and

"Successor Rate" means a successor to or replacement of the Original Reference Rate (for the avoidance of doubt, whether or not such Original Reference Rate (as applicable) has ceased to be available) which is formally recommended by any Relevant Nominating Body.

(f) ***ISDA Determination***

If ISDA Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Securities 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 that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) if the relevant Pricing Supplement specifies either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:
- (A) the Floating Rate Option is as specified in the relevant Pricing Supplement;
 - (B) the Designated Maturity, if applicable, is a period specified in the relevant Pricing Supplement;
 - (C) the relevant Reset Date is as, specified in the relevant Pricing Supplement; and
 - (D) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest 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 determine such rate at such time and by reference to such sources as it determines appropriate;
- (E) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Pricing Supplement and:
 - (1) if Compounding with Lookback is specified as the Compounding Method in the relevant Pricing Supplement then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Pricing Supplement;
 - (2) if Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Pricing Supplement then (a) Compounding with

Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Pricing Supplement and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Pricing Supplement; or

- (3) if Compounding with Lockout is specified as the Compounding Method in the relevant Pricing Supplement then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Pricing Supplement and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Pricing Supplement;
- (F) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Pricing Supplement and:
- (1) if Averaging with Lookback is specified as the Averaging Method in the relevant Pricing Supplement then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Pricing Supplement;
 - (2) if Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Pricing Supplement then (a) Averaging with Observation Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Pricing Supplement and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Pricing Supplement; or
 - (3) if Averaging with Lockout is specified as the Averaging Method in the relevant Pricing Supplement then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Pricing Supplement and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Pricing Supplement; and
- (G) if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the relevant Pricing Supplement, the Compounded Index Method with Observation Period Shift shall be applicable and (a)

Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Pricing Supplement and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Pricing Supplement;

- (ii) references in the ISDA Definitions to:
 - (A) "Confirmation" shall be references to the relevant Pricing Supplement;
 - (B) "Calculation Period" shall be references to the relevant Interest Period;
 - (C) "Termination Date" shall be references to the Maturity Date;
 - (D) "Effective Date" shall be references to the Interest Commencement Date; and
- (iii) if the relevant Pricing Supplement specifies "2021 ISDA Definitions" as being applicable:
 - (A) "Administrator/Benchmark Event" shall be disapplied; and
 - (B) 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";
- (iv) Unless otherwise defined, capitalised terms used in this Condition 4(f) shall have the same meaning ascribed to them in the ISDA Definitions.

(g) ***Maximum or Minimum Rate of Interest***

The relevant Pricing Supplement may specify a maximum rate of interest (a "**Maximum Rate of Interest**") and/or a minimum rate of interest (a "**Minimum Rate of Interest**"). If a Maximum Rate of Interest and/or a Minimum Rate of Interest is so specified in the relevant Pricing Supplement, then the Rate of Interest in respect of an Interest Period shall in no event be greater than the Maximum Rate of Interest or be less than the Minimum Rate of Interest.

In no event shall the Rate of Interest in respect of any Interest Period be less than zero.

(h) ***Determination of Rate of Interest and Calculation of Interest Amount***

The Calculation Agent will (i) as soon as practicable in respect of Floating Rate Securities subject to the provisions of Condition 4(d) (*Screen Rate*

Determination for Floating Rate Securities referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA) and (ii) as soon as practicable after the Relevant Time in respect of any other Floating Rate Securities, on each Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable in respect of each denomination of the relevant Floating Rate Securities (the "**Interest Amount**") for the relevant Interest Period.

The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to:

- (i) in the case of Floating Rate Securities which are represented by a Global Security, the principal amount of the Securities represented by such Global Security during such Interest Period; or
- (ii) in the case of Floating Rate Securities in definitive form, the Calculation Amount during such Interest Period, as so specified in the applicable Pricing Supplement,

and in each case multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards or otherwise in accordance with applicable market convention, as determined by the Calculation Agent). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Floating Rate Security in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Security shall be the aggregate of the amounts determined in the manner provided above for each Calculation Amount comprising the Specified Denomination without any further rounding.

(i) ***Notification of Rate of Interest and Interest Amount***

The Calculation Agent will cause the Rate of Interest, the Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Principal Paying and Conversion Agent, for as long as such Securities are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, to such listing authority, stock exchange and/or quotation system in accordance with the rules thereof, and, for as long as such Securities are represented by Securities in global form, Euroclear and/or Clearstream, Luxembourg and/or such other clearing system or depository as may be set out in the relevant Pricing Supplement as soon as possible after the determination thereof but in any event no later than the fourth business day thereafter. In respect of Floating Rate Securities which are Securities in definitive form, the Calculation Agent will give notice to the Securityholders of the Rate of Interest, the Interest Amount and the relevant Interest Payment Date in accordance with the provisions of Condition 14 (*Notices*). The Interest Amount and the Interest Payment Date so notified in respect of any Securities may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such

amendment will be promptly notified, for as long as such Securities are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, to such listing authority, stock exchange and/or quotation system in accordance with the rules thereof.

(j) ***Determination or Calculation by agent appointed by the Trustee***

If the Calculation Agent does not at any time for any reason determine the Rate of Interest or calculate the Interest Amount, the Trustee may (at the expense of the Issuer) appoint an agent to do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, such agent appointed by the Trustee shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(k) ***Certificates, etc. to be Final***

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purpose of the provisions of this Condition 4 whether by the Calculation Agent, the Independent Adviser or any agent appointed by the Trustee shall (in the absence of manifest error) be final and binding on the Issuer, the Trustee (or such agent appointed by the Trustee), the Paying Agents, (where appropriate) the Registrar and the Holders of Securities and of the Coupons appertaining thereto. No Holder of Securities or of the Coupons appertaining thereto shall be entitled to proceed against the Calculation Agent, the Independent Adviser, the Trustee or any agent appointed by the Trustee, the Paying Agents, the Registrar or any of them in connection with the exercise or non-exercise by them of their powers, duties and discretions hereunder, including, without limitation, in respect of any notification, opinion, communication, determination, certificate, calculation, quotation or decision given, expressed or made for the purposes of this Condition 4.

5. **Cancellation of Interest**

(a) ***Interest Payments Discretionary***

The Issuer shall be entitled at its full discretion to cancel (in whole or in part) any amounts of interest otherwise payable in respect of the Securities on any date. Unless otherwise specified, references in these Conditions to a payment of interest being "cancelled" (and similar references) shall include cancellation by reason of it not being due in accordance with Condition 2(b) (*Subordination – conditions to payment*), the cancellation of such payment of interest (or relevant part thereof) in accordance with Condition 5(b) (*Restrictions on Interest Payments*) or 9(g) (*Accrued Interest following Capital Adequacy Trigger*) or, as appropriate, the Issuer's exercise of its discretion otherwise to cancel such payment of interest (or relevant part thereof) in accordance with this Condition 5(a).

If the Issuer does not make any such payment of interest (or any part thereof) on the relevant date for payment, such non-payment shall evidence the non-payment and cancellation of such payment of interest (or relevant part thereof) and accordingly such interest shall not in any such case be due and payable.

Any payment of interest (or relevant part thereof) which is cancelled shall not become due and shall not accumulate or be payable at any time after its cancellation, and Securityholders shall have no rights in respect thereof and any such cancellation or non-payment (in whole or in part) shall not constitute a default or event of default on the part of the Issuer for any purpose.

(b) ***Restrictions on Interest Payments***

Without prejudice to (1) Condition 5(a) (*Interest Payments Discretionary*) above or (2) the prohibition contained in Chapter 4 of the "CRR Firms – Capital Buffers" Part of the PRA Rulebook (or any succeeding provision(s) amending or replacing such chapter) ("**Chapter 4**") on the making of payments on the Securities before the Maximum Distributable Amount has been calculated, if and to the extent that on any date on which interest is payable in respect of the Securities:

- (i) the amount of Relevant Distributions relating to such date exceeds the amount of Distributable Items; or
- (ii) the aggregate of (A) the relevant interest amount payable in respect of the Securities and (B) the amounts of any distributions of the kind referred to in Rule 4.3(2) of Chapter 4 (or any succeeding provision amending or replacing such rule) exceeds the Maximum Distributable Amount (if any) applicable to the Issuer as of such date; or
- (iii) the Lead Regulator applicable to the Issuer orders the Issuer to cancel (in whole or in part) the interest otherwise payable on such date,

the Issuer shall cancel (in whole or, as the case may be, in part) the interest otherwise payable on such date.

The Issuer shall be responsible for determining compliance with this Condition 5(b) and neither the Trustee, nor any Paying Agent, Transfer Agent or Calculation Agent shall be required to monitor such compliance or to perform any calculations in connection therewith.

(c) ***Notice of Interest Cancellation***

If practicable, the Issuer shall give notice of any cancellation of any interest to the Securityholders in accordance with Condition 14 (*Notices*) and to the Trustee and the Principal Paying and Conversion Agent on or prior to the relevant date on which such interest would otherwise have been payable; **provided, however, that** any failure to provide such notice will not invalidate the cancellation of the relevant payment of interest.

6. **Redemption and Purchase**

(a) ***No Fixed Redemption Date***

The Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 2(b) (*Subordination – conditions to payment*) and Condition 6(g) (*Capital Adequacy Trigger Notice*)) only have the right to repay them or purchase them in accordance with the following provisions of this Condition 6.

(b) ***Redemption for Taxation Reasons***

Subject to Conditions 2(b) (*Subordination – conditions to payment*), 6(g) (*Capital Adequacy Trigger Notice*), the final paragraph of this Condition 6(b) and Condition 6(i) (*Supervisory Consent*), if the Issuer satisfies the Trustee immediately prior to the giving of the notice referred to below that:

- (i) on a subsequent date for the payment of interest on any Series of Securities the Issuer would be required to pay any additional amounts in accordance with the provisions of Condition 7 (*Taxation*); or
- (ii) if the Issuer were to seek to redeem the Securities on a subsequent date (for which purpose no regard shall be had as to whether or not the Issuer would otherwise be entitled to redeem such Securities), the Issuer would be required to pay any additional amounts in accordance with the provisions of Condition 7 (*Taxation*); or
- (iii) unless the relevant Pricing Supplement specifies that this Condition 6(b)(iii) does not apply, on a subsequent date for the payment of interest on any Series of Securities, interest payments (or funding costs of the Issuer as recognised in its accounts) under or with respect to the Securities would no longer be fully deductible for UK corporation tax purposes; or
- (iv) the relevant Securities would no longer be treated as loan relationships for UK tax purposes; or
- (v) any change in, or amendment to, the laws or regulations of the UK or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the Issue Date, would, as a result of the Securities being in issue, result in the Issuer not being able to have losses or deductions set against the profit or gains, or profits or gains offset by the losses or deductions, of companies with which it is or would otherwise be so grouped for applicable UK tax purposes (whether under the group relief system current as at the Issue Date or any similar system or systems having like effect as may from time to time exist); or

- (vi) a future write-down of the principal amount of the Securities or conversion of the Securities into Ordinary Shares would result in a UK tax liability, or the receipt of income or profit which would be subject to UK tax, which would not otherwise have been the case as at the Issue Date of the relevant Securities; or
- (vii) the relevant Securities or any part thereof will become treated as a derivative or an embedded derivative for UK tax purposes,

then, the Issuer may, having given not less than 30 nor more than 45 days' notice (ending, in the case of Floating Rate Securities, on an Interest Payment Date) to the Securityholders (which notice shall, subject to Conditions 2(b) (*Subordination – conditions to payment*) and 6(g) (*Capital Adequacy Trigger Notice*), be irrevocable) in respect of such Series of Securities, redeem all, but not some only, of the Securities, at their principal amount or such other redemption amount as may be set out in the relevant Pricing Supplement together with (to the extent not cancelled pursuant to these Conditions) interest accrued and unpaid, if any, to the date fixed for redemption **provided that** no such notice of redemption shall be given earlier than 90 days (or in the case of Floating Rate Securities a number of days which is equal to the aggregate of the number of days in the then current Interest Period plus 60 days **provided that** such aggregate number of days shall not be greater than 90 days) prior to the earliest date on which the relevant circumstances described in the relevant paragraph of (i) to (vii) above would occur.

It shall be sufficient, to establish the circumstances required to be established pursuant to this Condition 6(b), if the Issuer shall deliver to the Trustee a certificate or opinion of an independent legal adviser or accountant satisfactory to the Trustee to the effect either that such circumstances do exist or that, upon a change in or amendment to the laws (including any regulations pursuant thereto), or in the interpretation, application or administration thereof, of the UK or any political subdivision or any authority thereof or therein having power to tax, which at the date of such certificate or opinion is proposed and in the opinion of such legal adviser or accountant is reasonably expected to become effective on or prior to the date on which the relevant circumstances described in the relevant paragraph of (i) to (vii) above would otherwise occur and for these purposes, the Trustee shall accept such certificate or opinion without further enquiry and without liability for doing so as sufficient evidence of the existence of such circumstances and such certificate or opinion shall be conclusive and binding on the Securityholders and any Couponholders.

(c) ***Redemption at the Option of the Issuer***

Subject to Condition 2(b) (*Subordination – conditions to payments*), Condition 6(g) (*Capital Adequacy Trigger Notice*) and Condition 6(i) (*Supervisory Consent*), where this Condition 6(c) is stated to be applicable in the relevant Pricing Supplement, Securities shall be redeemable at the option of the Issuer. In such case, the Issuer may, on any Call Option Date(s) specified in the relevant Pricing Supplement, on giving (in accordance with Condition 14 (*Notices*)) not less than 30 nor more than 60 days' notice to the Securityholders (or such other period specified in the relevant Pricing Supplement) (which notice shall, subject

to Conditions 2(b) (*Subordination – conditions to payment*) and 6(g) (*Capital Adequacy Trigger Notice*), be irrevocable) specifying the date fixed for such redemption, subject to Conditions 2(b) (*Subordination – conditions to payment*) and 6(g) (*Capital Adequacy Trigger Notice*), redeem all of such Securities (or, if so specified in the relevant Pricing Supplement and subject as therein specified, some only of the Securities) at their Early Redemption Amount (Call) or such other redemption amount as set out in the relevant Pricing Supplement together with (to the extent not cancelled pursuant to these Conditions) interest accrued and unpaid thereon, if any, to the date fixed for redemption.

Notwithstanding the foregoing, in the case of Securities where a Make Whole Redemption Amount has been specified in the relevant Pricing Supplement, if the Issuer determines, in its sole discretion (and without any requirement for the consent or approval of the Securityholders or the Trustee), that the Make Whole Redemption Amount applying to the relevant Call Option Dates could reasonably be expected to prejudice the qualification of the Securities as regulatory capital for the purposes of the Applicable Rules, the Issuer shall cease to have the right to redeem the Securities on such Call Option Date(s). The Issuer shall promptly following any such determination give notice thereof to the Trustee, the Principal Paying and Conversion Agent and the Securityholders (in accordance with Condition 14 (*Notices*)), **provided that** failure to give such notice shall not affect the effectiveness of, or otherwise invalidate, any such determination or the cessation of the Issuer's right to redeem the Securities on such Call Option Date(s).

If the Securities of a Series are to be redeemed in part only on any date in accordance with this Condition 6(c):

- (i) in the case of Bearer Securities (other than a temporary global Security or permanent global Security), the Securities to be redeemed shall be drawn by lot in such European city as the Principal Paying and Conversion Agent may specify, or identified in such other manner or in such other place as the Principal Paying and Conversion Agent and the Trustee may approve and deem appropriate and fair; and
- (ii) in the case of Registered Securities, the Securities 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 Security shall be equal to the minimum denomination thereof or an appropriate multiple thereof,

subject always to compliance with all applicable laws and the requirements of each listing authority, stock exchange and/or quotation system (if any) by which the relevant Securities may have been admitted to listing, trading and/or quotation.

In the case of the redemption of part only of a Registered Security, a new Registered Security in respect of the unredeemed balance shall be issued in accordance with Condition 13 (*Replacement and Transfer*) which shall apply as in the case of a transfer of Registered Securities as if such new Registered Security were in respect of the untransferred balance.

(d) ***Residual Call***

If this Condition 6(d) is specified as being applicable to a Series of Securities in the relevant Pricing Supplement, then if at any time from the fifth anniversary of issuance of the last Tranche of such Securities (unless otherwise permitted earlier by the Lead Regulator applicable to the Issuer), other than as a direct result of a redemption of some, but not all, of the Securities at the Make Whole Redemption Amount at the Issuer's option pursuant to Condition 6(c) (*Redemption at the Option of the Issuer*), if applicable, the outstanding aggregate principal amount of the Securities is the Relevant Percentage or less of the aggregate principal amount of the Securities originally issued (and, for these purposes, any further Securities issued pursuant to Condition 16 (*Further Issues*) and consolidated with the Securities as part of the same Series shall be deemed to have been originally issued), the Issuer may, subject to Condition 6(i) (*Supervisory Consent*), redeem all (but not some only) of the remaining outstanding Securities on any date (or, in the case of a Floating Rate Security, on any Interest Payment Date) upon giving in accordance with Condition 14 (*Notices*) not less than 30 nor more than 60 days' notice (or such other period specified in the relevant Pricing Supplement) to the Securityholders (which notice shall specify the date for redemption and shall be irrevocable), at the Optional Redemption Amount (Residual Call) together with (if applicable) any accrued but unpaid interest up to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this Condition 6(d), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the outstanding aggregate principal amount of the Securities is the Relevant Percentage or less of the aggregate principal amount of the Securities originally issued. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out above and without further enquiry or liability for so doing, in which event it shall be conclusive and binding on the Securityholders.

"**Relevant Percentage**" means such percentage as may be specified as such in the relevant Pricing Supplement or, if no such percentage is so specified, 20 per cent.

(e) ***Purchases***

Subject to Condition 6(i) (*Supervisory Consent*), and to the extent permitted by applicable laws and regulations, the Issuer or any holding or subsidiary company of the Issuer or any subsidiary of any such holding company may purchase Securities at any price in the open market or otherwise and may resell the same.

(f) ***Redemption upon Capital Disqualification Event***

Subject to Condition 2(b) (*Subordination – conditions to payments*), Condition 6(g) (*Capital Adequacy Trigger Notice*) and Condition 6(i) (*Supervisory Consent*), if this Condition 6(f) is specified as being applicable in the relevant Pricing Supplement, then, following the occurrence of a Capital

Disqualification Event, the Issuer may, within 90 days of the occurrence of the relevant Capital Disqualification Event and on giving not less than 30 nor more than 60 days' notice (ending, in the case of Floating Rate Securities, on an Interest Payment Date) to the Trustee (with a copy to the Principal Paying and Conversion Agent) and to the Securityholders in accordance with Condition 14 (*Notices*) (which notice shall, subject to Conditions 2(b) (*Subordination – conditions to payment*) and 6(g) (*Capital Adequacy Trigger Notice*), be irrevocable), at its option, redeem all, but not some only, of the Securities at the Capital Disqualification Event Early Redemption Price, together with (to the extent not cancelled pursuant to these Conditions) interest accrued and unpaid, if any, to the date fixed for redemption.

