



# Standard Chartered PLC

(Incorporated as a public limited company in England and Wales with registered number 966425)

# Standard Chartered Bank

(Incorporated with limited liability in England by Royal Charter with reference number ZC18)

## U.S. \$77,500,000 Debt Issuance Programme

Under the Debt Issuance Programme described in this Prospectus (as defined below) (the "Programme") (which supersedes and replaces the Prospectus dated 15 June 2021 and each supplement thereto), Standard Chartered PLC ("SCPLC") and Standard Chartered Bank ("SCB") (each of SCPLC and SCB in such capacity an "Issuer" and together, the "Issuers"), subject to compliance with all relevant laws, regulations and directives, may each from time to time issue debt securities (the "Notes"). The Notes may rank as senior obligations of the relevant Issuer ("Senior Notes") or subordinated obligations of the relevant Issuer ("Dated Subordinated Notes"). The aggregate principal amount of Notes outstanding will not at any time exceed U.S.\$77,500,000,000 (or the equivalent in other currencies and subject to increase as provided herein).

This Prospectus has been approved as a base prospectus by the United Kingdom (the "United Kingdom" or the "UK") Financial Conduct Authority (the "FCA") as competent authority under Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"), as amended (the "UK Prospectus Regulation"). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuers or of the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

The FCA has neither approved nor reviewed any information contained in this base prospectus in connection with PR Exempt Notes (as defined below).

Application has been made to the FCA under Part VI (Official Listing) of the Financial Services and Markets Act 2000 ("FSMA") for Notes issued by SCPLC or SCB under the Programme (other than PR Exempt Notes (as defined below)) within 12 months of the date of this Prospectus to be admitted to the official list of the FCA (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for such Notes to be admitted to trading on the Main Market of the London Stock Exchange (the "Market"). The Market is a regulated market situated or operating within the UK for the purposes of Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the EUWA ("UK MIFIR").

The relevant Final Terms (as defined below) or Pricing Supplement (as defined below) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Market (or listed on any other stock exchange).

The Notes may be issued in bearer form only ("Bearer Notes"), in registered form only ("Registered Notes"), or in bearer form exchangeable for Registered Notes ("Exchangeable Bearer Notes"). Bearer Notes and Exchangeable Bearer Notes will be offered and sold only outside the United States to non-U.S. persons in reliance on Regulation S under the U.S. Securities Act of 1933 (the "Securities Act"). The Notes have not been and will not be registered under the Securities Act. Registered Notes may be offered and sold (i) in the United States or to U.S. persons in reliance on Rule 144A under the Securities Act ("Rule 144A") only to qualified institutional buyers ("QIBs") as defined in Rule 144A and (ii) outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act ("Regulation S"). Prospective purchasers are hereby notified that the seller of Registered Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Each Series (as defined in "Overview of the Programme") of Bearer Notes or Exchangeable Bearer Notes will initially be represented on issue by a temporary global note in bearer form (each a "Temporary Global Note") or a permanent global note in bearer form (each a "Permanent Global Note"). Interests in a Temporary Global Note will be exchangeable, in whole or in part, for interests in a Permanent Global Note on or after the Exchange Date, upon certification as to non-U.S. beneficial ownership. Each Series of Registered Notes will initially be represented by a global registered certificate (each a "Global Certificate"), without coupons. Global Notes in respect of Notes offered and sold outside the United States to non-U.S. persons in reliance upon Regulation S (irrespective of their form) may be (i) in the case of Global Notes which are stated in the applicable Final Terms to be issued in new global note ("NGN") form by SCPLC or SCB the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche (as defined below) to a common safekeeper (the "Common Safekeeper") for Euroclear Bank SA/NV ("Euroclear"), and Clearstream Banking, SA ("Clearstream, Luxembourg"), (ii) in the case of Global Notes which are not stated in the applicable Final Terms to be issued in NGN form by SCPLC or SCB ("Classic Global Notes" or "CGNs") the Global Notes will be deposited on the issue date of the relevant Tranche with a common depository on behalf of Euroclear and Clearstream, Luxembourg (the "Common Depository"), (iii) lodged on or before the issue date with a sub-custodian for the Central Money Markets Unit Service operated by the Hong Kong Monetary Authority (the "CMU Service"), or (iv) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, Luxembourg and/or the CMU Service, be deposited as agreed between the relevant Issuer, the Trustee, the Agent and the relevant Dealer(s). Global Certificates in respect of Registered Notes offered and sold outside the United States to non-U.S. persons in reliance upon Regulation S (irrespective of their form) may be (i) in the case of Global Certificates which are stated in the applicable Final Terms to be held under the New Safekeeping Structure (the "NSS") the Global Certificates will be delivered on or prior to the original issue date of the relevant Tranche to the Common Safekeeper for Euroclear and Clearstream, Luxembourg, (ii) in the case of Global Certificates which are not stated in the applicable Final Terms to be held under the NSS the Global Certificates will be deposited on the issue date of the relevant Tranche with the Common Depository, (iii) lodged on or before the issue date with a sub-custodian for the CMU Service, (iv) deposited with a custodian for, and registered in the name of a nominee of, or (v) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, Luxembourg and/or the CMU Service and/or DTC, be deposited as agreed between the relevant Issuer, the Trustee, the Agent and the relevant Dealer(s). Global Certificates in respect of Registered Notes offered and sold in the United States or to U.S. persons in reliance upon Rule 144A may be either (i) deposited with a custodian for, and registered in the name of a nominee of, DTC, or (ii) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, DTC, be deposited as agreed between the relevant Issuer, the Trustee, the Agent and the relevant Dealer(s). Beneficial interests in Global Notes or Global Certificates held in book-entry form through Euroclear, Clearstream, Luxembourg and/or the CMU Service will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg, or the CMU Service, as the case may be. Beneficial interests in Registered Notes represented by Global Certificates held through DTC will be shown on, and transfers thereof will be effected only through, records maintained by DTC. The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "Summary of Provisions Relating to the Notes while in Global Form". Certain provisions governing restrictions on transfer of Registered Notes are described in "Transfer Restrictions".

In relation to any Tranche (as defined in "Overview of the Programme"), the aggregate nominal amount of the Notes of such Tranche, the interest (if any) payable in respect of the Notes of such Tranche, the issue price and any other terms and conditions not contained herein which are applicable to such Tranche will be set out in a final terms document ("Final Terms") which, with respect to Notes to be listed on the Market, will be delivered to the FCA and the London Stock Exchange on or before the date of issue of the Notes of such Tranche. References in this Prospectus to "PR Exempt Notes" are to Notes for which no prospectus is required to be published pursuant to the UK Prospectus Regulation. Information contained in this Prospectus regarding PR Exempt Notes shall not be deemed to form part of this Prospectus and the FCA has neither approved nor reviewed information contained in this Prospectus in connection with the offering and sale of PR Exempt Notes. In the case of PR Exempt Notes, notice of the aforesaid information which is applicable to each Tranche will be set out in a pricing supplement document ("Pricing Supplement"). Accordingly, in the case of PR Exempt Notes, each reference in this Prospectus to information being specified or identified in the applicable Final Terms shall be read and construed as a reference to such information being specified or identified in the applicable Pricing Supplement unless the context requires otherwise.

As at the date of this Prospectus, i) SCPLC's long term senior debt ratings are A3 by Moody's Investors Service Singapore Pte. Ltd ("Moody's Singapore"), BBB+ by S&P Global Ratings Hong Kong Limited ("S&P Hong Kong") and A by Fitch Ratings Ltd ("Fitch UK"); and ii) SCB's long term senior debt ratings are A1 by Moody's Singapore, A+ by S&P and A+ by Fitch UK. Moody's Singapore is not established in the UK or the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (the "EU CRA Regulation") as it forms part of the domestic law of the UK by virtue of the EUWA (the "UK CRA Regulation") or the EU CRA Regulation. Moody's Singapore is affiliated to Moody's Investors Service Ltd ("Moody's UK") which is established in the UK and is registered under the UK CRA Regulation and to Moody's Deutschland GmbH ("Moody's Germany") which is established in the European Union and is registered under the EU CRA Regulation, and the ratings that Moody's Singapore has assigned have been endorsed by Moody's UK and Moody's Germany, respectively. S&P Hong Kong is not established in the UK or the European Union and has not applied for registration under the UK CRA Regulation or the EU CRA Regulation. S&P Hong Kong is affiliated to S&P Global Ratings UK Limited ("S&P UK") which is established in the UK and is registered under the UK CRA Regulation and S&P ("S&P") which is established in the European Union and is registered under the EU CRA Regulation, and the ratings that S&P Hong Kong has assigned have been endorsed by S&P UK and S&P, respectively. Fitch UK is established in the UK and is registered under the UK CRA Regulation. Fitch UK is not established in the European Union and has not applied for registration under the EU CRA Regulation. Fitch UK is affiliated to Fitch Ratings Ireland Limited ("Fitch Ireland") which is established in the European Union and is registered under the EU CRA Regulation, and the ratings that Fitch UK has assigned have been endorsed by Fitch Ireland.