Prior to giving the above notice to the Trustee pursuant to this Condition 6(f), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories stating that a Capital Disqualification Event has occurred and is continuing, the Trustee shall accept such certificate without further inquiry as sufficient evidence of the same and it shall be conclusive and binding on the Securityholders and any Couponholders.

(g) ***Capital Adequacy Trigger Notice***

The Issuer may not give a notice of redemption of any Series of Securities pursuant to this Condition 6 if a Capital Adequacy Trigger Notice has been given in respect of such Securities. If a Capital Adequacy Trigger Notice is given after a notice of redemption shall have been given by the Issuer but before the relevant Redemption Date, such notice of redemption shall automatically be revoked and be null and void and the relevant Securities shall not be redeemed.

(h) ***Cancellation***

All Securities redeemed pursuant to Condition 6(b) (*Redemption for Taxation Reasons*), Condition 6(c) (*Redemption at the Option of the Issuer*), Condition 6(d) (*Residual Call*) or Condition 6(f) (*Redemption upon Capital Disqualification Event*) shall, and all Securities purchased pursuant to Condition 6(e) (*Purchases*) of this Condition 6 may, at the option of the Issuer, be cancelled forthwith (together with, in the case of Bearer Securities in definitive form, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith) by the Paying Agent through which they are redeemed or by the Principal Paying and Conversion Agent to which they are surrendered. All Securities redeemed or purchased and cancelled as aforesaid may not be re-issued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged.

(i) ***Supervisory Consent***

The Issuer may only exercise a right to redeem or purchase Securities pursuant to Conditions 6(b) (*Redemption for Taxation Reasons*), 6(c) (*Redemption at the Option of the Issuer*), 6(d) (*Residual Call*), 6(e) (*Purchases*) or 6(f) (*Redemption upon Capital Disqualification Event*):

- (i) in the case of a redemption pursuant to Condition 6(f) (*Redemption upon Capital Disqualification Event*) where the date fixed for redemption falls before the fifth anniversary of the issue date of the most recently issued Tranche of the relevant Series, if the Issuer has first complied with the Regulatory Preconditions and obtained any Relevant Supervisory Consent; and
- (ii) in any other case, unless (x) the relevant Securities have (or will have on the date fixed for redemption or purchase) ceased fully to qualify as part of the Issuer's regulatory capital or (y) the relevant Securities are repurchased for market-making purposes in accordance with any permission given by the Lead Regulator applicable to the Issuer pursuant to Applicable Rules (including, without limitation, Article 29(3) of Commission Delegated Regulation (EU) No. 241/2014 as it forms part of domestic law by virtue of the EUWA) within the limits prescribed in such permission, if the Issuer has first:
 - (A) obtained any Relevant Supervisory Consent; and
 - (B) in the case of a redemption pursuant to Condition 6(b) (*Redemption for Taxation Reasons*) or a purchase of Securities pursuant to Condition 6(e) (*Purchases*) where the date fixed for redemption or repurchase falls before the fifth anniversary of the issue date of the most recently issued Tranche of the relevant Series, complied with the Regulatory Preconditions.

For these purposes, as between the Issuer and the Securityholders, the Issuer shall be deemed to have complied with items (i) or (ii) above (as and where applicable) if it has obtained a Relevant Supervisory Consent, and a certificate signed by two Authorised Signatories stating that it has obtained a Relevant Supervisory Consent delivered to the Trustee (who shall accept such certificate without further inquiry as sufficient evidence of the same) shall be conclusive as to the Issuer having obtained such consent and shall be binding on the Securityholders.

7. **Taxation**

All payments by the Issuer of principal and interest in respect of the Securities will be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature, present or future, as are imposed or levied by or on behalf of the UK (or any authority or political subdivision therein or thereof having power to tax) unless the Issuer is required by law to withhold or deduct any such taxes, duties, assessments or governmental charges.

In that event, the Issuer will pay such additional amounts in respect of any payments of interest in respect of the Securities (but not, for the avoidance doubt, in respect of any payments of principal in respect of the Securities) as may be necessary in order that the net amounts of interest in respect of the Securities received by the Securityholders or Couponholders, as the case may be, after such withholding or deduction shall equal the respective amounts of interest which would have been received in respect of the Securities and/or, as the case may be, Coupons, in the absence of such withholding or

deduction; except that no such additional amounts shall be payable with respect to any Security or Coupon:

- (a) to, or to a third party on behalf of, a Holder of a Security or Coupon who is liable to such taxes, duties, assessments or governmental charges in respect of such Security or Coupon by reason of his having some connection with the UK other than the mere holding of such Security or Coupon; or
- (b) unless it is proved, in the case of Bearer Securities, to the satisfaction of the Principal Paying and Conversion Agent or the Paying Agent to whom the same is presented, or, in the case of Registered Securities, to the satisfaction of the Registrar, that the Holder is unable to avoid such withholding or deduction by satisfying any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to a Paying Agent or the relevant tax authorities (as applicable) or by notifying (and/or presenting evidence of such notification to) any tax authorities of such payment of interest or by presenting the relevant Security or Coupon at the specified office of another Paying Agent (whether within or outside Europe); or
- (c) more than 30 days after the Relevant Date (defined below) except, in the case of Bearer Securities, to the extent that the Holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
- (d) to, or to a third party on behalf of, a Holder who is not the sole beneficial owner of the Security or any Coupon, or a portion of either, or that is a fiduciary or partnership, but only to the extent that a beneficiary or settlor with respect to the fiduciary or a beneficial owner or member of the partnership would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment.

As used herein the "**Relevant Date**" means the date on which such payment first becomes due but, in the case of Bearer Securities, if the full amount of the money payable has not been received by the Principal Paying and Conversion Agent or the Trustee on or prior to such due date, it means the date on which, the full amount of such money having been so received, notice to that effect shall have been duly given to the relevant Securityholders in accordance with Condition 14 (*Notices*).

Any reference in these Conditions to principal or interest or both in respect of the relevant Securities shall be deemed to include, as applicable:

- (i) any additional amounts in respect of payments of interest which may be payable under this Condition 7 or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the principal amount payable on the relevant Securities on the Redemption Date (if any); and

- (iii) any premium and any other amounts which may be payable under or in respect of the relevant Securities.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code of 1986 Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of FATCA withholding.

8. **Payments**

(a) ***Bearer Securities***

Payments of principal and interest (if any) in respect of Bearer Securities will (subject as provided below) be made against presentation and surrender of the relevant Security or, in the case of payments of interest, surrender of the relevant Coupon at the specified office of any Paying Agent outside the United States (subject to the next paragraph).

Payments of amounts due in respect of interest on Bearer Securities and exchanges of Talons for Coupon sheets will not be made at the specified office of any Paying Agent in the United States (as defined in the U.S. Internal Revenue Code of 1986 and Regulations thereunder) unless (a) payment in full of amounts due in respect of interest on such Securities when due or, as the case may be, the exchange of Talons at all the specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (b) such payment or exchange is permitted by applicable United States law, in which case the Issuer shall forthwith appoint a further Paying Agent with a specified office in New York City.

If the due date for payment of any amount due in respect of any Bearer Security is not both a Relevant Financial Centre Day and (unless the Securities are in global form) a Local Banking Day (each as defined below), then the Holder thereof will not be entitled to payment thereof until the next day which is such a day and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 3 (*Interest on Fixed Rate Securities and Resettable Securities*) or 4 (*Interest on Floating Rate Securities*), as appropriate.

Upon the Redemption Date of any Bearer Security in definitive form, all unmatured Coupons and Talons (if any) relating to such Bearer Security in definitive form (whether or not attached) shall become void and no payment shall be made in respect of them.

Upon any Bearer Securities in definitive form becoming due and repayable, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

In relation to Bearer Securities in definitive form initially delivered with Talons attached thereto, on or after the date on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent outside the United States (save as provided above) in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 11 (*Prescription*). Each Talon shall, for the purpose of these Conditions, be deemed to mature on the Fixed Interest Payment Date, Resetable Security Interest Payment Date or Interest Payment Date (as applicable) on which the final Coupon comprised in the relative Coupon sheet matures.

If (otherwise than by reason of the application of the above) the Redemption Date (if any) of any Bearer Security in definitive form is not a Fixed Interest Payment Date, a Resetable Security Interest Payment Date or an Interest Payment Date (as applicable) for the payment of a Coupon appertaining thereto, interest accrued (if any) in respect of such Security from (and including) the last preceding Fixed Interest Payment Date, Resetable Security Interest Payment Date or Interest Payment Date (as applicable) for the payment of a Coupon (or from the Issue Date or the Interest Commencement Date, as the case may be) will be paid only against surrender of such Bearer Security and all unmatured Coupons appertaining thereto.

(b) ***Registered Securities***

Payment of the amount due on redemption (in accordance with Condition 6 (*Redemption and Purchase*)) (the "**Redemption Amount**") in respect of Registered Securities will be made against presentation and, save in the case of partial payment of the Redemption Amount, surrender of the relevant Registered Securities at the specified office of the Registrar or any Transfer Agent.

Payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Securities 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 Registrar at the close of business (local time in the place of the specified office of the Registrar) on the 15th day prior to the due date for such payment (the "**Record Date**").

If the due date for payments of amounts in respect of any Registered Security is not both a Relevant Financial Centre Day and (if such Security is not in global form and in relation to payments of the Redemption Amount only) a Local Banking Day, then the Holder thereof will not be entitled to payment thereof until the next day which is such a day and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 3 (*Interest on*

Fixed Rate Securities and Resettable Securities) or 4 (*Interest on Floating Rate Securities*), as appropriate.

(c) ***Renminbi-denominated Securities – Payment of U.S. Dollar Equivalent***

This Condition 8(c) only applies to Securities in relation to which the Specified Currency of denomination and payment is Renminbi.

Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Securities when due in Renminbi in Hong Kong, the Issuer may, on giving not less than five or more than 30 calendar days' irrevocable notice to the Principal Paying and Conversion Agent and Holders in accordance with Condition 14 (*Notices*) prior to the due date for payment, settle any such payment in U.S. Dollars on the due date (or if such date is not a Relevant Business Day, on the next succeeding Relevant Business Day) at the U.S. Dollar Equivalent of any such Renminbi denominated amount.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8(c) by the Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Trustee, the Paying Agents and all Holders.

(d) ***General Provisions***

The following provisions apply to both Bearer Securities and Registered Securities. Payments of amounts due (whether principal, interest or otherwise) in respect of Securities will be made in the currency in which such amount is due, by transfer to an account denominated in the relevant currency (or, if that currency is euro, any other account to which euro may be credited or transferred) specified and maintained by the payee with a bank in the principal financial centre of that currency (or, if that currency is euro, the relevant principal financial centre of any Member State of the European Union), except where payments of amounts due (whether principal, interest or otherwise) in respect of Securities are in Renminbi, in which case such payments will be made by credit or transfer to an account denominated in Renminbi and maintained by the payee with a bank in Hong Kong in accordance with applicable laws, rules and regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to settlement in Renminbi in Hong Kong). Payments of principal, interest and other amounts (if any) in respect of Securities are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment but without prejudice to the provisions of Condition 7 (*Taxation*).

Without prejudice to the generality of the foregoing, the Issuer reserves the right to require any person receiving payment of principal, interest and/or other sums or, as the case may be, payment of interest with respect to any Security or Coupon to provide a Paying Agent with such certification or information as may be required to enable the Issuer to comply with the requirements of U.S. federal

income tax laws or such other laws as the Issuer may be required to comply with.

9. **Capital Adequacy Trigger**

(a) ***Occurrence of Capital Adequacy Trigger***

Whether a Capital Adequacy Trigger has occurred at any time shall be determined by the Issuer, the Lead Regulator applicable to the Issuer or any agent of the Lead Regulator applicable to the Issuer appointed for such purpose by the Lead Regulator applicable to the Issuer. If a Capital Adequacy Trigger has occurred in respect of any Series of Securities (such Securities, the "**Affected Securities**"), the Issuer shall immediately inform the Lead Regulator applicable to the Issuer and shall, prior to giving the Capital Adequacy Trigger Notice (as defined below) in accordance with the next following paragraph, deliver to the Trustee a certificate signed by two Authorised Signatories stating that the Capital Adequacy Trigger has occurred. The Trustee shall accept such certificate without any further enquiry as sufficient evidence of such matters, in which event such certificate will be conclusive and binding on the Trustee and the Securityholders.

Following the occurrence of a Capital Adequacy Trigger in respect of the Affected Securities, the Issuer shall give a notice of the occurrence thereof (a "**Capital Adequacy Trigger Notice**") to the Holders of the Affected Securities in accordance with Condition 14 (*Notices*), with a copy thereof to the Trustee and the Principal Paying and Conversion Agent on or as soon as practicable after the date on which the Capital Adequacy Trigger occurs (and, in any event, within such period as the Lead Regulator applicable to the Issuer may require).

The Capital Adequacy Trigger Notice shall specify the Common Equity Tier 1 Capital Ratio as at the relevant date on which the Capital Adequacy Trigger occurred, the then prevailing Conversion Price (which Conversion Price shall remain subject to any subsequent adjustment pursuant to Condition 9(i) (*Adjustments to Conversion Price*) up to the Conversion Date), the Conversion Date, the Notice Cut-Off Date and the Long-Stop Date and, to the extent available, details of the Settlement Shares Depository.

(b) ***Conversion upon occurrence of Capital Adequacy Trigger***

If a Capital Adequacy Trigger occurs in respect of any Series of Securities:

- (i) each Affected Security shall, subject to and as provided in this Condition 9(b), be irrevocably discharged and satisfied by its conversion into Ordinary Shares, credited as fully paid, in the manner and in the circumstances described below and the issuance and delivery of such Ordinary Shares to the Settlement Shares Depository, to be held on trust (which trust must, if Condition 9(f) (*Conversion Shares Offer*) is specified in the relevant Pricing Supplement as being applicable in respect of the Affected Securities, be on terms permitting a Conversion Shares Offer in accordance with Condition 9(f) (*Conversion Shares Offer*)) for the Securityholders, as provided below;

- (ii) such conversion shall occur without delay upon the occurrence of such Capital Adequacy Trigger and, in any event, within one month from the time it is determined that the Capital Adequacy Trigger has occurred or within such shorter period as the Lead Regulator applicable to the Issuer may require (such date on which conversion is to occur shall be specified in the Capital Adequacy Trigger Notice and is referred to in these Conditions as the "**Conversion Date**" in respect of the Affected Securities); and
- (iii) the relevant Securities will be converted in whole and not in part on the Conversion Date as provided below, at which point all of the Issuer's obligations under the Securities shall be irrevocably discharged and satisfied by the Issuer's issuance and delivery of the relevant Ordinary Shares to the Settlement Shares Depository on the Conversion Date.

Subject to and as provided in Condition 9(f) (*Conversion Shares Offer*) (if applicable), the Settlement Shares Depository shall hold the Ordinary Shares to be issued and delivered on conversion on trust for the Holders of the Affected Securities, who shall, for so long as such Ordinary Shares are held by the Settlement Shares Depository, be entitled to direct the Settlement Shares Depository to exercise on their behalf all rights of an ordinary shareholder (including voting rights and rights to receive dividends) except that such Holders of Affected Securities shall not be able to sell or otherwise transfer such Ordinary Shares unless and until such time as they have been delivered to Holders in accordance with Condition 9(k) (*Procedure for Settlement in respect of a Conversion upon Capital Adequacy Trigger*).

With effect from the occurrence of a Capital Adequacy Trigger no Holder of the Affected Securities will have any rights against the Issuer with respect to the repayment of the principal amount of such Affected Securities or the payment of interest or other amount on or in respect of such Affected Securities (other than, in the case of a winding-up of the Issuer or the appointment of an administrator, any amounts payable under Condition 2(d) (*Winding-up after a Capital Adequacy Trigger*)) and the principal amount of such Affected Securities shall equal zero at all times thereafter.

The Ordinary Shares to be issued and delivered on conversion shall (except where the Issuer has been unable to appoint a Settlement Shares Depository as contemplated in Condition 9(c) (*Failure to appoint a Settlement Shares Depository*)) initially be registered in the name of the Settlement Shares Depository, which (subject to the provisions of Condition 9(f) (*Conversion Shares Offer*), if applicable) shall hold such Ordinary Shares on trust for the Holders of the Affected Securities. By virtue of its holding of any Affected Security, each such Securityholder shall be deemed to have irrevocably directed the Issuer to issue and deliver such Ordinary Shares to the Settlement Shares Depository.

Provided that the Issuer so issues and delivers the Ordinary Shares to be issued and delivered on conversion to the Settlement Shares Depository, with effect on and from the Conversion Date Securityholders shall have recourse only to the Settlement Shares Depository for the delivery to them of such Ordinary Shares

or, subject to and as provided in Condition 9(f) (*Conversion Shares Offer*), if applicable, the Alternative Consideration. Subject to Condition 2(d) (*Winding-up after a Capital Adequacy Trigger*), if the Issuer fails to issue and deliver the Ordinary Shares to be issued and delivered on conversion to the Settlement Shares Depository on the Conversion Date, a Holder's only right under the Affected Securities against the Issuer for any such failure will be to claim to have such Ordinary Shares so issued and delivered.

Following the issuance and delivery of the Ordinary Shares to be delivered on conversion to the Settlement Shares Depository on the Conversion Date, the Affected Securities shall remain in existence until the applicable Settlement Date (or, if earlier, the Long-Stop Date) for the purpose only of evidencing Holders' rights as aforesaid to receive such Ordinary Shares or (if applicable) the Alternative Consideration, as the case may be, to be delivered by the Settlement Shares Depository.

Affected Securities, once converted into Ordinary Shares, may not be reconverted back into Securities.

(c) ***Failure to appoint a Settlement Shares Depository***

If the Issuer has been unable to appoint a Settlement Shares Depository, it shall make such other arrangements for the Ordinary Shares to be issued and delivered (or, if applicable, for Alternative Consideration to be delivered) upon conversion to the Securityholders as it considers reasonable in the circumstances, which may include issuing and delivering the Ordinary Shares to another independent nominee to be held on trust (which trust must, if Condition 9(f) (*Conversion Shares Offer*) is specified as being applicable in respect of any Series of Securities in the relevant Pricing Supplement, be on terms permitting a Conversion Shares Offer in accordance with Condition 9(f) (*Conversion Shares Offer*)) for the Securityholders or to the Securityholders directly, which issuance and delivery shall irrevocably discharge and satisfy all of the Issuer's obligations under the Securities as if the relevant Ordinary Shares had been issued and delivered to the Settlement Shares Depository and, in which case, where the context so admits, references in these Conditions to the issue and delivery of Ordinary Shares to the Settlement Shares Depository shall be construed accordingly and apply *mutatis mutandis*.