Notes issued under the Programme may be rated or unrated. When an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Issuers may agree with any Dealer and BNY Mellon Corporate Trustee Services Limited (the "Trustee") that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes to be admitted to the Official List and to trading on the Market only) a supplemental prospectus or further prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes. In the case of PR Exempt Notes, the relevant provisions relating to such PR Exempt Notes will be included in the applicable Pricing Supplement.

Investing in Notes issued under the Programme involves certain risks and may not be suitable for all investors. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Prospectus and in the applicable Final Terms and the merits and risks of investing in a particular issue of Notes in the context of their financial position and particular circumstances. Investors also should have the financial capacity to bear the risks associated with an investment in Notes. Investors should not purchase Notes unless they understand and are able to bear risks associated with Notes. **INVESTING IN THE NOTES INVOLVES RISKS. PROSPECTIVE INVESTORS SHOULD HAVE REGARD TO AND SHOULD HAVE SUFFICIENT KNOWLEDGE AND EXPERTISE TO EVALUATE THE EFFECT OF OR THE LIKELIHOOD OF THE OCCURRENCE OF THE FACTORS DESCRIBED UNDER THE SECTION HEADED "RISK FACTORS" IN THIS PROSPECTUS, WHICH INCLUDES THE RISK THAT THE NOTES MAY BE CONVERTED INTO ORDINARY SHARES AND/OR MAY BE SUBJECT TO STATUTORY WRITE-DOWN OR BAIL-IN, WHICH MAY RESULT IN LOSS ABSORPTION BY INVESTORS.**

Individual Registered Notes will only be available in certain limited circumstances as described herein. See "Clearing and Settlement".

J.P. Morgan  
 BofA Securities  
 Credit Suisse  
 J.P. Morgan  
 Standard Chartered Bank (Hong Kong) Limited

Joint Arrangers

Dealers  
 Barclays  
 Deutsche Bank  
 Lloyds Bank Corporate Markets  
 UBS Investment Bank

Standard Chartered Bank  
 BNP PARIBAS  
 Goldman Sachs International  
 Morgan Stanley  
 Standard Chartered Bank

## IMPORTANT

**If you are in any doubt about this document you should consult your stockbroker, bank manager, solicitor, certified public accountant or other professional adviser.**

This Prospectus includes the SCPLC Prospectus and the SCB Prospectus. Investors should note that:

1. the SCPLC Prospectus comprises this document with the exception of the documents incorporated by reference in paragraphs 1 and 2 on page 10 of the section entitled "*Documents Incorporated by Reference*", the information contained in the section entitled "*Standard Chartered Bank*" and paragraphs 4 and 6 in the section entitled "*General Information*"; and
2. the SCB Prospectus comprises this document with the exception of the information contained in the section entitled "*Standard Chartered PLC*".

References in this document to the "**Prospectus**" mean (i) in relation to SCPLC, the SCPLC Prospectus, and (ii) in relation to SCB, the SCB Prospectus.

This Prospectus constitutes a base prospectus for the purposes of Article 8 of the UK Prospectus Regulation.

This Prospectus (supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the United Kingdom (the "**United Kingdom**" or the "**UK**") and/or offered to the public in the UK other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the UK Prospectus Regulation. Each Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus or publish a new prospectus for use in connection with any subsequent issue of Notes in compliance with Article 23 of the UK Prospectus Regulation. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

This Prospectus has been prepared on the basis that any offer of Notes in the United Kingdom will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in the UK of Notes which are the subject of an offering contemplated in this Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the relevant Issuer or any Dealer (as defined in "*Overview of the Programme*") to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer. None of the Issuers, the Arrangers (as defined in "*Overview of the Programme*") nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for either Issuer, the Arrangers or any Dealer to publish or supplement a prospectus for such offer.

*This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" below).*

SCPLC accepts responsibility for the information contained in the SCPLC Prospectus and any applicable Final Terms in relation to Notes issued by it. To the best of its knowledge the information contained in the SCPLC Prospectus is in accordance with the facts and the SCPLC Prospectus makes no omission likely to affect its import.

SCB accepts responsibility for the information contained in the SCB Prospectus and any applicable Final Terms in relation to Notes issued by it. To the best of its knowledge the information contained in the SCB Prospectus is in accordance with the facts and the SCB Prospectus makes no omission likely to affect its import.

No person has been authorised to give any information or to make any representation other than as contained in this Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, any of the Dealers or the Arrangers (as defined in "*Overview of the Programme*"). Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any

circumstances, create any implication that there has been no change in the affairs of either Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of either Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time after the date on which it is supplied or, if different, the date indicated in the Prospectus containing the same.

The distribution of this Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuers, the Dealers and the Arrangers to inform themselves about and to observe any such restriction.

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S).**

**THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S AND IN THE CASE OF REGISTERED NOTES, IF PROVIDED IN THE RELEVANT FINAL TERMS, WITHIN THE UNITED STATES TO QIBs IN RELIANCE ON RULE 144A. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF REGISTERED NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF NOTES AND THE DISTRIBUTION OF THIS PROSPECTUS, SEE "SUBSCRIPTION AND SALE" AND "TRANSFER RESTRICTIONS".**

**THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.**

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 as amended or superseded (the “**IDD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (the “**EU Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EU PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it

forms part of the domestic law of the UK by virtue of the EUWA (“**UK MiFIR**”); or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the EUWA (the “**UK Prospectus Regulation**”). Consequently, no key information document required Regulation (EU) No 1286/2014 as it forms part of the domestic law of the UK by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – The applicable Final Terms in respect of any Notes may include a legend entitled “**MiFID II Product Governance**” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – The applicable Final Terms in respect of any Notes may include a legend entitled “**UK MiFIR Product Governance**” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 as it forms part of the domestic law of the UK by virtue of the EUWA (the “**UK Benchmarks Regulation**”). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 (register of administrators and benchmarks) of the UK Benchmarks Regulation. Transitional provisions in the UK Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms. The registration status of any administrator under the UK Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuers do not intend to update the relevant Final Terms to reflect any change in the registration status of the administrator.

**NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE “SFA”) AND THE SECURITIES AND FUTURES (CAPITAL MARKETS PRODUCTS) REGULATIONS 2018 OF**

**SINGAPORE (THE "CMP REGULATIONS 2018")** – In connection with Section 309(B) of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, each Issuer has determined, and hereby notifies all persons (including all relevant persons as defined in Section 309A(1) of the SFA), that all Notes issued or to be issued under the Programme are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**NOTICE TO INVESTORS IN CANADA** – The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor. If applicable, pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuers, the Arrangers or the Dealers to subscribe for or purchase, any Notes.

To the fullest extent permitted by law, none of the Dealers or the Arrangers accept any responsibility for the contents of this Prospectus or for any other statement, made or purported to be made by the Arrangers or a Dealer or on its behalf in connection with the Issuers or the issue and offering of the Notes. Each of the Arrangers and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement. Neither this Prospectus nor any document incorporated by reference nor any other financial statements or information supplied in connection with the Programme or the Notes is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by any of the Issuers, the Arrangers or the Dealers that any recipient of this Prospectus or any other financial statements or information supplied in connection with the Programme or the Notes or any document incorporated by reference should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Prospectus, in any document incorporated by reference, or in any other financial statements or information supplied in connection with the Programme or the Notes and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arrangers undertakes to review the financial condition or affairs of any of the Issuers during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arrangers. If a jurisdiction requires that the offering be made by a licensed broker or dealer and one or more of the Dealers or any parent company or affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer(s) or such parent company or affiliate on behalf of the Issuer in such jurisdiction.