(d) ***Occurrence of a Relevant Event***

(i) If a Qualifying Relevant Event occurs, the Affected Securities shall, if the Conversion Date (if any) falls on or after the New Conversion Effective Date, be converted on such Conversion Date into Relevant Shares of the Approved Entity (save as provided below in this Condition 9(d)(i) *mutatis mutandis* as provided in this Condition 9) at a Conversion Price that shall be the New Conversion Price. Such conversion shall be effected by the delivery by the Issuer of such number of Ordinary Shares as is determined in accordance with Condition 9(h) (*Conversion Price*) to, or to the order of, the Approved Entity. Such delivery shall irrevocably discharge and satisfy all of the Issuer's obligations under the Affected Securities (but shall be without prejudice to the rights of the

Trustee and the Holders of the Affected Securities against the Approved Entity in connection with its undertaking to deliver Relevant Shares as provided in the definition of "New Conversion Condition" in Condition 19 (*Definitions*) below). Such delivery shall be in consideration of the Approved Entity irrevocably undertaking, for the benefit of the Holders of the Affected Securities, to (i) deliver the Relevant Shares to the Settlement Shares Depository as aforesaid and (ii) ensure that, for so long as the Securities are outstanding, its ordinary share capital shall continue to constitute Relevant Shares. For the avoidance of doubt, the Issuer may elect that a Conversion Shares Offer be made by the Settlement Shares Depository in respect of the Relevant Shares.

- (ii) The New Conversion Price shall be subject to adjustment in the circumstances provided in this Condition 9 (with such modifications and amendments as an Independent Adviser acting in good faith may determine to be appropriate) and the Issuer shall give notice to Holders of Affected Securities of the New Conversion Price and of any such modifications and amendments in accordance with Condition 14 (*Notices*) and to the Trustee and the Principal Paying and Conversion Agent (and thereafter any references in these Conditions to Conversion Price shall be deemed to be references to the New Conversion Price as so modified and amended).
- (iii) In the case of a Qualifying Relevant Event, the Issuer shall, on or prior to the New Conversion Effective Date, enter into such agreements and arrangements, which may include deeds supplemental to the Trust Deed, and such amendments and modifications to the Trust Deed shall be made, to ensure that, with effect from the New Conversion Effective Date, the Securities shall (following the occurrence of a Capital Adequacy Trigger) be convertible into, or exchangeable for, Relevant Shares of the Approved Entity, *mutatis mutandis* in accordance with, and subject to, this Condition 9 (as the same may be so supplemented, amended or modified) at the New Conversion Price. With effect from the New Conversion Effective Date, the Issuer shall have no further obligation to deliver or procure delivery of any Ordinary Shares or Relevant Shares, and the Approved Entity shall be obliged to deliver or procure delivery of Relevant Shares in accordance with such agreements and arrangements entered into by the Approved Entity.

The Trustee shall be obliged (at the expense of the Issuer) to concur with the Issuer in making any such amendments and modifications to the Trust Deed, and to execute any such deeds supplemental to the Trust Deed, **provided that** the Trustee shall not be bound to do so if any such amendments, modifications or deeds would, in the opinion of the Trustee, have the effect of (i) exposing the Trustee to any liability against which it is not indemnified and/or secured and/or pre-funded to its satisfaction, (ii) changing, increasing or adding to the obligations or duties of the Trustee or (iii) removing or amending any protection or indemnity afforded to, or any other provision in favour of, the Trustee

under the Trust Deed, the Conditions, any relevant Pricing Supplement and/or the Securities.

- (iv) For the avoidance of doubt, if a Relevant Event that is a Non-Qualifying Relevant Event occurs, then no changes shall be made to these Conditions nor shall any adjustments be made to the Conversion Price pursuant to this Condition 9(d).
- (v) Within 10 London Business Days following the occurrence of a Relevant Event, the Issuer shall give notice thereof to Securityholders (a "**Relevant Event Notice**") in accordance with Condition 14 (*Notices*). The Relevant Event Notice shall specify:
 - (1) the identity of the Acquiror;
 - (2) whether the Relevant Event is a Qualifying Relevant Event or a Non-Qualifying Relevant Event; and
 - (3) in the case of a Qualifying Relevant Event, the New Conversion Price.

(e) ***Conversion Settlement***

- (i) On the Conversion Date, the Issuer shall redeem the Affected Securities at a price equal to their principal amount and the Holders of the Affected Securities shall be deemed irrevocably to have directed and authorised the Issuer to apply such sum on their behalf in paying up the relevant Ordinary Shares to be issued and delivered to the Settlement Shares Depository on conversion of their Affected Securities.
- (ii) On the relevant Settlement Date, each Holder of Affected Securities shall receive delivery (free of payment) of:
 - (1) except where (2) below applies, such number of Ordinary Shares as is calculated in respect of the principal amount of the Affected Security held by such Holder in accordance with Condition 9(h) (*Conversion Price*); or
 - (2) if Condition 9(f) (*Conversion Shares Offer*) is specified as being applicable in respect of the relevant Series of Affected Securities in the relevant Pricing Supplement and the Issuer has delivered a Conversion Shares Offer Election Notice in accordance with Condition 9(f) (*Conversion Shares Offer*) on or prior to the Latest Conversion Shares Offer Election Date, Alternative Consideration, calculated in accordance with the definition of "Alternative Consideration" in Condition 19 (*Definitions*).
- (iii) In order to obtain delivery from the Settlement Shares Depository of Ordinary Shares or, as applicable, the relevant Alternative Consideration following a conversion, Holders of Affected Securities must deliver a Conversion Notice and surrender the relevant Affected Security to the Settlement Shares Depository (or an agent designated for the purpose in

the Capital Adequacy Trigger Notice) on or before the Notice Cut-Off Date in accordance with Condition 9(k) (*Procedure for Settlement in respect of a Conversion upon Capital Adequacy Trigger*).

- (iv) If a Securityholder fails to deliver such Conversion Notice and surrender the Affected Securities held by it on or before the Notice Cut-Off Date, or if the Settlement Shares Depositary has determined that the relevant Conversion Notice which was delivered is incomplete or invalid, then the Settlement Shares Depositary shall continue to hold the relevant Ordinary Shares or the relevant Alternative Consideration, as the case may be, until a duly completed and valid Conversion Notice is so delivered and the relevant Affected Security is so surrendered.

(f) ***Conversion Shares Offer***

This Condition 9(f) applies if Conversion Shares Offer is specified as being applicable in relation to any Series of Affected Securities in the relevant Pricing Supplement.

- (i) Not later than the Latest Conversion Shares Offer Election Date, the Issuer may, in its sole and absolute discretion, make an election by giving notice to the Holders of the Affected Securities in accordance with Condition 14 (*Notices*) (a "**Conversion Shares Offer Election Notice**") that the Settlement Shares Depositary (or an agent on its behalf) will make an offer of, in the Issuer's sole and absolute discretion, all or some of the Ordinary Shares to be delivered on conversion to, in the Issuer's sole and absolute discretion, all or some of the Issuer's Shareholders at such time, such offer to be at a cash price per Ordinary Share equal to the Conversion Shares Offer Price, all in accordance with the following provisions (a "**Conversion Shares Offer**").

A Conversion Shares Offer Election Notice shall specify the period of time for which the Conversion Shares Offer will be open (the "**Conversion Shares Offer Period**"). The Conversion Shares Offer Period shall end no later than 40 London Business Days after the giving of the Conversion Shares Offer Election Notice by the Issuer.

- (ii) Upon expiry of the Conversion Shares Offer Period, the Settlement Shares Depositary will provide notice to the Holders of the Affected Securities in accordance with Condition 14 (*Notices*) and to the Trustee and the Principal Paying and Conversion Agent of the composition of the Alternative Consideration (and of the deductions to the cash component, if any, of the Alternative Consideration (as set out in the definition of Alternative Consideration)) per Calculation Amount. The Alternative Consideration shall be held on trust by the Settlement Shares Depositary for the Holders of the Affected Securities. The cash component of any Alternative Consideration shall be payable by the Settlement Shares Depositary to the Holders of the Affected Securities in the Specified Currency and whether or not the conditions referred to in Condition 2(b) (*Subordination – conditions to payment*) are satisfied.

- (iii) The Issuer reserves the right, in its sole and absolute discretion, to elect that the Settlement Shares Depository terminate the Conversion Shares Offer at any time during the Conversion Shares Offer Period. If the Issuer makes such election, it will provide at least three London Business Days' notice to the Holders of the Affected Securities in accordance with Condition 14 (*Notices*) and to the Trustee, the Principal Paying and Conversion Agent and the Settlement Shares Depository. The Settlement Shares Depository may then, in its sole and absolute discretion, take steps to deliver to Holders of the Affected Securities the Ordinary Shares to be delivered on conversion at a time that is earlier than the time at which they would have otherwise received the Alternative Consideration had the Conversion Shares Offer been completed.
- (iv) Each Holder of the Affected Securities acknowledges and agrees that if the Issuer elects, in its sole and absolute discretion, that a Conversion Shares Offer be conducted by the Settlement Shares Depository, such Holder shall be deemed to have: (A) irrevocably consented to any Conversion Shares Offer and, notwithstanding that such Ordinary Shares are held by the Settlement Shares Depository on trust for the Holders of the Affected Securities, to the Settlement Shares Depository using the Ordinary Shares delivered to it on conversion to settle any Conversion Shares Offer; (B) irrevocably consented to the transfer of the interest such Holder has in the Ordinary Shares delivered on conversion to the Settlement Shares Depository to one or more purchasers identified by the Settlement Shares Depository in connection with the Conversion Shares Offer; (C) irrevocably agreed that the Issuer and the Settlement Shares Depository may take any and all actions necessary to conduct the Conversion Shares Offer in accordance with the terms of the Affected Securities; and (D) irrevocably agreed that none of the Issuer, the Trustee or the Settlement Shares Depository shall, to the extent permitted by applicable law, incur any liability to the Holders of the Affected Securities in respect of the Conversion Shares Offer (except for the obligations of the Settlement Shares Depository in respect of the Holders' entitlement to, and the subsequent delivery of, any Alternative Consideration).
- (v) Any Conversion Shares Offer shall only be made subject to applicable laws and regulations in effect at the relevant time and shall be conducted, if at all, only to the extent that the Issuer, in its sole and absolute discretion, determines that such Conversion Shares Offer is appropriate and practicable. The Issuer or the purchasers of the Ordinary Shares pursuant to a Conversion Shares Offer shall bear the costs and expenses of any Conversion Shares Offer (other than the taxes referred to in the definition of Alternative Consideration), including the fees of the Settlement Shares Depository in this connection, if any.
- (vi) The Trustee shall not be responsible for monitoring any Conversion Shares Offer, nor for monitoring or enforcing the obligations of the Settlement Shares Depository in respect thereof. Following conversion

and delivery of the Ordinary Shares to the Settlement Shares Depository, Holders of Affected Securities must look to the Settlement Shares Depository for any Ordinary Shares or Alternative Consideration due to them at the relevant time.

(g) ***Accrued Interest following Capital Adequacy Trigger***

In relation to any Affected Securities, any interest otherwise falling due on any date which falls on or after the date on which a Capital Adequacy Trigger occurs shall be deemed to have been cancelled upon the occurrence of such Capital Adequacy Trigger and shall not become due and payable.

(h) ***Conversion Price***

The Issuer shall issue and deliver to the Settlement Shares Depository on the Conversion Date a number of Ordinary Shares in respect of each Affected Security determined by dividing the principal amount of such Affected Security by the Conversion Price (as adjusted in accordance with Condition 9(i) (*Adjustments to Conversion Price*) up to and including the Conversion Date), subject to Condition 9(j) (*Rounding Down and Notice of Adjustment to the Conversion Price*) and Condition 9(l) (*Fractions*).

(i) ***Adjustments to Conversion Price***

Upon the occurrence of an applicable Adjustment Event, the Conversion Price shall be adjusted as follows:

- (i) ***Adjustments upon Alteration to Nominal Value Event:*** If "Alteration to Nominal Value Event" is specified as being an applicable Adjustment Event in respect of any Series of Securities in the relevant Pricing Supplement, if and whenever there is a consolidation, reclassification, redesignation or subdivision in relation to the Ordinary Shares which alters the number of Ordinary Shares in issue (such event, an "**Alteration to Nominal Value Event**"), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such Alteration to Nominal Value Event by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such Alteration of Nominal Value Event; and
- B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such Alteration of Nominal Value Event.

Such adjustment shall become effective on the date the Alteration to Nominal Value Event occurs.

- (ii) *Adjustments upon Bonus Issue Event:* If "Bonus Issue Event" is specified as being an applicable Adjustment Event in respect of any Series of Securities in the relevant Pricing Supplement, if and whenever the Issuer issues Ordinary Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) other than (1) where any such Ordinary Shares are or are to be issued instead of the whole or part of a Cash Dividend which the Shareholders would or could otherwise have elected to receive, (2) where the Shareholders may elect to receive a Cash Dividend in lieu of such Ordinary Shares or (3) where any such Ordinary Shares are or are expressed to be issued in lieu of a dividend (whether or not a Cash Dividend equivalent or amount is announced or would otherwise be payable to the Shareholders, whether at their election or otherwise) (such issue of Ordinary Shares a "**Bonus Issue Event**"), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the occurrence of a Bonus Issue Event by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such Bonus Issue Event; and
- B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such Bonus Issue Event.

Such adjustment shall become effective on the date the Bonus Issue Event occurs.

- (iii) *Adjustments upon Extraordinary Dividend Event:* If "Extraordinary Dividend Event" is specified as being an applicable Adjustment Event in respect of any Series of Securities in the relevant Pricing Supplement, if and whenever the Issuer shall pay any Extraordinary Dividend to the Shareholders (such payment an "**Extraordinary Dividend Event**"), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Effective Date; and
- B is the portion of the aggregate Extraordinary Dividend attributable to one Ordinary Share, with such portion being determined by dividing the aggregate Extraordinary Dividend by

the number of Ordinary Shares entitled to receive the relevant Extraordinary Dividend. If the Extraordinary Dividend is expressed in a currency other than the Specified Currency, it shall be converted into the Specified Currency at the Prevailing Rate on the relevant Effective Date.

Such adjustment shall become effective on the Effective Date.

- (iv) *Adjustments upon Rights Issue Event*: If "Rights Issue Event" is specified as being an applicable Adjustment Event in respect of any Series of Securities in the relevant Pricing Supplement, if and whenever the Issuer issues Ordinary Shares to Shareholders as a class by way of rights, or the Issuer or any member of the Group or (at the direction or request or pursuant to arrangements with the Issuer or any member of the Group) any other company, person or entity issues or grants to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase Ordinary Shares, or any securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, any Ordinary Shares (or grants any such rights in respect of existing securities so issued), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the Effective Date (such event a "**Rights Issue Event**"), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on the Effective Date;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the securities issued by way of rights, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share on the Effective Date; and
- C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase in respect thereof at the initial conversion, exchange, subscription or purchase price or rate, **provided that** if, on the Effective Date, such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the

occurrence of any event at some subsequent time, then for the purposes of this Condition 9(i)(iv), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

For the purpose of any calculation of the consideration receivable or price pursuant to this Condition 9(i)(iv), the following provisions shall apply:

- (1) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;
- (2) (x) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any securities shall be deemed to be the consideration or price received or receivable for any such securities and (y) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Effective Date, plus in the case of each of (x) and (y) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such securities, or upon the exercise of such rights or subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;

- (3) if the consideration or price determined pursuant to (1) or (2) above (or any component thereof) is expressed in a currency other than the Specified Currency, it shall be converted into the Specified Currency at the Prevailing Rate on the relevant Effective Date (in the case of (1) above) or the relevant date of first public announcement (in the case of (2) above);
 - (4) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or securities or options, warrants or rights, or otherwise in connection therewith; and
 - (5) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity.
- (v) Notwithstanding the foregoing provisions of this Condition 9(i):
- (1) where the events or circumstances giving rise to any adjustment pursuant to this Condition 9(i) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate to give the intended result;
 - (2) such modification shall be made to the operation of these Conditions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once, (ii) to ensure that the economic effect of an Extraordinary Dividend is not taken into account more than once and (iii) to reflect a redenomination of the issued Ordinary Shares for the time being into a new currency; and
 - (3) for the avoidance of doubt, the occurrence of any other event in respect of the Ordinary Shares which is not an applicable

Adjustment Event in relation to a Series of Securities or the conversion of any Series of Securities into Ordinary Shares pursuant to this Condition 9 shall not result in an adjustment of the Conversion Price.

(j) ***Rounding Down and Notice of Adjustment to the Conversion Price***

On any adjustment, if the resultant Conversion Price has more decimal places than the initial Conversion Price, it shall be rounded to the same number of decimal places as the initial Conversion Price. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price shall be given by the Issuer to Securityholders promptly after the determination thereof in accordance with Condition 14 (*Notices*) and to the Trustee and the Principal Paying and Conversion Agent.

The Conversion Price shall not in any event be reduced to below the nominal value of an Ordinary Share for the time being. The Issuer undertakes that it will not take any action, and will procure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below such nominal value.

(k) ***Procedure for Settlement in respect of a Conversion upon Capital Adequacy Trigger***

(i) Subject as provided in Condition 9(k)(ii) below, in order to obtain delivery of the relevant Ordinary Shares or the Alternative Consideration, as applicable, following a Capital Adequacy Trigger Notice being given in accordance with Condition 9(a) (*Occurrence of Capital Adequacy Trigger*), a Holder of Affected Securities must deliver a duly completed Conversion Notice, and surrender the relevant Affected Securities, to the Settlement Shares Depository or the specified office of its agent(s) designated for the purpose in the Capital Adequacy Trigger Notice by the Notice Cut-Off Date.

If such delivery is made or notice is given after the end of normal business hours at the specified office of the Settlement Shares Depository or, as appropriate, its designated agent as aforesaid or on a day which is not a Settlement Shares Depository Business Day, such delivery or notice shall be deemed for all purposes of these Conditions to have been made or given on the next following Settlement Shares Depository Business Day.

Subject as otherwise provided herein, the relevant Ordinary Shares (or the Ordinary Share component of any Alternative Consideration) will be delivered by or on behalf of the Settlement Shares Depository in accordance with the instructions given in the relevant Conversion Notice.

Any cash component of any Alternative Consideration shall be paid by transfer to an account which accepts funds in the Specified Currency with a bank in such city as may be specified in, and in accordance with the instructions contained in, the relevant Conversion Notice.

- (ii) If not previously cancelled on the relevant Settlement Date, the relevant Affected Securities shall be cancelled on the Long-Stop Date and any Holder of Affected Securities delivering a Conversion Notice after the Notice Cut-Off Date will have to provide evidence of its entitlement to the relevant Ordinary Shares or the relevant Alternative Consideration, as applicable, satisfactory to the Settlement Shares Depository in its sole and absolute discretion in order to receive delivery of such Ordinary Shares or such Alternative Consideration, as applicable. The Issuer shall have no liability to any Holder of the Affected Securities for any loss resulting from such Holder not receiving any Ordinary Shares or the relevant Alternative Consideration, as applicable, or from any delay in the receipt thereof, in each case as a result of such Holder failing to submit a valid Conversion Notice and to surrender the relevant Affected Security, on a timely basis or at all.
- (iii) Any determination as to whether any Conversion Notice has been properly completed and delivered and whether the relevant Affected Security has been surrendered as provided in these Conditions shall be made by the Settlement Shares Depository in its sole discretion and shall be conclusive and binding on the relevant Securityholders.