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the potential risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency and that the entire principal amount of the Notes could be lost, including following the exercise of Regulatory Capital Write-Down Powers or the Bail-in Powers (in each case as defined herein);
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal and other advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. See also *"Risk Factors - Risks related to the Notes generally - Implementation of and/or changes to the capital adequacy framework may result in changes to the risk-weighting of the Notes and/or loss absorption by Noteholders in certain circumstances"* below.

In respect of each Series of Notes which are specified in the relevant Final Terms as being "Sustainability Bonds", "Green Bonds" or "Social Bonds", the relevant Issuer will exercise its judgment and sole discretion in determining the businesses and projects that will constitute Eligible Projects (as defined in the section entitled *"Use of Proceeds"*) in respect of such Series of Notes, as described under *"Use of Proceeds"* below, which will be financed by an amount equal to the net proceeds of the issuance of such Notes. If the use of such proceeds is a factor in an investor's decision to invest in the Notes, they should consider the disclosure in *"Use of Proceeds"* below and/or in the relevant Final Terms relating to such Notes, and consult with their legal or other advisers before making an investment in the Notes. There can be no assurance that any of the businesses and projects funded with the net proceeds of the issuance of the Notes will meet a specific framework or an investor's expectations or requirements. See the risk factor entitled *"The use of proceeds of the Notes may not meet investor expectations or requirements"* for further information.

In this Prospectus, unless otherwise specified or the context otherwise requires, references to "**HK\$**" and "**Hong Kong dollars**" are to the lawful currency of Hong Kong, to "**U.S.\$**", "**U.S. dollars**" and "**cents**" are to the lawful currency of the United States of America, to "**CNY**", "**Chinese yuan**", "**Renminbi**" and "**RMB**" are to the lawful currency of the PRC, to "**Russian Ruble**" are to the lawful currency of the Russian Federation, to "**Korean won**" and "**KRW**" are to the lawful currency of the Republic of Korea, to "**TWD**" and "**Taiwan dollars**" are to the lawful currency of Taiwan, to "**BWP**" are to the lawful currency of Botswana, to "**TZS**" are to the lawful currency of Tanzania, to "**IDR**" are to the lawful currency of Indonesia, to "**PKR**" are to the lawful currency of Pakistan, to "**AED**" are to the lawful currency of the United Arab Emirates, to "**INR**" and "**Indian rupees**" are to the lawful currency of India, to "**SGD**" and "**Singapore dollars**" are to the lawful currency of Singapore and references to "**Pounds sterling**", "**Sterling**" and "**£**" are to the lawful currency of the United Kingdom. References to "**euro**" and "**€**" are to the single currency introduced pursuant to the treaty establishing the European Community, as amended. References to "**Hong Kong**" shall mean the Hong Kong Special Administrative Region of the People's Republic of China and references to the "**PRC**" shall mean the People's Republic of China excluding the Hong Kong and Macau Administrative Regions and Taiwan.

**In connection with the issue of any Tranche (as defined in "*Overview of the Programme*"), the Dealer or Dealers (if any) named as the stabilisation manager(s) (the "Stabilisation Manager(s)") (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.**

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## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents (or sections of documents) which have been previously published or are published simultaneously with this Prospectus and which have been filed with the FCA:

1. the audited annual accounts of SCB for the year ended 31 December 2020 (including the audit report thereon) (the "**SCB 2020 Accounts**");
2. the audited annual accounts of SCB for the year ended 31 December 2021 (including the audit report thereon) (the "**SCB 2021 Accounts**");
3. the Annual Report and audited accounts of SCPLC, its subsidiaries and subsidiary undertakings (the "**Group**") for the year ended 31 December 2020 (the "**2020 Annual Report**");
4. the Annual Report and audited accounts of the Group for the year ended 31 December 2021 (the "**2021 Annual Report**");
5. the document entitled "*Standard Chartered PLC - statement on the Bank of England 2021 stress test results*" released by SCPLC on 14 December 2021 (the "**2021 BoE Stress Test Results**");
6. the first quarter 2022 unaudited results announced by SCPLC on 28 April 2022 (the "**First Quarter 2022 Results**");
7. the announcement entitled "*Re-presentation of financial information reflecting the new reporting structure*" released by SCPLC on 13 April 2022 (the "**Re-presentation Announcement**");
8. the Excel spreadsheet entitled "*Re-presentation of new reporting structure datapack*" released by SCPLC on 13 April 2022 and referred to in the Re-presentation Announcement;
9. the section headed "Terms and Conditions of the Notes" on pages 39 to 59 of the prospectus dated 10 October 2012 prepared in connection with the U.S.\$50,000,000,000 Debt Issuance Programme established by SCPLC, SCB and SCBHK;
10. the section headed "Terms and Conditions of the Notes" on pages 42 to 62 of the prospectus dated 10 October 2013 prepared in connection with the U.S.\$57,500,000,000 Debt Issuance Programme established by SCPLC, SCB and SCBHK;
11. the section headed "Terms and Conditions of the Notes" on pages 43 to 66 of the prospectus dated 10 October 2014 prepared in connection with the U.S.\$70,000,000,000 Debt Issuance Programme established by SCPLC, SCB and SCBHK;
12. the section headed "Terms and Conditions of the Notes" on pages 43 to 66 of the prospectus dated 9 October 2015 prepared in connection with the U.S.\$77,500,000,000 Debt Issuance Programme established by SCPLC, SCB and SCBHK;
13. the section headed "Terms and Conditions of the Notes" on pages 43 to 67 of the prospectus dated 14 June 2017 prepared in connection with the U.S.\$77,500,000,000 Debt Issuance Programme established by SCPLC and SCB;

14. the section headed "Terms and Conditions of the Notes" on pages 43 to 70 of the prospectus dated 19 June 2018 prepared in connection with the U.S.\$77,500,000,000 Debt Issuance Programme established by SCPLC and SCB;
15. the section headed "Terms and Conditions of the Notes" on pages 47 to 74 of the prospectus dated 18 June 2019 prepared in connection with the U.S.\$77,500,000,000 Debt Issuance Programme established by SCPLC and SCB;
16. the section headed "Terms and Conditions of the Notes" on pages 57 to 120 of the prospectus dated 17 June 2020 prepared in connection with the U.S.\$77,500,000,000 Debt Issuance Programme established by SCPLC and SCB; and
17. the section headed "Terms and Conditions of the Notes" on pages 61 to 129 of the prospectus dated 15 June 2021 prepared in connection with the U.S.\$77,500,000,000 Debt Issuance Programme established by SCPLC and SCB.

The above documents may be inspected as described in paragraph 13 of "General Information" at <https://www.sc.com/en/investors/>.

Such documents shall be deemed to be incorporated in, and form part of, this Prospectus, approved by the FCA for the purpose of the UK Prospectus Regulation, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

The financial statements for the Group and SCB as detailed in paragraphs 1 and 3 listed above were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and with International Financial Reporting Standards ("IFRS") adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. The financial statements for the Group and SCB as detailed in paragraphs 2 and 4 listed above were prepared in accordance with applicable law, UK-adopted international accounting standards and IFRS as adopted by the European Union ("EU IFRS"). There are no significant differences between UK-adopted international accounting standards and EU IFRS. The financial statements for the Group and SCB for the year ending 31 December 2022 will continue to be prepared in accordance with these frameworks.

The parts of the above mentioned documents which are not incorporated by reference into the SCPLC Prospectus or the SCB Prospectus, respectively (as detailed at paragraphs 1 and 2 on page 9 of this Prospectus) are either not relevant for investors or are covered elsewhere within the SCPLC Prospectus or the SCB Prospectus, respectively.