(l) ***Fractions***

Fractions of Ordinary Shares will not be delivered to the Settlement Shares Depository or to Holders of Affected Securities upon a conversion and no cash payment will be made in lieu thereof. However, if one or more Conversion Notices and Securities are delivered to the Settlement Shares Depository such that any Ordinary Shares (or any Ordinary Share component of any Alternative Consideration, as applicable) to be issued and delivered to a Holder on conversion are to be registered in the same name, the number of Ordinary Shares to be issued and delivered in respect thereof shall be calculated on the basis of the aggregate principal amount of such Affected Securities to be converted.

(m) ***Delivery to Settlement Shares Depository***

The Ordinary Shares to be delivered on conversion will be issued and delivered to the Settlement Shares Depository (or as otherwise provided in these Conditions) on trust which trust must, if Condition 9(f) (*Conversion Shares Offer*) is specified as being applicable in respect of any Series of Securities, be on terms permitting a Conversion Shares Offer in accordance with Condition

9(f) (*Conversion Shares Offer*) for the Holders of the Affected Securities on the Conversion Date.

Ordinary Shares (or the Ordinary Share component of any Alternative Consideration) will, unless otherwise specified in the relevant Pricing Supplement or in a Capital Adequacy Trigger Notice be delivered to Holders in uncertificated form through the dematerialised securities trading system operated by Euroclear UK & Ireland Limited known as "CREST", unless at the relevant time the Ordinary Shares are not a participating security in CREST, in which case Ordinary Shares will be delivered in certificated form. Where any Ordinary Shares (or the Ordinary Share component of any Alternative Consideration) are to be delivered to a Holder by the Settlement Shares Depository through CREST, they will be delivered to the account specified by such Holder of the relevant Conversion Notice, on the relevant Settlement Date. Where any Ordinary Shares (or the Ordinary Share component of any Alternative Consideration) are to be delivered to Holders in certificated form, a certificate in respect thereof will be dispatched by mail free of charge to each Holder of Affected Securities or as such Holder may direct in the relevant Conversion Notice (in each case uninsured and at the risk of the relevant recipient) within 30 days following delivery of the relevant Conversion Notice.

The Ordinary Shares (or the Ordinary Share component of any Alternative Consideration) will not be available for issue or delivery (i) to, or to a nominee for, Euroclear or Clearstream, Luxembourg or any other person providing a clearance service within the meaning of Section 96 of the Finance Act 1986 of the UK or (ii) to a person, or nominee or agent for a person, whose business is or includes issuing depository receipts within the meaning of Section 93 of the Finance Act 1986 of the UK, in each case at any time prior to the "abolition day" as defined in Section 111(1) of the Finance Act 1990 of the UK or (iii) to the CREST account of such a person described in (i) or (ii).

(n) ***Decision of an Independent Adviser***

If any doubt arises as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, the Issuer may at its discretion appoint an Independent Adviser and, following consultation between the Issuer and such Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Trustee and the Securityholders, save in the case of manifest error.

(o) ***Share Option Schemes, dividend Reinvestment Plans***

No adjustment will be made to the Conversion Price where Ordinary Shares or other securities (including rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive office or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any company in the Group or any associated company or to a trustee or trustees to be held for

the benefit of any such person, in any such case pursuant to any share or option scheme.

(p) ***Taxes and Duties***

Neither the Issuer nor any member of the Group shall be liable for any taxes or duties (including, without limitation any capital, stamp, issue and registration or transfer taxes or duties) arising on conversion or that may arise or be paid as a consequence of the issue and delivery of Ordinary Shares on conversion. The Holder of any Affected Securities must pay any taxes or duties (including, without limitation, any capital, stamp, issue and registration and /or transfer taxes or duties) arising on conversion in connection with the issue and delivery of Ordinary Shares to the Settlement Shares Depository on behalf of such Holder and such Holder must pay all, if any, such taxes or duties arising by reference to any disposal or deemed disposal of such Holder's Affected Securities or interest therein. Any taxes or duties arising on delivery or transfer of Ordinary Shares to a purchaser in any Conversion Shares Offer shall be payable by the relevant purchaser of those Ordinary Shares.

(q) ***Ordinary Shares***

The Ordinary Shares issued and delivered on conversion will be fully paid and non-assessable and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the Conversion Date, except in any such case for any right excluded by mandatory provisions of applicable law, and except that any Ordinary Shares so issued and delivered will not rank for (or, as the case may be, the relevant Holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the Conversion Date.

(r) ***Purchase or Redemption of Ordinary Shares***

The Issuer or any company in the Group may exercise such rights as it may from time to time enjoy to purchase or redeem or buy back any shares or securities of the Issuer (including Ordinary Shares) or any depositary or other receipts or certificates representing the same without the consent of Securityholders.

(s) ***Covenants***

Whilst any Security remains outstanding, the Issuer shall (if and to the extent permitted by the Applicable Rules from time to time and only to the extent that such covenant would not cause a Capital Disqualification Event to occur), save with the approval of an Extraordinary Resolution:

- (i) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, on conversion, Ordinary Shares could not, under any applicable law then in effect, be legally issued as fully paid;

- (ii) use all reasonable endeavours to ensure that the Ordinary Shares issued upon conversion shall be admitted to listing and trading on the Relevant Exchange;
- (iii) notwithstanding the provisions of Condition 9(f) (*Conversion Shares Offer*) (if applicable), at all times keep available for issue, free from preemptive or other preferential rights, sufficient Ordinary Shares to enable conversion of the Securities to be satisfied in full;
- (iv) in circumstances when these Conditions contemplate the appointment of a Settlement Shares Depository, the Issuer shall use all reasonable endeavours promptly to appoint such Settlement Shares Depository; and
- (v) where these Conditions require or provide for a determination by an Independent Adviser, the Issuer shall use reasonable endeavours promptly to appoint an Independent Adviser for such purpose.

10. Enforcement

- (a) In the case of any Series of Securities:
 - (i) if default is made for a period of 14 days or more in the repayment of any principal due on the Securities of such Series or any of them, then the Trustee may, in order to enforce payment, at its discretion and without further notice institute proceedings for the winding-up of the Issuer in England and/or prove in any winding-up or administration of the Issuer in England, **provided that** it shall not be such a default to withhold or refuse any such payment:
 - (A) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment; or
 - (B) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given at any time during the said period of 14 days, as the case may be, by independent legal advisers acceptable to the Trustee as to such validity or applicability; and
 - (ii) without prejudice to Condition 10(a)(i) above, the Trustee may at its discretion and without further notice institute such proceedings against the Issuer as it may think fit and may, subject as hereinafter provided, institute proceedings for the winding-up of the Issuer in England and/or prove in any winding-up or administration of the Issuer in England, to enforce any obligation, condition or provision binding on the Issuer under the Trust Deed in relation to such Series of Securities or the Coupons appertaining thereto (other than any obligation for the payment of any principal, interest or expenses in respect of such Securities or Coupons or any other payment obligation in respect thereof) **provided that** the Issuer shall not by virtue of the institution of any such proceedings other than proceedings for the winding-up of the Issuer be

obliged to pay any sum or sums (whether in respect of principal or interest or other sums in respect of the relevant Securities or the Coupons appertaining thereto or by way of damages in respect of any breach of any such obligation, condition or provision or otherwise howsoever). The Trustee may only institute proceedings for the winding-up of the Issuer to enforce the obligations above referred to in this paragraph and/or prove in any winding-up or administration of the Issuer in England if a default by the Issuer thereunder is not remedied to the satisfaction of the Trustee within 60 days (or such longer period as the Trustee may permit) after notice of such default has been given to the Issuer by the Trustee requiring such default to be remedied.

- (b) The Trustee shall not in any event be bound to take any of the actions referred to in Condition 10(a)(i) or (ii) in respect of any Series of Securities unless (i) it shall have been so requested in writing by the Holders of at least one-fifth of the principal amount of the Securities of the relevant Series then outstanding or it shall have been so directed by an Extraordinary Resolution (as defined in the Trust Deed) of the Holders of the Securities of the relevant Series and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.
- (c) No remedy against the Issuer (including any right of set-off) other than as specifically provided by this Condition 10 or the Trust Deed shall be available to the Trustee, the Securityholders or Couponholders in respect of any Series of Securities whether for the recovery of amounts owing in respect of such Securities or the Coupons appertaining thereto or under the Trust Deed or in respect of any breach by the Issuer of any obligation, condition or provision under the Trust Deed or such Securities or Coupons or otherwise, and no Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or to proceed in any winding-up of the Issuer in England unless the Trustee, having become bound to proceed, fails to do so within a reasonable period and such failure shall be continuing in which case any such Holder may itself institute proceedings against the Issuer for the relevant remedy and/or prove in any winding-up or administration of the Issuer in England in respect of his Securities or, as the case may be, Coupons to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so.

11. **Prescription**

Securities and Coupons will become void unless presented for payment within a period of 10 years and 5 years, respectively, from the Relevant Date (as defined in Condition 7 (*Taxation*)) in respect thereof. Any monies paid by the Issuer to the Principal Paying and Conversion Agent or the Trustee for the payment of the principal or interest in respect of any Securities or Coupons and remaining unclaimed when such Securities or Coupons become void will then revert to the Issuer and all liability of the Principal Paying and Conversion Agent or the Trustee with respect thereto will thereupon cease.

There shall not be included in any Coupon sheet issued in exchange for a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 11 or Condition 8 (*Payments*).

12. **Paying Agents, Transfer Agents, Calculation Agent and Registrar; Rounding**

- (a) The Agency Agreement contains provisions indemnifying the Principal Paying and Conversion Agent, the Paying Agents and Transfer Agents (if any), the Calculation Agent and the Registrar and absolving them from responsibility in connection with certain matters. The Agency Agreement may be amended by the parties thereto in relation to any Series of Securities if, in the opinion of the Issuer and the Trustee, the amendment will not materially adversely affect the interests of the relevant Holders.
- (b) The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying and Conversion Agent, any Paying Agent or Transfer Agent, the Calculation Agent or the Registrar and to appoint additional or other Paying Agents and/or Transfer Agents or a substitute Calculation Agent or a substitute Registrar, **provided that** it will, so long as any Securities are outstanding, maintain (i) a Calculation Agent (if applicable), (ii) a Paying Agent having a specified office in a city approved by the Trustee (such approval not to be unreasonably withheld or delayed) in Europe which, so long as any Securities are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, shall be the place required by such listing authority, stock exchange and/or quotation system and (iii) in the case of any Registered Securities, a Registrar with a specified office in England or such city as may be specified in the relevant Pricing Supplement. Notice of all changes in the identities or specified offices of any Paying Agent, Calculation Agent or Registrar will be given by the Issuer to Securityholders in accordance with Condition 14 (*Notices*).
- (c) ***Rounding***

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Pricing Supplement), all percentages resulting from such calculations will be rounded, if necessary, to five decimal places (with 0.000005 per cent. being rounded up to 0.00001 per cent.).

13. **Replacement and Transfer**

Should any Security or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office (in the case of a Bearer Security or Coupon) of the Principal Paying and Conversion Agent or such other Paying Agent or office as the Trustee may approve or (in the case of Registered Securities) of the Registrar upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Securities or Coupons must be surrendered before replacements will be issued.

Upon the terms and subject to the conditions set out in the Agency Agreement, a Registered Security may be transferred in whole or in part only (**provided that** such part is, or is an appropriate multiple of, the minimum denomination set out in the Pricing Supplement) by the Holder or Holders surrendering the Registered Security for registration of transfer at the office of the Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Registrar,

duly executed by the Holder or Holders thereof or his or their attorney duly authorised in writing. A new Registered Security will be issued to the transferee and, in the case of a transfer of part only of a Registered Security, a new Registered Security in respect of the balance not transferred will be issued to the transferor.

Each new Registered Security to be issued upon the transfer of a Registered Security will, within three Relevant Banking Days of the Transfer Date be available for delivery at the specified office of the Registrar or, at the option of the Holder requesting such 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. As used herein:

- (i) "**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 Registrar is located; and
- (ii) the "**Transfer Date**" shall be the Relevant Banking Day following the day on which the relevant Registered Security shall have been surrendered for transfer in accordance with the foregoing provisions.

The costs and expenses of effecting any registration of transfer pursuant to the foregoing provisions, except for the expenses of delivery by other than regular mail or insurance charges that may be imposed in relation thereto, shall be borne by the Issuer.

The Registrar shall not be required to register the transfer of Registered Securities for a period of 15 days preceding the due date for any payment of principal of or interest in respect of such Securities.

14. Notices

- (a) All notices to the Holders of Bearer Securities or the Coupons appertaining thereto will be valid if published in one leading daily newspaper with general circulation in London (which is expected to be the *Financial Times*) and, if such publication is not practicable, if published in a leading English language daily newspaper having general circulation in Europe and, if the Securities are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system by publication in a manner such that the rules of such listing authority, stock exchange and/or quotation system by which the Securities have then been admitted to listing, trading and/or quotation have been complied with. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

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

Any notices to Holders of Registered Securities will be deemed to have been validly given if mailed to their registered addresses (as advised by the Registrar)

or to that of the first named of them in the case of joint Holders. Any such notice shall be deemed to be given on the second day after the date of mailing.

Notwithstanding the foregoing, while the Securities of any Series are represented by a Security or Securities in global form and such Securities are deposited with, or with a depository for or on behalf of, Euroclear and/or Clearstream, Luxembourg and/or any other clearing system or depository, each person who has for the time being a particular principal amount of the Securities credited to his securities account in the records of Euroclear or Clearstream, Luxembourg or such other clearing system or depository shall be treated as the Holder in respect of that principal amount of the Securities for all purposes other than for the purposes of payment of principal and interest on such Securities, and in such case notices to the Holders may be given by delivery of the relevant notice to the relevant clearing system or depository and such notices shall be deemed to have been given to the Holders holding through the relevant clearing system or depository on the date of delivery to the relevant clearing system or depository.

Notwithstanding the foregoing, in respect of all forms of Securities described in this Condition 14(a), so long as they are listed on any stock exchange, notices will also be published as required by the rules and regulations of such stock exchange.

- (b) Notices given by any Securityholder shall be in writing and given by lodging the same, together with the relative Security or Securities, with the Principal Paying and Conversion Agent or other Paying Agent (if any) at its specified office.

15. **Modification of Terms, Waiver and Substitution**

- (a) The Trust Deed contains provisions for convening meetings of the Holders of the Securities of any Series to consider any matter affecting their interests, including, subject to the agreement of the Issuer, the modification by Extraordinary Resolution of the terms and conditions of such Securities or the provisions of the Trust Deed with respect to such Securities. The quorum for any meeting convened to consider an Extraordinary Resolution will be one or more persons holding or representing a clear majority in principal amount of the Securities for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders of Securities whatever the principal amount of the Securities so held or represented; **provided, however, that** the modification of certain terms concerning, among other things, the amount and currency and the postponement of the due date of payment of the Securities and the Coupons appertaining thereto or interest or other amount payable in respect thereof, may only be sanctioned by an Extraordinary Resolution passed at a meeting the quorum at which is persons holding or representing two-thirds, or at any adjourned such meeting not less than one third, in principal amount of the Securities of such Series for the time being outstanding.

The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-quarters of the votes cast on such resolution, (ii) a resolution in

writing signed by or on behalf of the holders of not less than three-quarters in principal amount of the Securities for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-quarters in principal amount of the Securities for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Holders of Securities. An Extraordinary Resolution passed at any meeting of the Holders of the Securities of any Series will be binding on all Holders of Securities of that Series, whether or not they are present at the meeting, and on the Holders of Coupons appertaining to the Securities of that Series.

The Trust Deed contains provisions for convening a single meeting of holders of Securities of more than one Series in certain circumstances where the Trustee so decides.

- (b) Subject to certain exceptions, the Trustee may agree, without the consent of the Holders of Securities of any Series or the Holders of the Coupons appertaining thereto (if any) to any modification to these Conditions or the provisions of the Trust Deed, the Agency Agreement or the Securities or Coupons if, in the opinion of the Trustee, such modification (i) is of a formal, minor or technical nature, (ii) is made to correct a manifest error or (iii) is not materially prejudicial to the interests of the Holders of the Securities of that Series. The Trustee may also, without the consent of the Holders of Securities of any Series or the Holders of the Coupons appertaining thereto (if any), waive or authorise any breach or prospective breach by the Issuer of any of the provisions of the Trust Deed or the Securities or Coupons or determine that any Default or Potential Default (each as defined in the Trust Deed) shall not be treated as such, **provided that** in the opinion of the Trustee the interests of Holders of Securities of the relevant Series will not be materially prejudiced thereby. In addition, the Trustee shall be obliged to agree to such modifications to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to (i) Condition 4(e) (*Benchmark Replacement*) in connection with effecting any Alternative Reference Rate, Successor Rate or related changes, (ii) Condition 4(d)(vi) in connection with effecting any changes in connection with the replacement of SOFR, (iii) Conditions 4(d)(v) or 4(d)(vii) in connection with effecting any changes in connection with the replacement of the Applicable Benchmark, (iv) Condition 4(c)(iv)(B) in connection with effecting any changes in connection with the replacement of the Applicable Benchmark Rate or (v) Condition 3(c)(vi) in connection with effecting any changes in connection with the implementation of the Alternative Mid-Swap Rate, in each case without requirement for the consent or sanction of the Securityholders or Couponholders (provided, however that the Trustee shall not be obliged to agree to any such amendments or modifications which in the opinion of the Trustee would have the effect of (i) exposing the Trustee to any liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) changing, increasing or adding to the obligations or duties, or removing or amending any protection or indemnity afforded to, or other provision in favour of, the Trustee in the documents to which it is a party and/or these Conditions). Any such modification, waiver, authorisation or determination shall be binding on the Holders of Securities of that Series and the Holders of the Coupons

appertaining thereto and, unless the Trustee agrees otherwise, shall be notified to the Holders of Securities of that Series as soon as practicable thereafter.

- (c) Subject to (i) Condition 15(d) below and (ii) such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Holders of Securities of any Series or the Holders of the Coupons appertaining thereto (if any), the Trustee may agree, subject to such Securities and the Coupons appertaining thereto being irrevocably guaranteed by the Issuer on a subordinated basis, to the substitution of a subsidiary or holding company of the Issuer or any subsidiary of any such holding company in place of the Issuer as principal debtor under such Securities and the Coupons appertaining thereto (if any) and the Trust Deed insofar as it relates to such Securities subject to (a) the Securities continuing to be convertible or exchangeable into Ordinary Shares *mutatis mutandis* as provided in these Conditions, with such amendments as the Trustee shall consider appropriate, (b) the Trustee being satisfied that the interests of the Holders of Securities will not be materially prejudiced by the substitution and (c) certain other conditions set out in the Trust Deed being complied with.

In the case of a substitution under this Condition 15, the Trustee may agree, without the consent of the Holders of the Securities of any Series or of the Coupons appertaining thereto, to a change of the law governing the Securities of any Series or the Coupons appertaining thereto and/or the Trust Deed insofar as it relates to such Series of Securities **provided that** such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Holders of the Securities of such Series.

- (d) The Issuer may only be substituted as principal debtor under the Securities in accordance with Condition 15(c) above and the Trust Deed, if the Issuer has obtained any Relevant Supervisory Consent. Wherever a substitution of the Issuer is proposed in accordance with Condition 15(c) above, the Issuer shall provide to the Trustee a certificate signed by two Authorised Signatories, certifying either that (i) it has obtained a Relevant Supervisory Consent; or (ii) that the Issuer is not required to obtain a Relevant Supervisory Consent. The Trustee shall accept such certificate without further enquiry as sufficient evidence of the same.
- (e) In connection with the exercise of its powers, trusts, authorities or discretions (including, but not limited to those in relation to any proposed modification, waiver, authorisation, determination or substitution as aforesaid) the Trustee shall have regard to the interests of the Holders of the Securities of the relevant Series as a class and in particular, but without limitation, shall not have regard to the consequences of such exercise for individual Securityholders or Couponholders resulting from the individual Securityholders or Couponholders being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Securityholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax

consequence of any such exercise upon individual Securityholders or Couponholders.

16. **Further Issues**

The Issuer may from time to time, without the consent of the Securityholders or the Couponholders, to the extent permitted by applicable laws and regulations, create and issue further instruments having the same terms and conditions as the Securities in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Securities. The Issuer may from time to time, with the consent of the Trustee, create and issue other series of Securities having the benefit of the Trust Deed.

17. **Law and Jurisdiction**

The Trust Deed, the Securities and the Coupons (if any) and any non-contractual obligations arising out of or in connection with the Trust Deed, the Securities and the Coupons (if any) shall be construed in accordance with, English law. The courts of England have exclusive jurisdiction to settle any dispute arising from or connected with the Securities (including any non-contractual obligations arising out of or in connection with the Securities).

18. **Third Party Rights**

No person shall have any right to enforce any term or condition of the Securities or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

19. **Definitions**

"2006 ISDA Definitions" means, in relation to a Series of Securities, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Securities of the relevant Series (as specified in the relevant Pricing Supplement)) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

"2021 ISDA Definitions" means, in relation to a Series of Securities, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of the Securities of the relevant Series, as published by ISDA on its website (www.isda.org);

"Acquiror" means the person which, following a Relevant Event, controls the Issuer;

"Additional Tier 1 capital" has the meaning given to it by the Lead Regulator applicable to the Issuer;

"Adjustment Event" means an Alteration to Nominal Value Event, Bonus Issue Event, Extraordinary Dividend Event and/or Rights Issue Event, and "applicable Adjustment Event", in respect of any Series of Securities, shall mean each Adjustment Event which is specified as being applicable in respect of such Series of Securities in the relevant Pricing Supplement;

"**Affected Security**" has the meaning given to it in Condition 9(a) (*Occurrence of Capital Adequacy Trigger*);

"**Alteration to Nominal Value Event**" has the meaning given to such term in Condition 9(i) (*Adjustments to Conversion Price*);

"**Alternative Consideration**" means, in respect of each Affected Security and as determined by the Issuer:

- (a) if all of the Ordinary Shares to be issued and delivered on conversion are sold in the Conversion Shares Offer, the *pro rata* share of the cash proceeds from the sale of such Ordinary Shares attributable to such Affected Security (converted, if necessary, into the Specified Currency at the Prevailing Rate as of the day which is three Settlement Shares Depository Business Days prior to the relevant Settlement Date) as determined by the Settlement Shares Depository, and less the *pro rata* share of any foreign exchange transaction costs and an amount equal to the *pro rata* share of any taxes or duties (including, without limitation, any capital, stamp, issue and registration and transfer taxes or duties) that may arise or be paid in connection with the issue and delivery of Ordinary Shares to the Settlement Shares Depository pursuant to the Conversion Shares Offer;
- (b) if some, but not all of such Ordinary Shares to be issued and delivered upon conversion are sold in the Conversion Shares Offer, (x) the *pro rata* share of the cash proceeds from the sale of such Ordinary Shares attributable to such Affected Security (converted, if necessary, into the Specified Currency at the Prevailing Rate as of the day which is three Settlement Shares Depository Business Days prior to the relevant Settlement Date) as determined by the Settlement Shares Depository, and less the *pro rata* share of any foreign exchange transaction costs and an amount equal to the *pro rata* share of any taxes or duties (including, without limitation, any capital, stamp, issue and registration and transfer taxes or duties) that may arise or be paid in connection with the issue and delivery of Ordinary Shares to the Settlement Shares Depository pursuant to the Conversion Shares Offer and (y) the *pro rata* share of such Ordinary Shares not sold pursuant to the Conversion Shares Offer attributable to such Affected Security rounded down to the nearest whole number of Ordinary Shares; and
- (c) if no Ordinary Shares are sold in the Conversion Shares Offer, the relevant number of Ordinary Shares which would have been received had the Issuer not elected that the Settlement Shares Depository should carry out a Conversion Shares Offer;

"**Applicable Rules**" means, at any time, the laws, regulations, requirements, guidelines and policies relating to capital adequacy (including, without limitation, as to leverage) then in effect in the UK including, without limitation to the generality of the foregoing, the UK CRR, the Banking Act and any regulations, requirements, guidelines and policies relating to capital adequacy adopted by the Lead Regulator applicable to the Issuer from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to the Issuer or to the Issuer and any holding or

subsidiary company of the Issuer or any subsidiary of any such holding company), in each case as amended, supplemented or replaced from time to time;

"**Approved Entity**" means a body corporate which, on the occurrence of the Relevant Event, has in issue Relevant Shares;

"**Assets**" means the unconsolidated gross assets of the Issuer as shown in the latest published audited balance sheet of the Issuer, but adjusted for subsequent events in such manner as the Auditors of the Issuer may determine;

"**AUD**" means the lawful currency of Australia;

"**Auditors**" means the auditors for the time being of the Issuer or, if there shall be joint auditors of the Issuer, any one of such joint auditors or in the event their being unable or unwilling to carry out any action requested of them pursuant to the provisions of these Conditions or the Trust Deed, or in such circumstances and for such purposes as the Trustee may approve, such other firm of accountants as may be nominated by the Issuer and approved by the Trustee or failing such nomination and/or approval within three (3) working days of a request by the Trustee to the Issuer for such nomination, as may be nominated by the Trustee;

"**Authorised Signatory**" means any person who is represented by the Issuer as being for the time being authorised to sign (whether alone or with another person or other persons) on behalf of the Issuer and so as to bind it;

"**Banking Act**" means the Banking Act 2009, as amended;

"**BBSW**" means the Australian Bank Bill Swap Rate;

"**Bonus Issue Event**" has the meaning given to it in Condition 9(i) (*Adjustments to Conversion Price*);

"**Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Business Day Centre(s) specified for this purpose in the relevant Pricing Supplement;

"**Business Day Centre(s)**" means the centre(s) specified as such in the relevant Pricing Supplement;

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) "**Following Business Day Convention**" means that the relevant 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 the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar

month in which case that date will be the first preceding day that is a Business Day;

- (c) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months or other period specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred; **provided, however, 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 or other period after the calendar month in which the preceding such date occurred; and
- (e) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**CAD**" means the lawful currency of Canada;

"**Calculation Amount**" means the calculation amount as set out in the relevant Pricing Supplement;

"**Call Option Date**" means each date, if any, specified as such in the relevant Pricing Supplement;

"**Call Option Period**" means the period, if any, specified as such in the relevant Pricing Supplement;

"**Capital Adequacy Trigger**" means at any time that the Common Equity Tier 1 Capital Ratio of the Group is below 7.00 per cent.;

"**Capital Adequacy Trigger Notice**" has the meaning given thereto in Condition 9(a) (*Occurrence of Capital Adequacy Trigger*);

"**Capital Disqualification Event**" means an event that shall be deemed to have occurred if the Issuer determines at any time after the Issue Date, that there is a change in the regulatory classification of the Securities that results in or will result in:

- (a) their exclusion in whole or in part from the regulatory capital of the Group (other than as a consequence of their conversion pursuant to Condition 9(b) (*Conversion upon occurrence of Capital Adequacy Trigger*)); or
- (b) their reclassification in whole or in part as a form of regulatory capital of the Group that is lower than Additional Tier 1 capital;

"**Capital Disqualification Event Early Redemption Price**" means the price specified as such in the relevant Pricing Supplement;

"**Cash Dividend**" means any dividend or distribution in respect of the Ordinary Shares which is to be paid or made to Shareholders as a class in cash (in whatever currency) and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital;

"**CET1 Capital**" means, as at any date the sum, expressed in U.S. Dollars of all amounts that constitute Common Equity Tier 1 Capital of the Group as at such date, less any deductions from Common Equity Tier 1 Capital of the Group required to be made as of such date, in each case as calculated by the Issuer on a consolidated basis and without applying the transitional provisions set out in Part Ten of the UK CRR (or in any successor provisions thereto or any equivalent provisions of the Applicable Rules which replace or supersede such provisions) in accordance with the Applicable Rules applicable to the Issuer as at such date (which calculation shall be binding on the Trustee and the Holders);

"**Chapter 4**" has the meaning given to it in Condition 5(b) (*Restrictions on Interest Payments*);

"**Clearstream, Luxembourg**" means Clearstream Banking S.A.;

"**CNH**" means Renminbi as traded outside of mainland China;

"**CNH HIBOR**" means the CNH Hong Kong interbank offered rate;

"**CNY**" means the lawful currency of the PRC;

"**Common Equity Tier 1 Capital**" has the meaning given to it in the Applicable Rules as interpreted and applied in accordance with the Applicable Rules then applicable to the Group or by the Lead Regulator applicable to the Issuer;

"**Common Equity Tier 1 Capital Ratio**" means, as at any date, the ratio of the CET1 Capital as at such date to the Risk Weighted Assets as at the same date, expressed as a percentage and on the basis that all measures used in such calculation shall be calculated without applying the transitional provisions set out in Part Ten of the UK CRR (or in any successor provisions thereto or any equivalent provisions of the Applicable Rules which replace or supersede such provisions);

"**Conversion Date**" has the meaning given to it in Condition 9(b) (*Conversion upon occurrence of Capital Adequacy Trigger*);

"**Conversion Notice**" means a notice in the form for the time being currently available from the specified office of any Paying Agent and which is required to be delivered to the Settlement Shares Depository (or its agent(s) designated for the purpose in the Capital Adequacy Trigger Notice) in connection with a conversion of the Affected Securities;

"**Conversion Price**" means, in relation to any Series of Securities, the price per Ordinary Share, expressed in the Specified Currency, specified as such in the relevant Pricing Supplement;

"**Conversion Shares Offer**" has the meaning given to it in Condition 9(f) (*Conversion Shares Offer*);

"**Conversion Shares Offer Election Notice**" has the meaning given to it in Condition 9(f) (*Conversion Shares Offer*);

"**Conversion Shares Offer Period**" has the meaning given to it in Condition 9(f) (*Conversion Shares Offer*);

"**Conversion Shares Offer Price**" means, in relation to any Series of Securities, the Conversion Price or, if a Qualifying Relevant Event has occurred, the New Conversion Price (as adjusted in accordance with Condition 9(i) (*Adjustments to Conversion Price*) up to and including the Conversion Date), converted into the Conversion Shares Offer Price Currency at the Specified FX Rate;

"**Conversion Shares Offer Price Currency**" means, in relation to any Series of Securities, the currency specified as such in the relevant Pricing Supplement;

"**Current Market Price**" means, in respect of an Ordinary Share on a particular date, the arithmetic average of the daily Volume Weighted Average Price per Ordinary Share for the five consecutive Exchange Business Days ending on the Exchange Business Day immediately preceding such date (the "**Relevant Period**"), **provided that:**

- (a) if at any time during the Relevant Period the Volume Weighted Average Price shall have been based on a price ex-dividend (or ex-any other entitlement) and during some other part of that period the Volume Weighted Average Price shall have been based on a price cum-dividend (or cum-any other entitlement), then:
 - (i) if the Ordinary Shares to be issued do not rank for the dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Share shall have been quoted cum-dividend (or cum-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend (or entitlement) per Ordinary Share as of the date of first public announcement relating to such dividend or entitlement and, for these purposes, the amount or value shall be determined on a gross basis disregarding any withholding or deduction required to be made on account of tax and disregarding any associated tax credit; or

- (ii) if the Ordinary Shares to be issued do rank for the dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been quoted ex-dividend (or ex-any other entitlement) shall for the purpose of this definition be deemed to have been the amount thereof increased by such similar amount; and
- (b) if on each of the five Exchange Business Days during the Relevant Period the Ordinary Shares have been quoted cum-dividend (or cum-any other entitlement) in respect of a dividend (or entitlement) which has been declared or announced but the Ordinary Shares to be issued do not rank for that dividend (or entitlement), the Volume Weighted Average Price on each of such dates shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend (or entitlement) per Ordinary Share as of the date of first public announcement relating to such dividend or entitlement and for these purposes, the amount or value shall be determined on a gross basis disregarding any withholding or deduction required to be made on account of tax and disregarding any associated tax credit;
- (c) if such Volume Weighted Average Price of an Ordinary Share is not available on each of the five Exchange Business Days during the Relevant Period, then the arithmetic average of such Volume Weighted Average Prices which are available in the Relevant Period shall be used (subject to a minimum of two such prices); and
- (d) if only one or no such Volume Weighted Average Price is available in the Relevant Period, then the Current Market Price shall be determined by an Independent Adviser;

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

- (a) if **"Actual/Actual (ICMA)"** is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual

number of days in such Regular Period and (2) the number of Regular Periods in any year;

- (b) if "**Actual/Actual Canadian Compound Method**" is so specified, means, (i) in respect of a Calculation Period which relates to a regular semi-annual interest payment, if any, "30/360" as defined in paragraph (g) below, and (ii) in respect of a Calculation Period less than one full year, other than where (i) applies, the actual number of days in such Calculation Period, divided by 365;
- (c) if "**Actual/365**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (d) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (e) if "**Actual/365 (Sterling)**" is so specified, means the actual number of days in the Calculation Period divided by 365 or, in the case that the last day of the Calculation Period falls in a leap year, 366;
- (f) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;
- (g) if "**30/360**" is so specified, means the number of days in the Calculation Period in respect of which payment is being made in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

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

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D₁**" is the first calendar day of the Calculation Period, expressed as a number, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

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

Day Count Fraction =

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

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30;

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

Day Count Fraction =

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

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D₁**" is the first calendar day of the Calculation Period, expressed as a number, of the Calculation Period unless (i) that day is the last day of February, or (ii) such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Redemption Date, or (ii) such number would be 31, in which case D₂ will be 30;

"**Determination Agent**" means an investment bank or financial institution of international standing selected by the Issuer (and which may be an affiliate of the Issuer);

"**Determination Date**" means the date specified as such in the relevant Pricing Supplement;

"**Distributable Items**" means the amount of the Issuer's profits at the end of the last financial year plus any profits brought forward and reserves available for that purpose before distributions to holders of the Securities and any Parity Securities and Junior Securities less any losses brought forward, profits which are non-distributable pursuant to the Companies Act 2006 or other provisions of English law from time to time applicable to the Issuer or the Issuer's Articles of Association and sums placed to non-distributable reserves in accordance with the Companies Act 2006 or other provisions of English law from time to time applicable to the Issuer or the Issuer's Articles of Association, those losses and reserves being determined on the basis of the individual accounts of the Issuer and not on the basis of its consolidated accounts;

"**Early Redemption Amount (Call)**" means, in relation to any Securities to be redeemed pursuant to Condition 6(c) (*Redemption at the Option of the Issuer*):

- (a) the Optional Redemption Amount (Call); or
- (b) the Make Whole Redemption Amount,

as specified in the relevant Pricing Supplement;

"**EEA Regulated Market**" means a regulated market as defined in Directive 2014/65/EU;

"**Effective Date**" means, (1) in respect of Condition 9(i)(iii) (*Adjustments upon Extraordinary Dividend Event*), the first date on which the Ordinary Shares are traded ex-the Extraordinary Dividend on the Relevant Exchange, and (2) in respect of Condition 9(i)(iv) (*Rights Issue Event*), the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Exchange;

"**EURIBOR**" means, in respect of any Specified Currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks;

"**euro**" and "**EUR**" means the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty;

"**Euro Business Day**" means a day on which the T2 is open for the settlement of payments in euro;

"**Euroclear**" means Euroclear Bank SA/NV;

"**Exchange Business Day**" means any day that is a trading day on the Relevant Exchange other than a day on which the Relevant Exchange is scheduled to close prior to its regular weekday closing time;

"**Existing Subordinated Eurobonds**" has the meaning given to it in the Trust Deed;

"**Extraordinary Dividend**" means any Cash Dividend that is declared by the Issuer to be a capital distribution, extraordinary dividend, extraordinary distribution, special dividend, special distribution or return of value to Shareholders as a class or any analogous or similar term;

"**Extraordinary Dividend Event**" has the meaning given to such term in Condition 9(i) (*Adjustments to Conversion Price*);

"**EUWA**" means the European Union (Withdrawal) Act 2018, as amended;

"**Fair Market Value**" means:

- (a) with respect to a Cash Dividend or other cash amount the amount of such cash, **provided that** any Cash Dividend or other cash amount in a currency other than the Specified Currency shall be converted into the Specified Currency at the Prevailing Rate as of the date on which the Fair Market Value is to be calculated;
- (b) where securities, options, warrants or other rights are publicly traded in a market which is determined by the Issuer to have adequate liquidity, the fair market value (a) of such securities shall equal the arithmetic average of the daily Volume Weighted Average Prices of such securities, and (b) of such options, warrants or other rights shall be the arithmetic mean of the daily closing prices of such options, warrants or other rights, in each case during the period of five trading days on the relevant market commencing on such date (or, if later, the first such trading day such securities, options, warrants or other rights are publicly traded) or such shorter period as such securities, options, warrants or other rights are publicly traded **provided that** any amount in a currency other than the Specified Currency shall be converted into the Specified Currency at

the Prevailing Rate as of the date on which the Fair Market Value is to be calculated; and

- (c) with respect to any other property on any date, the fair market value of that property as of that date as determined in good faith by an Independent Adviser taking into account such factors as it considers appropriate.