### **ALTERNATIVE PERFORMANCE MEASURES**

Certain alternative performance measures ("APMs") are included or referred to in this Prospectus. APMs are financial measures of historical or future financial performance, financial position, or cash flows used by the Group and SCB within their financial publications to supplement disclosures prepared in accordance with EU IFRS or UK-adopted international accounting standards (as applicable). The Group and SCB consider that these measures provide useful information to enhance the understanding of financial performance. An explanation of each APM's components and calculation method as they are used by the Group and SCB in each of their financial publications generally can be found on page 85 (incorporated by reference herein) of the 2021 Annual Report and page 28 (incorporated by reference herein) of the SCB 2021 Accounts.

## **SUPPLEMENTARY PROSPECTUS**

If at any time SCPLC or SCB shall be required to prepare a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation such Issuer will prepare and make available an appropriate amendment or supplement to this Prospectus or a further prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Market shall constitute a supplementary prospectus as required by Article 23 of the UK Prospectus Regulation.

Each Issuer has given an undertaking to the Dealers that if a significant new factor, material mistake or material inaccuracy arises or is noted relating to the information included in this Prospectus which is capable of affecting an assessment by investors of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and/or of the rights attaching to the Notes issued by it and/or the reasons for the issuance and its impact on the Issuer, it shall prepare and deliver an amendment or supplement to, or replacement of, this Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

## **AVAILABLE INFORMATION**

Each relevant Issuer has agreed that, for so long as any of the Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, it will, during any period in which it is neither subject to Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934 (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities, or to any prospective purchaser of restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information specified in Rule 144A(d)(4) under the Securities Act. In addition, each Issuer will furnish the Trustee with copies of its audited annual accounts.

## **ENFORCEABILITY OF JUDGMENTS**

SCPLC is a company incorporated as a public limited company in England and Wales with registered number 966425 and SCB is a company incorporated with limited liability in England by Royal Charter with reference number ZC18. Most of the directors of the Issuers are not residents of the United States, and all or a substantial portion of the assets of the Issuers are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuers or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

## **FORWARD-LOOKING STATEMENTS**

This Prospectus contains forward-looking statements. These statements concern, or may affect, future matters. These may include the Issuers' and their subsidiaries' future strategies, business plans and results and are based on the current expectations of the directors of the relevant Issuer. They are subject to a number of risks and uncertainties that might cause actual results and outcomes to differ materially from expectations outlined in these forward-looking statements. These factors are not limited to regulatory developments but include stock markets, IT developments and competitive and general operating conditions.

When used in this Prospectus, the words "estimate", "intend", "anticipate", "believe", "expect", "should" and similar expressions, as they relate to the Issuers, their subsidiaries and their management, are intended to identify such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Issuers do not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

## OVERVIEW OF THE PROGRAMME

*This overview must be read as an introduction to this Prospectus. Any decision to invest in any Notes should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference.*

*This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) 2019/980 as it forms part of the domestic law of the UK by virtue of the EUWA.*

<b>Issuers</b>	Standard Chartered PLC and Standard Chartered Bank.
<b>Legal Entity Identifier of the Issuers</b>	SCPLC: U4LOSYZ7YG4W3S5F2G91 SCB: RILFO74KP1CM8P6PCT96
<b>Description of Issuers</b>	SCPLC and SCB are companies within the Group, an international banking and financial services group particularly focused on the markets of Asia, Africa and the Middle East. SCPLC was incorporated in England and Wales as a public limited company in 1969. SCB was incorporated in England with limited liability by Royal Charter in 1853.
<b>Risk Factors</b>	There are certain factors which may affect the Issuers' ability to fulfil their obligations under the Notes issued under the Programme. These are set out under the section entitled " <i>Risk Factors</i> " and include (i) business, macroeconomic and geopolitical risks, (ii) macro-prudential, regulatory and legal risks, and (iii) operational risks. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme (see the section entitled " <i>Risk Factors</i> ").
<b>Description</b>	Debt Issuance Programme.
<b>Programme Limit</b>	Up to U.S.\$77,500,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time. The Issuers may increase this amount in accordance with the Programme Agreement.
<b>Joint Arrangers</b>	J.P. Morgan Securities plc and SCB (each an " <b>Arranger</b> " and together the " <b>Arrangers</b> ").
<b>Dealers</b>	Barclays Bank PLC BNP Paribas Credit Suisse International Deutsche Bank AG, London Branch Goldman Sachs International J.P. Morgan Securities plc Lloyds Bank Corporate Markets plc Merrill Lynch International Morgan Stanley & Co. International plc Standard Chartered Bank Standard Chartered Bank (Hong Kong) Limited UBS AG London Branch