For these purposes, the amount or value shall be determined on a gross basis disregarding any withholding or deduction required to be made on account of tax and disregarding any associated tax credit;

"First Reset Date" means the date specified as such in the relevant Pricing Supplement;

"First Reset Period" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Pricing Supplement, the Redemption Date, if any, in respect of such Series of Securities;

"First Reset Rate of Interest" means, subject to Condition 3(c) (*Determination of Resettable Security Reference Rate, First Reset Rate of Interest and Subsequent Reset Rate of Interest*), the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date as the sum of (A) the relevant Resettable Security Reference Rate *plus* (B) the Resettable Security Margin, with such sum converted (if necessary) in line with market convention to a basis (e.g. annual, semi-annual, quarterly) equivalent to the frequency with which scheduled interest payments are payable on the Securities during the relevant Reset Period (such calculation to be made by the Calculation Agent));

"Fixed Coupon Amount" means the amount specified as such in the relevant Pricing Supplement;

"Fixed/Floating Rate Securities" means Securities for which the Fixed Rate Securities provisions (for an initial period from the Issue Date) and Floating Rate Securities provisions (for a subsequent period) are specified in the relevant Pricing Supplement as applicable;

"Fixed Interest Payment Date" means:

- (a) if Fixed Interest Payment Date(s) is/are specified in the relevant Pricing Supplement, the Fixed Interest Payment Date(s) in each year so specified, as the same may be adjusted in accordance with the Business Day Convention if applicable; or
- (b) if the Business Day Convention specified in the relevant Pricing Supplement is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months or other period is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months or other period following the Interest Commencement Date (in the case

of the first Fixed Interest Payment Date) or the previous Fixed Interest Payment Date (in any other case);

"Fixed Leg Swap Payment Frequency" means the payment frequency specified as such in the relevant Pricing Supplement;

"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;

"Gross Redemption Yield" means, with respect to a security, the gross redemption yield to the first Par Redemption Date on such security, expressed as a percentage and calculated by the Determination Agent appointed by the Issuer on the basis set out by the UK Debt Management Office in the paper "*Formulae for Calculating Gilt Prices from Yields*", page 5, Section One: Price/Yield Formulae "*Conventional Gilts; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date*" (published on 8 June 1998 and updated on 15 January 2002 and 16 March 2005, and as further amended, updated, supplemented or replaced from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or, if such formula does not reflect generally accepted market practice at the time of redemption, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Issuer following consultation with an investment bank or financial institution determined to be appropriate by the Issuer (which, for the avoidance of doubt, could be the Determination Agent, if applicable);

"Group" means the Issuer and its consolidated subsidiaries;

"H.15" means the weekly statistical release designated as such and published by the Board of Governors of the United States Federal Reserve System, or any successor or replacement publication that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity, and "most recent H.15" means the H.15 published closest in time but prior to 5:00 p.m. (New York City time) on the applicable Reset Determination Date;

"HIBOR" means the Hong Kong inter-bank offered rate;

"Hong Kong" means the Hong Kong Special Administrative Region of the PRC;

"Illiquidity" means where the general Renminbi exchange market in Hong Kong becomes illiquid and, as a result thereof, the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay an amount due (in whole or in part) in respect of the Securities as determined by the Issuer in good faith and in a commercially reasonable manner following consultation (if practicable) with two Renminbi Dealers;

"Inconvertibility" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Securities in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue

Date (or, if earlier, any CNY Issue Trade Date as specified in the relevant Pricing Supplement) and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

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

"Initial Rate of Interest" means the initial rate of interest per annum specified as such in the relevant Pricing Supplement;

"Interest Commencement Date" means the date specified as such in the relevant Pricing Supplement;

"Interest Determination Date" means the day specified as such in the relevant Pricing Supplement or, if not specified, the day determined by the Calculation Agent to be customary for fixing the Reference Rate in the Specified Currency for the relevant Interest Period;

"Interest Payment Date" means:

- (a) if Interest Payment Date(s) is/are specified in the relevant Pricing Supplement, the Interest Payment Date(s) in each year so specified, as the same may be adjusted in accordance with the Business Day Convention if applicable; or
- (b) if the Business Day Convention specified in the relevant Pricing Supplement is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months or other period is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months or other period following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

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

"ISDA Definitions" has the meaning given in the relevant Pricing Supplement;

"Issue Date" means the date specified as such in the relevant Pricing Supplement;

"JPY" means the lawful currency of Japan;

"Junior Securities" means, in respect of any Series of Securities, (i) any Ordinary Share or other securities of the Issuer which rank, or are expressed to rank, junior to the relevant Securities in a winding-up or administration of the Issuer in England as described in Condition 2(c) (*Winding-up prior to Capital Adequacy Trigger*) and/or (ii)

any securities issued by any other member of the Group where the terms of such securities benefit from a guarantee or support agreement entered into by the Issuer which ranks, or is expressed to rank, junior to the relevant Securities in a winding-up or administration of the Issuer in England as described in Condition 2(c) (*Winding-up prior to Capital Adequacy Trigger*) and /or (iii) any capital instruments of the Issuer which qualify as Common Equity Tier 1 instruments under the Applicable Rules;

"Latest Conversion Shares Offer Election Date", in respect of any Series of Securities, means the 10th London Business Day following the Conversion Date, unless otherwise specified in the relevant Pricing Supplement;

"Leading Banks" means the banks specified as such in the relevant Pricing Supplement, or, if no banks are so specified, leading European banks selected by the Calculation Agent;

"Lead Regulator applicable to the Issuer" means the PRA or any successor or other entity primarily responsible for the prudential supervision of the Issuer;

"Liabilities" means the unconsolidated gross liabilities of the Issuer, as shown in the latest published audited balance sheet of the Issuer, but adjusted for subsequent events in such manner as the Auditors of the Issuer may determine and for these purposes excluding (without double counting) any indebtedness which will not constitute liabilities according to the criteria that would be applied by the High Court of Justice of England and Wales (or the relevant authority of such other jurisdiction in which the Issuer may be organised) in determining whether the Issuer is "unable to pay its debts" under Section 123(2) of the UK Insolvency Act 1986 or any amendment or re-enactment thereof (or in accordance with the corresponding provisions of the applicable laws of such other jurisdiction in which the Issuer may be organised);

"Local Banking Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Paying Agent or the Registrar to which the relevant Security or Coupon is presented for payment, or the Registrar is located;

"London 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 and foreign currency deposits) in London;

"Long-Stop Date" means the date specified as such in the Capital Adequacy Trigger Notice, which date shall be at least 15 London Business Days following the Notice Cut-Off Date;

"Make Whole Redemption Amount" means, in respect of any Securities to be redeemed pursuant to Condition 6(c) (*Redemption at the Option of the Issuer*):

- (a) if **"Sterling Make Whole Redemption Amount"** is specified as being applicable in the relevant Pricing Supplement, an amount equal to the higher of (i) 100 per cent. of the principal amount outstanding of such Securities and (ii) the principal amount outstanding of such Securities multiplied by the price (expressed as a percentage), as reported in writing to the Issuer, the Principal

Paying and Conversion Agent and the Trustee by the Determination Agent (if applicable), at which the Gross Redemption Yield to the first Par Redemption Date on such Securities on the Reference Date is equal to the Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time on the Reference Date of the Reference Bond, plus the Redemption Margin, all as determined by the Determination Agent; or

- (b) if "**Non-Sterling Make Whole Redemption Amount**" is specified as being applicable in the relevant Pricing Supplement, an amount equal to the higher of (i) 100 per cent. of the principal amount outstanding of such Securities and (ii) the principal amount outstanding of such Securities multiplied by the price (expressed as a percentage), as reported in writing to the Issuer, the Principal Paying and Conversion Agent and the Trustee by the Determination Agent (if applicable), at which the yield to the first Par Redemption Date on such Securities on the Reference Date (calculated on the same basis as the Reference Bond Rate) is equal to the Reference Bond Rate at the Quotation Time on the Reference Date, plus the Redemption Margin, all as determined by the Issuer or by a Determination Agent appointed by the Issuer;

"**Margin**" means the percentage specified as such in the relevant Pricing Supplement;

"**Maximum Distributable Amount**" means any applicable maximum distributable amount relating to the Issuer required to be calculated in accordance with (i) Chapter 4 or (ii) any analogous restrictions arising in respect of failure to meet capital adequacy, loss absorbing capacity, leverage or buffer requirements under the Applicable Rules;

"**Mid-Market Swap Rate**" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Payment Frequency specified in the relevant Pricing Supplement during the relevant Reset Period (calculated on the basis of the day count fraction customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Resettable Security Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (calculated on the basis of the day count fraction customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Floating Leg Benchmark Rate**" means the benchmark rate specified as such in the Pricing Supplement;

"**Mid-Swap Maturity**" means the period specified as such in the relevant Pricing Supplement;

"**MXN**" means the lawful currency of United Mexican States;

the "**New Conversion Condition**" shall be satisfied if, by not later than seven London Business Days following the occurrence of a Relevant Event where the Acquiror is an Approved Entity, the Issuer has entered into arrangements to its satisfaction with the Approved Entity pursuant to which the Approved Entity irrevocably undertakes to the Trustee, for the benefit of Holders of Affected Securities, to (i) deliver the Relevant Shares to the Settlement Shares Depository upon a conversion of the Securities and (ii) ensure that, for so long as the Securities are outstanding, its ordinary share capital shall continue to constitute Relevant Shares, all as contemplated in Condition 9(d) (*Occurrence of a Relevant Event*);

"**New Conversion Effective Date**" means, in relation to any Series of Affected Securities, the date with effect from which the New Conversion Condition is satisfied;

"**New Conversion Price**" means an amount (in the Specified Currency) per Relevant Share determined by the Issuer in accordance with the following formula:

$$NCP = ECP \times \frac{RS (Average)}{OS (Average)}$$

where:

NCP means the New Conversion Price.

ECP means the Conversion Price in effect on the Exchange Business Day immediately prior to the New Conversion Effective Date.

RS (Average) means the arithmetic average of the Volume Weighted Average Price per Relevant Share (converted, if necessary, into the Specified Currency at the Prevailing Rate on the relevant Exchange Business Day) on each of the 10 Exchange Business Days ending on the Exchange Business Day prior to the date the Relevant Event occurred.

OS (Average) means the arithmetic average of the Volume Weighted Average Price per Ordinary Share (converted, if necessary, into the Specified Currency at the Prevailing Rate on the relevant Exchange Business Day) on each of the 10 Exchange Business Days ending on the Exchange Business Day prior to the date the Relevant Event has occurred;

"**NOK**" means the lawful currency of the Kingdom of Norway;

"**NIBOR**" means the Norwegian Interbank Offered Rate;

"**Non-Qualifying Relevant Event**" means a Relevant Event that is not a Qualifying Relevant Event;

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong or from an account outside Hong Kong to an account inside Hong Kong, other than where such impossibility is due solely

to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date (or, if earlier, any CNY Issue Trade Date as specified in the relevant Pricing Supplement) and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"Notice Cut-Off Date" means the date specified as such in the Conversion Trigger Notice, which date shall be at least 20 London Business Days following the Conversion Date;

"Optional Redemption Amount (Call)" means, in respect of any Security, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

"Optional Redemption Amount (Residual Call)" means, in respect of any Security, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

"Ordinary Shares" means fully paid ordinary shares in the capital of HSBC Holdings plc;

"Par Redemption Date" means the date specified as such in the relevant Pricing Supplement;

"Parity Securities" means, in relation to any Series of Securities, (i) the most senior ranking class or classes of preference shares in the capital of the Issuer from time to time and any other securities of the Issuer ranking, or expressed to rank, *pari passu* with the relevant Securities and/or such preference shares in a winding-up or administration of the Issuer as described in Condition 2(c) (*Winding-up prior to Capital Adequacy Trigger*), and/or (ii) any securities issued by any other member of the Group where the terms of the securities benefit from a guarantee or support agreement entered into by the Issuer which ranks or is expressed to rank *pari passu* with the relevant Securities and/or such preference shares in a winding-up or administration of the Issuer as described in Condition 2(c) (*Winding-up prior to Capital Adequacy Trigger*);

"PRA" means the Prudential Regulation Authority;

"PRA Rulebook" means the rules made and enforced by the PRA under powers conferred by the Financial Services and Markets Act 2000, as amended from time to time;

"PRC" means the People's Republic of China which, for the purpose of these Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"Prevailing Rate" means, in relation to any two currencies and any day:

- (a) for the purposes of the definition of Alternative Consideration, the executable bid quotation obtained by the Settlement Shares Depositary which is most favourable to the Securityholder, out of quotations obtained by it from three recognised foreign exchange dealers selected by the Settlement Shares Depositary, for value on such day; and

- (b) for all other purposes, the prevailing market currency exchange rate at the time at which such rate is determined in the relevant market for foreign exchange transactions in such currencies for value on such day, as determined by the Issuer in its sole discretion and acting in a commercially reasonable manner;

"Prior Ranking Creditors" means the creditors of the Issuer (a) who are unsubordinated creditors, or (b) whose claims are, or are expressed to be subordinated to the claims of unsubordinated creditors but not further or otherwise, or (c) whose claims are, or are expressed to be, junior to the claims of other creditors of the Issuer, whether subordinated or unsubordinated, other than those whose claims rank or are expressed to rank *pari passu* with, or junior to, the claims of the Securityholders in a winding-up occurring prior to the Capital Adequacy Trigger and includes creditors in respect of (i) the principal and interest in respect of the Existing Subordinated Eurobonds and (ii) the principal and interest in respect of any Subordinated Notes;

"Qualifying Relevant Event" means a Relevant Event where (i) the Acquiror is an Approved Entity; and (ii) the New Conversion Condition is satisfied;

"Quotation Time" shall be as specified in the relevant Pricing Supplement;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Securities specified in the relevant Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Pricing Supplement;

"Redemption Date" means, in respect of any Series of Securities, the date (if any) on which such Securities are redeemed in accordance with Condition 6 (*Redemption and Purchase*);

"Redemption Margin" shall be as specified in the relevant Pricing Supplement;

"Reference Banks" has the meaning given in the relevant Pricing Supplement or, if none, means:

- (a) for the purposes of Condition 3(c)(i) (*Mid-Swap Rate*), five leading swap dealers in the principal interbank market relating to the Specified Currency selected by the Calculation Agent in its discretion after consultation with the Issuer; and
- (b) for the purposes of Condition 4(c) (*Screen Rate Determination for Floating Rate Securities not referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*):
- (i) where the Specified Currency is MXN and the Reference Rate is TIEE, the banks designated as Market Makers (Formadores de Mercado) by the Mexican Ministry of Finance and Public Credit, as published on the Ministry of Finance and Public Credit's website at <http://www.shcp.gob.mx>; if fewer than five banks are designated as Market Makers by the Mexican Ministry of Finance and Public Credit, the Reference Banks will be those banks so designated as Market Makers and other major banks in the Mexican interbank market as

selected by the Calculation Agent in its discretion after consultation with the Issuer; if no banks are so designated by the Mexican Ministry of Finance and Public Credit or its website at <http://www.shcp.gob.mx> is unavailable, the Reference Banks will be five major banks in the Mexican interbank market as selected by the Calculation Agent in its discretion after consultation with the Issuer; or

- (ii) where the Specified Currency is not MXN and the Reference Rate is not THIE, four major banks selected by the Calculation Agent in its discretion after consultation with the Issuer in the market that is most closely connected with the Reference Rate;

"Reference Bond" means:

- (a) in the case of any Resettable Securities and the determination of the Resettable Security Reference Rate in respect of any Reset Period, the security or securities specified in the relevant Pricing Supplement or, if none is so specified or if no Reference Government Bond Dealer Quotation or (as applicable) quotation for the purposes of determining the Reference Bond Rate Quotations is available for the specified security on the Reset Determination Date, the selected government security or securities agreed between the Issuer and an investment bank or financial institution determined to be appropriate by the Issuer (which, for the avoidance of doubt, could be the Calculation Agent, if applicable) as having an actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Issuer) would be used, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Period; and
- (b) in any other case, the security or securities specified in the relevant Pricing Supplement or, if none is so specified or to the extent that any such Reference Bond specified in the Pricing Supplement is no longer outstanding on the relevant Reference Date, the Selected Bond;

"Reference Bond Price" means, with respect to any Reference Date or Reset Determination Date, as the case may be (i) if five Reference Government Bond Dealer Quotations are received, the arithmetic average of the Reference Government Bond Dealer Quotations for such Reference Date or Reset Determination Date, after excluding the highest (or in the event of equality, one of the highest) and lowest (or in the event of equality, one of the lowest) such Reference Government Bond Dealer Quotations, (ii) if fewer than five, but more than one, such Reference Government Bond Dealer Quotations are received, the arithmetic average of all such quotations, or (iii) if only one such Reference Government Bond Dealer Quotation is received, such quotation;

"Reference Bond Rate" means, with respect to any Reference Bond and any Reference Date, the rate per annum equal to the yield to the first Par Redemption Date or interpolated yield to the first Par Redemption Date (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Reference Date;

"Reference Date" means:

- (a) in the case of any Resetable Securities and the determination of the Resetable Security Reference Rate in respect of any Reset Period, the relevant Reset Determination Date; and
- (b) in any other case, the date which is two Business Days prior to the despatch of the notice of redemption under Condition 6(c) (*Redemption at the Option of the Issuer*) or such other date as may be specified in the relevant Pricing Supplement;

"Reference Government Bond Dealer" means each of five banks selected by the Issuer (following, where practicable, consultation with the Determination Agent, if applicable), or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market-makers in pricing corporate bond issues;

"Reference Government Bond Dealer Quotations" means:

- (a) in the case of any Resetable Securities and the determination of the U.S. Treasury Rate, with respect to each Reference Government Bond Dealer and any Reset Determination Date, the arithmetic average, (as determined by the Calculation Agent), of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its principal amount) as at the Quotation Time on such Reset Determination Date and, if relevant, on a dealing basis for settlement that is customarily used at such time and quoted in writing to the Calculation Agent by such Reference Government Bond Dealer; or
- (b) in any other case, with respect to each Reference Government Bond Dealer and any Reference Date, the arithmetic average, (as determined by the Determination Agent), of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its principal amount) at the Quotation Time on the Reference Date:
 - (i) which appear on the Relevant Screen Page as at the Quotation Time on the Reference Date; or
 - (ii) to the extent that in the case of (i) above, either such bid and offered prices do not appear on that page, fewer than two such bid and offered prices appear on that page, or if the Relevant Screen Page is unavailable, then as quoted in writing to the Determination Agent by such Reference Government Bond Dealer;

"Reference Rate" means (i) EURIBOR, (ii) BBSW, (iii) CNH HIBOR, (iv) HIBOR, (v) NIBOR (vi) SHIBOR, (vii) STIBOR (viii) TAIBIR, (ix) TIIE, (x) SONIA, (xi) SOFR, (xii) €STR, (xiii) SORA, (xiv) SARON, (xv) CORRA, (xvi) HONIA, (xvii) TAIBOR, as specified in the relevant Pricing Supplement in respect of the currency and period specified in the relevant Pricing Supplement;

"Reference Rate Duration" means the duration specified as such in the relevant Pricing Supplement;

"Regular Period" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest

Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to such date and ending on the first Determination Date after such date);

"Regulated Market" means an EEA Regulated Market or a regulated, regularly operating, recognised stock exchange or securities market in the UK or any OECD member state;

"Regulatory Preconditions" means:

- (a) in the case of a redemption pursuant to Condition 6(b) (*Redemption for Taxation Reasons*), the Issuer has demonstrated to the satisfaction of the Lead Regulator applicable to the Issuer, that the relevant Taxation Event is a change in the applicable tax treatment of the relevant Securities which is material and was not reasonably foreseeable on the issue date of the most recently issued Tranche of the relevant Series; or
- (b) in the case of a redemption pursuant to Condition 6(f) (*Redemption upon Capital Disqualification Event*), the Issuer has demonstrated to the satisfaction of the Lead Regulator applicable to the Issuer, that the relevant change in the regulatory classification of the relevant Securities was not reasonably foreseeable on the issue date of the most recently issued Tranche of the relevant Series; or
- (c) in any circumstances, the Issuer having demonstrated to the satisfaction of the Lead Regulator applicable to the Issuer that the Issuer has (or will have), before or at the same time as such redemption or purchase, replaced the Securities with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and the Lead Regulator applicable to the Issuer having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances;

"Relevant 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, London and in New York City;

"Relevant Distributions" means, in relation to any date, the sum of (i) all distributions or interest payments made or declared by the Issuer since the end of the last financial year and prior to such date on or in respect of (x) the Securities and (y) any Parity Securities and any Junior Securities and (ii) all distributions or interest payments payable by the Issuer (and not cancelled or deemed to be cancelled) on such date on or in respect of (x) the Securities and (y) any Parity Securities and any Junior Securities, in each case, excluding any such payments already accounted for in determining the Distributable Items;

a **"Relevant Event"** shall be deemed to occur if any person or persons acting in concert (as defined in the Takeover Code of the UK Panel on Takeovers and Mergers) acquires control of the Issuer. For these purposes **"control"** means (a) the acquisition or holding of legal or beneficial ownership of more than 50 per cent. of the issued Ordinary Shares of the Issuer; or (b) the right to appoint and/or remove all or the majority of the members

of the board of directors of the Issuer, whether obtained directly or indirectly and whether obtained by ownership of share capital, contract or otherwise;

"Relevant Exchange" means (i) in respect of the Ordinary Shares, the exchange specified as such in the relevant Pricing Supplement (the **"Specified Exchange"**) or if the Ordinary Shares are no longer admitted to listing, trading and/or quotation by the Specified Exchange, the principal stock exchange or securities market by which the Ordinary Shares are then admitted to listing, trading and/or quotation, and (ii) in respect of the Relevant Shares or any securities other than the Ordinary Shares, the principal stock exchange or securities market on which the Relevant Shares or such securities, as applicable, are then admitted to listing, trading and/or quotation;

"Relevant Financial Centre" shall be as specified in the relevant Pricing Supplement or, if not so specified, means:

- (a) Brussels, in the case of a determination of EURIBOR;
- (b) Sydney, in the case of a determination of BBSW;
- (c) Shanghai, in the case of a determination of SHIBOR;
- (d) Hong Kong, in the case of a determination of CNH HIBOR and HIBOR;
- (e) Stockholm, in the case of a determination of STIBOR;
- (f) Taipei, in the case of a determination of TAIBIR and TAIBOR;
- (g) Mexico City, in the case of a determination of TIIE; and
- (h) Oslo, in the case of a determination of NIBOR.

"Relevant Financial Centre Day" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre or centres for the currency in which payment falls to be made (or, (i) in the case of payments which fall to be made in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; or (ii) in the case of payments which fall to be made in euro, a Euro Business Day) and in any other place set out in the Pricing Supplement;

"Relevant Period" has the meaning given in the relevant Pricing Supplement;

"Relevant Screen Page" means:

- (a) only for the purposes of determining (i) Reference Government Bond Dealer Quotations for the purposes of determining the relevant Reference Bond Price or (ii) the relevant Resettable Security Reference Rate, the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Pricing Supplement, or (in the case of any Relevant Screen Page) such other page, section or other part as may replace it on that information service or such other information service or,

if none is so specified, the page, section or part of a particular information service (including, without limitation, Reuters) determined by the Issuer in consultation with the Calculation Agent or (as applicable) the Determination Agent at the relevant time; or

- (b) in any other case, the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Pricing Supplement, or (in the case of any Relevant Screen Page) such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"Relevant Shares" means ordinary share capital of the Approved Entity that constitutes equity share capital or the equivalent (or depositary or other receipts representing the same) which is listed and admitted to trading on a Regulated Market and is not share capital which, if the Securities could convert into such share capital in accordance with Condition 9(d) (*Occurrence of a Relevant Event*), would cause a Relevant Tax Effect in circumstances which, if the Securities could instead only convert into Ordinary Shares of the Issuer, would not cause a Relevant Tax Effect to occur;

"Relevant Supervisory Consent" means, in relation to any redemption or purchase of any Securities or any substitution of an entity in place of the Issuer as principal debtor under the Securities pursuant to Condition 15(c) and the Trust Deed, any required permission of the Lead Regulator applicable to the Issuer for such redemption or purchase or issuer substitution, under the prevailing Applicable Rules;

"Relevant Tax Effect" means a circumstance, as on the Issue Date or at any time thereafter, that interest payments (or funding costs of the Issuer as recognised in its accounts) under or with respect to the Securities are not or would not be deductible for UK corporation tax purposes (whether for the Issuer, or for companies with which the Issuer is grouped for UK tax purposes);

"Relevant Time" means the time specified as such in the relevant Pricing Supplement;

"Renminbi" or **"RMB"** means the lawful currency of the PRC;

"Renminbi Dealer" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong;

"Reset Determination Date" means:

- (a) in respect of the First Reset Period, the second Business Day prior to the First Reset Date;
- (b) in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date; and
- (c) in respect of each Reset Period thereafter, the second Business Day prior to the first day of each such Reset Period;

"Reset Period" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"Resettable Coupon Amount" has the meaning given in the relevant Pricing Supplement;

"Resettable Security Interbank Rate" means, in relation to a Reset Determination Date and subject to Condition 4(e) (*Benchmark Replacement*), the Reference Rate specified as such in the relevant Pricing Supplement;

"Resettable Security Interest Payment Date" means:

- (a) if Resettable Security Interest Payment Date(s) is/are specified in the relevant Pricing Supplement, the Resettable Security Interest Payment Date(s) in each year so specified, as the same may be adjusted in accordance with the Business Day Convention if applicable; or
- (b) if the Business Day Convention specified in the relevant Pricing Supplement is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months or other period is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months or other period following the Interest Commencement Date (in the case of the first Resettable Security Interest Payment Date) or the previous Resettable Security Interest Payment Date (in any other case);

"Resettable Security Margin" means the margin specified as such in the relevant Pricing Supplement;

"Resettable Security Reference Rate" means (i) the Mid-Swap Rate, (ii) the Resettable Security Interbank Rate, (iii) the U.S. Treasury Rate, (iv) the Resettable Security Reference Bond Rate, (v) the SORA-OIS Rate or (vi) the TONA-TSR Rate, as specified in the applicable Pricing Supplement;

"Resettable Security Reset Date" means the First Reset Date, the Second Reset Date and every Subsequent Reset Date as may be specified as such in the relevant Pricing Supplement;

"Rights Issue Event" has the meaning given to such term in Condition 9(i) (*Adjustments to Conversion Price*);

"Risk Weighted Assets" means, as of any date, the aggregate amount, expressed in U.S. Dollars, of the risk weighted assets of the Group as of such date, as calculated by the Issuer on a consolidated basis and without applying the transitional provisions set out in Part Ten of the UK CRR (or in any successor provisions thereto or any equivalent provisions of the Applicable Rules which replace or supersede such provisions), in accordance with the Applicable Rules applicable to the Group as of such date (which calculations shall be binding on the Trustee and the Securityholders) and where the term "risk weighted assets" means the risk weighted assets or total risk exposure amount,

as calculated by the Issuer in accordance with the Applicable Rules applicable to the Group as of such date;

"Screen Rate Fallback Trigger" means the occurrence of any of the following events or circumstances:

- (a) if the Specified Currency is AUD and the Reference Rate is BBSW, a Temporary Disruption Trigger or a Permanent Discontinuation Trigger (as each term is defined in Condition 4(c)(iv)(B)); and
- (b) in all other cases,
 - (i) if Condition 4(c) (*Screen Rate Determination for Floating Rate Securities not referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*) applies, the Reference Rate does not appear on the Relevant Screen Page;
 - (ii) if Condition 4(c) (*Screen Rate Determination for Floating Rate Securities not referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*) applies, either of the required rates do not appear on the required Relevant Screen Page;
 - (iii) if Condition 4(c) (*Screen Rate Determination for Floating Rate Securities not referencing SONIA, SOFR, €STR, SORA, SARON, CORRA or HONIA*) applies, fewer than two rates appear on the Relevant Screen Page; or
 - (iv) in any case, the Relevant Screen Page is unavailable;

"Second Reset Date" means the date specified as such in the relevant Pricing Supplement;

"SEK" means the lawful currency of the Kingdom of Sweden;

"Selected Bond" means the selected government security or securities agreed between the Issuer and an investment bank or financial institution determined to be appropriate by the Issuer (which, for the avoidance of doubt, could be the Determination Agent, if applicable) as having an actual or interpolated maturity comparable with the remaining term of the Securities until the next Call Option Date (or, in the case of Securities for which a Par Redemption Date is specified in the relevant Pricing Supplement, to the first such Par Redemption Date), that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the remaining term of the Securities;

"Settlement Date" means:

- (a) with respect to any Affected Security in relation to which a Conversion Notice is received by the Settlement Shares Depository or its designated agent on or before the Notice Cut-Off Date:
 - (i) other than where (ii) or (iii) applies, the date that is two London Business Days after the latest of (x) the Conversion Date and (y) the date on which the relevant Conversion Notice has been received by the Settlement Shares Depository or its designated agent;
 - (ii) where Condition 9(f) (*Conversion Shares Offer*) is applicable in respect of the relevant Affected Security and where the Issuer has not delivered a Conversion Shares Offer Election Notice in accordance with Condition 9(f) on or prior to the Latest Conversion Shares Offer Election Date, the date that is two London Business Days after the latest of (x) the Latest Conversion Shares Offer Election Date and (y) the date on which the relevant Conversion Notice has been received by the Settlement Shares Depository or its designated agent; or
 - (iii) where Condition 9(f) (*Conversion Shares Offer*) is applicable in respect of the relevant Affected Security and where the Issuer has delivered a Conversion Shares Offer Election Notice in accordance with Condition 9(f) (*Conversion Shares Offer*) on or prior to the Latest Conversion Shares Offer Election Date, the date that is two London Business Days after the latest of (x) the date on which the Conversion Shares Offer Period either expires or is terminated in accordance with Condition 9(f) (*Conversion Shares Offer*) and (y) the date on which the relevant Conversion Notice has been received by the Settlement Shares Depository or its designated agent;
- (b) with respect to any Affected Security in relation to which a Conversion Notice is not so received by the Settlement Shares Depository or its designated agent on or before the Notice Cut-Off Date, the date on which the Settlement Shares Depository delivers the relevant Ordinary Shares or the relevant Alternative Consideration, as applicable, to the relevant Securityholder;

"Settlement Shares Depository" means a reputable financial institution, trust company or similar entity (which in each such case is wholly independent of the Issuer) to be appointed by the Issuer on or prior to any date when a function ascribed to the Settlement Shares Depository in these Conditions is required to be performed to perform such function and which will hold the Ordinary Shares (and any Alternative Consideration, if applicable) on trust for Securityholders in one or more segregated accounts, unless otherwise required to be transferred out of such accounts for the purposes of a Conversion Shares Offer (if Condition 9(f) (*Conversion Shares Offer*) is specified as being applicable in respect of such Securities in the relevant Pricing Supplement), and otherwise on terms consistent with these Conditions and any relevant Pricing Supplement;

"Settlement Shares Depository Business Day" means a day on which the Settlement Shares Depository is open for general business;

"**SGD**" means the lawful currency of Singapore;

"**Shareholder**" means a holder of Ordinary Shares;

"**SHIBOR**" means the Shanghai inter-bank offered rate;

"**Solvent**" means, in respect of the Issuer, (a) it is able to pay its debts to its Prior Ranking Creditors as they fall due; and (b) its Assets at least equal its Liabilities;

"**Specified Currency**" means the currency specified as such in the relevant Pricing Supplement;

"**Specified Denomination**" means the denomination specified as such in the relevant Pricing Supplement;

"**Specified FX Rate**" means the rate of exchange for converting one unit of the Specified Currency into one unit of the Conversion Shares Offer Price Currency specified as such in the relevant Pricing Supplement;

"**Specified Period**" means the period specified as such in the relevant Pricing Supplement;

"**Spot Rate**" means, on any date, the spot CNY/U.S. Dollar exchange rate for the purchase of U.S. Dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Relevant Business Days, as determined by the Calculation Agent at or around 11 a.m. (Hong Kong time) on the Spot Rate Determination Date, 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 a.m. (Hong Kong time) on the Spot Rate Determination Date as the most recently available CNY/U.S. Dollars official fixing rate for settlement in two Relevant Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate;

"**Spot Rate Determination Date**" means, in relation to any payment subject to Condition 8(c) (*Renminbi-denominated Securities – Payment of U.S. Dollar Equivalent*), the day which is two Relevant Business Days before the due date for such payment under these Conditions;

"**STIBOR**" means the Stockholm Interbank Offered Rate;

"**Subordinated Notes**" has the meaning given to it in the Trust Deed;

"**Subsequent Reset Date**" means the date specified as such in the relevant Pricing Supplement;

"**Subsequent Reset Period**" means the period from (and including) the Second Reset Date to (but excluding) the next Resettable Security Reset Date, and each successive

period from (and including) a Resettable Security Reset Date to (but excluding) the next succeeding Resettable Security Reset Date;

"Subsequent Reset Rate of Interest" means, in respect of any Subsequent Reset Period and subject to Condition 3(c) (*Determination of Resettable Security Reference Rate, First Reset Rate of Interest and Subsequent Reset Rate of Interest*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of (A) the relevant Resettable Security Reference Rate plus (B) the Resettable Security Margin, with such sum converted (if necessary) in line with market convention to a basis (e.g. annual, semi-annual, quarterly) equivalent to the frequency with which scheduled interest payments are payable on the Securities during the relevant Reset Period (such calculation to be made by the Calculation Agent);

"Subsidiaries" has the meaning given to such term in section 1159 of the UK Companies Act 2006;

"Suspension Date" means the date specified in the Suspension Notice, which date shall be no later than 38 London Business Days after the Latest Conversion Shares Offer Election Date and, if the Issuer elects to conduct a Conversion Shares Offer, shall be at least two London Business Days prior to the end of the relevant Conversion Shares Offer Period;

"Suspension Notice" means a notice given by the Issuer to Holders of Affected Securities in accordance with Condition 14 (*Notices*) at any time on or after the Capital Adequacy Trigger Notice has been given and on or prior to the Latest Conversion Shares Offer Election Date, specifying the Suspension Date;

"TAIBIR" means the Secondary Market Fixing Bid/Offer Rate of the Taiwan Bills Index Rate (known as TAIBIR02);

"TAIBOR" means the Taipei Interbank Offered Rate;

"T2" means the real time gross settlement system operated by the Eurosystem, or any successor system;

"Taxation Event" means any of the applicable events or circumstances set out in items (i) to (vii) of Condition 6(b) (*Redemption for Taxation Reasons*);

"Tier 2 capital" has the meaning given to it by the Lead Regulator applicable to the Issuer from time to time;

"TIE" means the *Tasa de Interes Interbancaria de Equilibrio* (Interbank Equilibrium Interest Rate) for MXN which is published in the "*Diario oficial de la Federacion*" (Official Gazette of the Federation);

"Treaty" means the Treaty establishing the European Community, as amended;

"TWD" means the lawful currency of the Republic of China (Taiwan);

"UK CRR" means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26

June 2013, as amended or supplemented, as it forms part of domestic law in the UK by virtue of the EUWA;

"**UK**" means the United Kingdom;

"**USD**", "**U.S. Dollars**" and "**U.S.\$**" means the lawful currency of the United States of America;

"**U.S. Dollar Equivalent**" means, in relation to any Renminbi amount payable under the Securities on any date, such Renminbi amount converted into U.S. Dollars using the Spot Rate for the Spot Rate Determination Date;

"**Volume Weighted Average Price**" means, in respect of an Ordinary Share, a Relevant Share or, as applicable, a security on any Exchange Business Day, the order book volume-weighted average price of such Ordinary Share, Relevant Share or security published by or derived from the principal stock exchange or securities market on which such Ordinary Share, Relevant Share or security are then listed or quoted or dealt in, if any or, in any such case, such other source as shall be determined in good faith to be appropriate by an Independent Adviser on such Exchange Business Day, **provided that** if on any such Exchange Business Day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, a Relevant Share or a security, as the case may be, in respect of such Exchange Business Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Exchange Business Day on which the same can be so determined or as an Independent Adviser might otherwise determine in good faith to be appropriate; and

"**Winding-up Event**" means:

- (i) an order is made, or an effective resolution is passed, for the winding-up of the Issuer in England (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation of the Issuer, the terms of which reorganisation, reconstruction or amalgamation (x) have previously been approved in writing by the Trustee or by an Extraordinary Resolution and (y) do not provide that the Securities shall thereby become redeemable or repayable in accordance with these Conditions); or
- (ii) an administrator of the Issuer is appointed and such administrator declares, or gives notice that it intends to declare and distribute, a dividend.

20. **Interpretation**

References to any act, statute or treaty or any provision of any act, statute or treaty shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such statutory modification or re-enactment.

References to "**ordinary share capital**" has the meaning provided in Section 1119 of the Corporation Tax Act 2010 and "**equity share capital**" has the meaning provided in Section 548 of the Companies Act.

References to any issue or offer or grant to Shareholders or Existing Shareholders "**as a class**" or "**by way of rights**" shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or Existing Shareholders, as the case may be, other than Shareholders or Existing Shareholders, as the case may be, to whom, by reason of the laws of any jurisdiction or requirements of any recognised regulatory body or any other stock exchange or securities market in any jurisdiction or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made as an Independent Adviser determines in good faith to be appropriate to reflect any consolidation or subdivision of the Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event.

For the purposes of Condition 9 (*Capital Adequacy Trigger*) (i) references to the "issue" of Ordinary Shares or Ordinary Shares being "issued" shall, unless otherwise expressly specified therein, include the delivery of Ordinary Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its subsidiaries, and (ii) Ordinary Shares held by or on behalf of the Issuer or any of its subsidiaries (and which, in the case of Condition 9(i)(iv), do not rank for the relevant right or other entitlement) shall not be considered as or treated as "in issue" or "issued" or entitled to receive the relevant dividend, right or other entitlement.

SCHEDULE 3
PROVISIONS CONCERNING MEETINGS FOR SECURITYHOLDERS

The following provisions apply separately in respect of each Series of Securities and in this Schedule "**Securities**" means the Securities of the relevant Series.

1.

(A) As used in this Schedule, the following expressions shall have the following meanings unless the context otherwise requires:

(1) "**voting certificate**" shall mean, in relation to Bearer Securities, a certificate in the English language issued by the Trustee or a Paying Agent and dated, in which it is stated:

(a) that on the date thereof Bearer Securities (not being Securities in respect of which a block voting instruction has been issued and is outstanding in respect of the meeting specified in such voting certificate or any adjournment thereof) bearing specified serial numbers were deposited with the Trustee or such Paying Agent (or to its order at a bank or other depositary) and that the Securities will not be released until the first to occur of:

(i) the conclusion of the meeting specified in such certificate or any adjournment thereof; and

(ii) the surrender of the certificate to the Trustee or the Paying Agent whichever issued the same; and

(b) that the bearer thereof is entitled to attend and vote at such meeting or any adjournment thereof in respect of the Securities represented by such certificate;

(2) "**block voting instruction**" shall mean, in relation to Bearer Securities, a document in the English language issued by the Trustee or a Paying Agent and dated, in which:

(a) it is certified that Bearer Securities (not being Securities in respect of which a voting certificate has been issued and is outstanding in respect of the meeting specified in such block voting instruction or any adjournment thereof) have been deposited with the Trustee or such Paying Agent (or to its order at a bank or other depositary) and that no such Securities will be released until the first to occur of:

(i) the conclusion of the meeting specified in such document or any adjournment thereof; and

(ii) the surrender, not less than 72 hours before the time for which such meeting or adjournment thereof is convened, of the receipt for each such deposited Security which is to be released to the Trustee or the Paying Agent

whichever issued such receipt, coupled with notice of such surrender being given by the Trustee or such Paying Agent to the Issuer, and if such notice is not given by the Trustee, to the Trustee;

- (b) it is certified that such depositor of such Bearer Securities or a duly authorised agent on his or its behalf has instructed the Trustee or such Paying Agent that the vote(s) attributable to his or its Bearer Securities so deposited should be cast in a particular way in relation to any resolution or resolutions the terms of which were set out in the notice convening the meeting to be put to such meeting or any adjournment thereof and that all such instructions are during the period of 48 hours prior to the time for which such meeting or adjourned meeting is convened, neither revocable nor subject to amendment;
 - (c) the total number and the serial numbers of the Bearer Securities so deposited are listed, distinguishing with regard to each such resolution between those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and
 - (d) any person named in such document (hereinafter called a "**proxy**") is authorised and instructed by the Trustee or such Paying Agent to cast the votes attributable to the Bearer Securities so listed in accordance with the instructions referred to in (c) above as set out in such document;
- (3) "**Electronic Resolution**" has the meaning set out in paragraph 22.1; and
- (4) "**Written Resolution**" means a resolution in writing signed by or on behalf of holders of not less than three-fourths in principal amount of the Securities for the time being outstanding in accordance with the provisions set out in paragraph 22.3.
- (B) Voting certificates and block voting instructions shall be valid for so long as the relevant Bearer Securities shall not be released pursuant to sub-paragraph (A) hereof and during the validity thereof the holder of any such voting certificate or (as the case may be) the proxy named in any such block voting instruction shall, for all purposes in connection with any meeting of any Securityholders, be deemed to be the holder of the Bearer Securities to which such voting certificate or block voting instruction relates and the Trustee or the Paying Agent with which (or to the order of which) such Bearer Securities have been deposited shall nevertheless be deemed for such purposes not to be the holder of those Bearer Securities.
- (C) A holder of a Bearer Security may obtain a Voting Certificate from a Paying Agent or require the Trustee or a Paying Agent to issue a block voting instruction by depositing his Security with the Trustee or such Paying Agent not

later than 48 hours before the time fixed for any meeting. Voting Certificates and block voting instructions shall be valid until the relevant Bearer Securities are released pursuant to this paragraph and until the holder of any such Voting Certificate or (as the case may be) the proxy named in any such block voting instruction shall, for all purposes in connection with any meeting of Securityholders, be deemed to be the holder of the Bearer Securities to which such Voting Certificate or block voting instruction relates and the Trustee or Paying Agent with which (or to the order of which) such Bearer Securities have been deposited shall be deemed for such purposes not be the holder of the Bearer Securities.

(D)

- (i) A holder of a Registered Security may by an instrument in writing (a "**form of proxy**") in the form available from the specified office of the Registrar in the English language signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the Registrar not later than 48 hours before the time fixed for any meeting, appoint any person (a "**proxy**") to act on his or its behalf in connection with any meeting or proposed meeting of Securityholders.
 - (ii) Any holder of a Registered Security with a corporation may by delivering to any Registrar not later than 48 hours before the time fixed for any meeting a resolution of its directors or other governing body in the English language authorise any person to act as its representative (a "**representative**") in connection with any meeting or proposed meeting of Securityholders.
 - (iii) Any proxy appointed pursuant to (i) above or representative appointed pursuant to (ii) above shall so long as such appointment remains in force be deemed, for all purposes in connection with any meeting or proposed meeting of Securityholders specified in such appointment, to be the holder of the Registered Securities to which such appointment relates and the holder of the Registered Securities shall be deemed for such purposes not to be the holder.
2. The Trustee or the Issuer at any time may and the Trustee (subject to its being indemnified to its satisfaction against all costs and expenses thereby occasioned) upon a request in writing of Securityholders holding not less than one-tenth of the principal amount of the Securities for the time being outstanding shall convene a meeting of the Securityholders. Whenever the Issuer is about to convene any such meeting it shall forthwith give notice in writing to the Trustee of the day, time and place thereof and of the nature of the business to be transacted thereat. Every meeting shall be held at such place as the Trustee shall agree.
3. At least 21 days' notice (exclusive of the day on which the notice is given and the day on which the meeting is to be held) specifying the day, time and place of the meeting be given to the Securityholders. A copy of the notice shall be given to the Trustee unless the meeting shall be convened by the Trustee. Such notice shall specify the general nature of the business to be transacted at the meeting thereby convened and shall be given in the manner provided in this Trust Deed but (except in the case of an

Extraordinary Resolution) it shall not be necessary to specify in such notice the form of any resolution to be proposed and shall include a statement to the effect that the Securities may be deposited with (or to the order of) the Trustee or a Paying Agent for the purpose of obtaining voting certificates or appointing proxies until 48 hours before the time fixed for the meeting but not thereafter.

4. A person (who may, but need not, be a Securityholder) nominated in writing by the Trustee shall be entitled to take the chair at every such meeting but if no such nomination is made or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for the holding of such meeting the Securityholders present shall choose one of their number to be chairperson and failing such choice the Issuer.
5. The Trustee and its legal advisers and any director or duly authorised representative of a corporation being a trustee hereof and any director or other officer and the legal advisers of the Issuer and any other person authorised in that behalf by the Issuer or the Trustee may attend and speak at any such meeting. Save as aforesaid no person shall be entitled to attend, participate, speak or vote at any meeting of the Securityholders or to join with others in requesting the convening of such a meeting unless he produces his appointment as a representative or a Security or Securities of which he is the holder or a voting certificate or is a proxy, **provided that** no Security for the time being held beneficially by or on behalf of the Issuer or any subsidiary or holding company of the Issuer shall confer the right to vote.
6. At any such meeting one or more persons holding one or more Securities or voting certificates or being proxies or representatives and holding or representing in the aggregate one-twentieth of the principal amount of the Securities for the time being outstanding shall (except for the purpose of passing an Extraordinary Resolution) form a quorum for the transaction of business and no business (other than the choosing of a chairperson) shall be transacted at any meeting unless the requisite quorum be present at the commencement of business. The quorum at any such meeting for the passing of an Extraordinary Resolution (subject to the proviso to paragraph 18) shall be one or more persons holding one or more Securities or voting certificates or being proxies or representatives and holding or representing in the aggregate a clear majority of the principal amount of the Securities for the time being outstanding.
7. If within 20 minutes from the time appointed for any meeting of Securityholders a quorum is not present, the meeting shall, if convened upon the request of Securityholders or if convened solely for the purpose of approving a person proposed to be appointed by the Issuer as a new trustee, be dissolved. In any other case it shall stand adjourned to such day, time and place, being not less than 28 or more than 42 days thereafter, as may be appointed by the chairperson and at such adjourned meeting one or more persons holding one or more Securities or voting certificates or being proxies or representatives (whatever the principal amount of the Securities held or represented by them) shall form a quorum and have power to pass any Resolution other than an Extraordinary Resolution in respect of the matters referred to in the proviso to paragraph 18 and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place; for the purpose of passing an Extraordinary Resolution in respect of the matters referred to in the proviso to paragraph 18 at an adjourned meeting the quorum necessary shall be one or more persons holding one or more Securities or voting certificates or being proxies or

representatives and holding or representing in the aggregate not less than one-third of the principal amount of the Securities for the time being outstanding. No meeting may be adjourned more than once for want of a quorum.

8. At least 14 days' notice (exclusive of the day on which the notice is given and the day on which the meeting is to be held) of any adjourned meeting at which an Extraordinary Resolution is to be submitted shall be given in the manner provided by this Trust Deed and such notice shall state the requisite quorum at the adjourned meeting.
9. The chairperson may with the consent of (and shall if directed by) any such meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Subject as provided in paragraph 8 of this Schedule it shall not be necessary to give to the Securityholders notice of an adjourned meeting.
10. Every question submitted to a meeting of Securityholders shall be decided in the first instance by a show of hands and in the case of an equality of votes the chairperson shall (both on a show of hands and on a poll) have a casting vote in addition to the vote or votes (if any) to which he may be entitled as the holder of a Security or voting certificate or as proxy or representative.
11. At any meeting of Securityholders unless (before or on the declaration of the result of a show of hands) a poll is demanded by the chairperson or by one or more persons holding one or more Securities or voting certificates or being proxies for or representing such person or persons, a declaration by the chairperson that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority shall be conclusive evidence of such fact.
12. If at any such meeting a poll is so demanded, it shall be taken in such manner and either at once or after an adjournment as the chairperson shall direct and the result of such poll shall be deemed to be a resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.
13. Any poll demanded at any such meeting on the election of a chairperson or any question of adjournment shall be taken at the meeting without adjournment.
14. Subject as provided in paragraph 5 of this Schedule, at any such meeting (a) on a show of hands every person who is present and produces a Security or voting certificate or is a proxy or representative or is a holder or a Registered Security shall have one vote and (b) on a poll every such person who is so present shall have one vote in respect of each U.S.\$1 (or, in the case of meetings of holders of Securities denominated in another currency, such amount in such other currency as the Trustee shall, in its absolute discretion determine) in principal amount of Securities so produced or represented by the voting certificate so produced or in respect of which he is proxy or a representative or he is the holder. Any such person who is entitled to more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.

15. The proxy named in any block voting instruction or form of proxy need not be a Securityholder.
16. Each block voting instruction and each form of the proxy, together (if so required by the Trustee) with proof satisfactory to the Trustee of its due execution, shall be deposited at the principal office of the Issuer not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the proxy named in the block voting instruction or form of proxy proposes to vote and in default the block voting instruction or form of proxy shall not be treated as valid unless the chairperson of the meeting decides otherwise before such meeting or adjourned meeting proceeds to business. A notarially certified copy of each such block voting instruction and form of proxy and satisfactory proof as aforesaid (if applicable) shall if required by the Trustee be produced by the proxy at the meeting or adjourned meeting but the Trustee shall not thereby be obliged to investigate or be concerned with the validity of, or the authority of the proxy named in, any such block voting instruction or form of proxy.
17. Any vote given in accordance with the terms of a block voting instruction or form of proxy shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or form of proxy or of any of the Securityholders' instructions pursuant to which it was executed, **provided that** no intimation in writing of such revocation or amendment shall have been received from the Trustee or the relevant Paying Agent by the chairperson of the meeting, in each case not less than 48 hours before the commencement of the meeting or adjourned meeting at which the block voting instruction or form of proxy is to be used.
18. The Securityholders shall in addition to all other powers but subject as hereinafter mentioned have the following powers exercisable by Extraordinary Resolution namely:
 - (a) power to sanction any proposals of the Issuer for the modification, variation, abrogation or compromise of, or any arrangement in respect of, the rights of the Securityholders and/or the Couponholders against the Issuer whether such rights shall arise under this Trust Deed or otherwise;
 - (b) power to sanction any exchange proposed by the Issuer or, where applicable, of the Securities or the conversion of the Securities into shares, stock, bonds, notes, debentures or other securities of the Issuer or any other company formed or to be formed (with or without a cash element in the consideration);
 - (c) power to assent to any modification of the provisions contained in this Trust Deed, the Securities or the Coupons which shall be proposed by the Issuer or, where applicable or the Trustee;
 - (d) power to remove any trustee or trustees for the time being hereof;
 - (e) power to authorise the Trustee to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;
 - (f) power to agree to the release or exoneration of any trustee hereof from any liability in respect of anything done or omitted to be done by such trustee before

the giving of such release or exoneration and for which such trustee may have become responsible under this Trust Deed;

- (g) power to give any sanction, direction or request which under the provisions of this Trust Deed or the Securities is required to be given by Extraordinary Resolution;
- (h) power to appoint any persons (whether Securityholders or not) as a committee or committees to represent the interests of the Securityholders and to confer upon such committee or committees any powers or discretions which the Securityholders could themselves exercise by Extraordinary Resolution,

provided that at any meeting the business of which includes any of the following matters (each of which shall be capable of being effected only after having been approved by Extraordinary Resolution) namely:

- (a) modification of the due dates of payment of interest in respect of the Securities;
- (b) reduction or cancellation of the principal payable on the Securities;
- (c) modification of the method of calculating the amount payable in respect of any Coupons;
- (d) alteration of the currency in which payments under the Securities and Coupons are to be made;
- (e) alteration of the Capital Adequacy Trigger or the Conversion Price, except to the extent already contemplated by the Conditions;
- (f) alteration of the majority required to pass an Extraordinary Resolution;
- (g) alteration of this proviso;

the quorum shall be, subject as provided in paragraph 7, one or more persons present holding one or more Securities or voting certificates or being proxies or representatives and holding or representing in the aggregate not less than two-thirds of the principal amount of the Securities for the time being outstanding.

19. An Extraordinary Resolution passed at a meeting of the Securityholders duly convened and held in accordance with this Trust Deed shall be binding upon all the Securityholders whether present or not at such meeting and upon all the Couponholders and Talonholders, and each of the Securityholders and Couponholders and Talonholders shall be bound to give effect thereto accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances justified the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.
20. The expression "**Extraordinary Resolution**" when used in this Schedule means a resolution passed (1) at a meeting of the Securityholders duly convened and held in accordance with the provisions herein contained by a majority consisting of not less than three-quarters of the votes cast thereon, (2) by a Written Resolution (as defined in

paragraph 1(A)(4) of this Schedule), or (3) by an Electronic Resolution (as defined in paragraph 22.1 of this Schedule).

21. Minutes of all resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer and any such minutes, if purporting to be signed by the chairperson of the meeting at which such resolutions were passed or proceedings transacted or by the chairperson of the next succeeding meeting of the Securityholders shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted thereat to have been duly passed and transacted.
22. Subject to paragraph 22.2, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Securityholders.

For so long as the Securities are represented by one or more Global Bearer Securities or a Global Registered Security held by or on behalf of one or more Clearing Systems, then, in respect of any resolution proposed by the Issuer or the Trustee:

- 22.1 *Electronic Resolution*: where the terms of the resolution proposed by the Issuer or the Trustee (as the case may be) have been notified to the Securityholders through the relevant clearing system(s) as provided in sub-paragraphs (i) and/or (ii) below, each of the Issuer and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Principal Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than three-quarters in principal amount of the Securities for the time being outstanding (the "**Required Proportion**") (such approval being an "**Electronic Resolution**") by close of business on the Relevant Date (as defined below). Any resolution passed in such manner shall be binding on all Securityholders and Couponholders, even if the relevant consent or instruction proves to be defective. None of the Issuer or the Trustee shall be liable or responsible to anyone for such reliance.
 - (a) When a proposal for a resolution to be passed as an Electronic Resolution has been made, at least 10 days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Securityholders through the relevant Clearing System(s). The notice shall specify, in sufficient detail to enable Securityholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant Clearing System(s)) and the time and date (the "**Relevant Date**") by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant Clearing System(s).
 - (b) If, on the Relevant Date on which the consents in respect of an Electronic Resolution are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the

"Proposer") so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Securityholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform Securityholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (a) above. For the purpose of such further notice, references to "Relevant Date" shall be construed accordingly.

For the avoidance of doubt, an Electronic Resolution may only be used in relation to a resolution proposed by the Issuer or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 3 above, unless that meeting has been cancelled or dissolved.

- 22.2 *Written Resolution*: where Electronic Resolution is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by accountholders in the Clearing System(s) with entitlements to the Securities represented by such Global Bearer Security or Securities or Global Registered Security and/or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and **provided that**, in each case, the Issuer and/or the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction. Any resolution passed in such manner shall be binding on all Securityholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "commercially reasonable evidence" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant Clearing System, and/or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Securities. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print-out of electronic records provided by the relevant Clearing System (including Euroclear's EUCLID or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal amount of the Securities is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.
- 22.3 A Written Resolution and/or Electronic Resolution shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Resolution will be binding on all Securityholders and holders of Coupons and Talons, whether or not they participated in such Written Resolution and/or Electronic Resolution.
23. Subject to the provisions contained in this Schedule, the Trustee may without the consent of the Securityholders or the Couponholders prescribe such further regulations

regarding the holding of meetings of Securityholders and attendance and voting thereat as it may in its discretion determine.

24.

- (A) If and whenever the Issuer shall have issued and have outstanding Securities of more than one Series the foregoing provisions of this Schedule shall have effect subject to the following modifications:
- (i) a resolution which in the opinion of the Trustee affects the Securities of only one Series shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Securities of that Series;
 - (ii) a resolution which in the opinion of the Trustee affects the Securities of more than one Series but does not give rise to a conflict of interest between the holders of Securities of any of the Series so affected shall be deemed to have been duly passed if passed at a single meeting of the holders of the Securities of all the Series so affected;
 - (iii) a resolution which in the opinion of the Trustee affects the Securities of more than one Series and gives or may give rise to a conflict of interest between the holders of the Securities of one Series or group of Series so affected and the holders of the Securities of another Series or group of Series so affected shall be deemed to have been duly passed only if passed at separate meetings of the holders of the Securities of each Series or group of Series so affected; and
 - (iv) to all such meetings all the preceding provisions of this Schedule shall *mutatis mutandis* apply as though references therein to Securities and holders were references to the Securities of the Series or group of Series in question or to the holders of such Securities, as the case may be.
- (B) If the Issuer shall have issued and have outstanding Securities which are not denominated in US dollars, in the case of any meeting of holders of Securities of more than one currency the principal amount of such Securities shall (i) for the purposes of paragraph 2 above be the equivalent in US dollars at the spot rate of a bank nominated by the Trustee for the conversion of the relevant currency or currencies into US dollars on the seventh dealing day prior to the day on which the requisition in writing is received by the Issuer and (ii) for the purposes of paragraphs 6, 7 and 18 above (whether in respect of the meeting or any adjourned such meeting or any poll resulting therefrom) be the equivalent at such spot rate on the seventh dealing day prior to the day of such meeting. In such circumstances, on any poll each person present shall have one vote for each U.S.\$1 (or such other US dollar amount as the Trustee may in its absolute discretion stipulate) in principal amount of the Securities (converted as above) which he holds or represents.

EXECUTED as a **DEED** by)
HSBC HOLDINGS PLC)
)

.....Signature of director

.....Name of director

.....Signature of secretary

.....Name of secretary

EXECUTED as a **DEED** by)
THE LAW DEBENTURE TRUST)
CORPORATION p.l.c.)

.....Director

.....Name of director

.....Representing Law Debenture Corporate Services Ltd,
Secretary

.....Name of secretary