The Issuers may from time to time terminate the appointment of any dealer or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Prospectus to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "Dealers" are to all Permanent Dealers and all persons appointed as a dealer in respect of the Programme, a syndicated issue or one or more Tranches.

<b>Trustee</b>	BNY Mellon Corporate Trustee Services Limited.
<b>Issuing and Paying Agent</b>	The Bank of New York Mellon, London Branch.
<b>CMU Paying Agent and CMU Lodging Agent</b>	The Bank of New York Mellon, Hong Kong Branch.
<b>Currencies</b>	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the relevant Issuer and the relevant Dealers.
<b>Denomination</b>	Definitive Notes will be in such denominations as may be agreed between the Issuer and the relevant Dealer and as specified in the relevant Final Terms save that (i) the minimum denomination of each Note admitted to trading on a UK exchange and/or offered to the public in the UK which require the publication of a prospectus under the UK Prospectus Regulation will be at least €100,000 (or the equivalent amount in another currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant currency and (ii) unless otherwise permitted by then current laws and regulations, Notes issued by SCPLC which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by SCPLC in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes sold in reliance on Rule 144A will be in minimum denominations of U.S.\$200,000 (or its equivalent in another currency) and integral multiples of U.S.\$1,000 (or its equivalent in another currency) in excess thereof, in each case subject to compliance with all legal and/or regulatory requirements applicable to the relevant jurisdiction.
<b>Form of Notes</b>	The Notes may be issued in bearer form only (" <b>Bearer Notes</b> "), in bearer form exchangeable for Registered Notes (" <b>Exchangeable Bearer Notes</b> ") or in registered form only (" <b>Registered Notes</b> ") and Bearer Notes may be issued in NGN form. Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a Temporary Global Note if (i) definitive Notes are to be

made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "*Overview of the Programme – Selling Restrictions*"), otherwise such Tranche will be represented by a Permanent Global Note. Registered Notes will be evidenced by Certificates without coupons. Certificates evidencing Registered Notes that are registered in the name of a nominee or common depository for one or more clearing systems are referred to as "**Global Certificates**".

Registered Notes of each Tranche of a Series which are sold in an "offshore transaction" within the meaning of Regulation S ("**Unrestricted Notes**") will initially be represented by interests in a global unrestricted Registered Certificate (each an "**Unrestricted Global Certificate**"), without interest coupons, which may be (i) in the case of an Unrestricted Global Certificate which is stated in the applicable Final Terms to be held under the NSS, delivered to the Common Safekeeper for Euroclear and Clearstream, Luxembourg on or prior to its original issue date, (ii) in the case of an Unrestricted Global Certificate which is not stated in the applicable Final Terms to be held under the NSS, deposited with a nominee for, and registered in the name of a common depository of, Clearstream, Luxembourg and/or Euroclear on its issue date, (iii) lodged on or before the issue date with a sub-custodian in Hong Kong for the CMU Service, (iv) deposited with a custodian for, and registered in the name of a nominee of, DTC, or (v) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, Luxembourg and/or the CMU Service and/or DTC, deposited as agreed between the relevant Issuer, the Trustee, the Agent and the relevant Dealer(s). Registered Notes of such Tranche sold in the United States to QIBs pursuant to Rule 144A ("**Restricted Notes**") will initially be represented by a global restricted Registered Certificate (each a "**Restricted Global Certificate**"), without interest coupons, and may be either (i) deposited with a custodian for, and registered in the name of a nominee of, DTC or (ii) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, DTC, deposited as agreed between the relevant Issuer, the Trustee, the Agent and the relevant Dealer(s). Any Restricted Global Certificate and any individual definitive Restricted Notes will bear a legend applicable to purchasers who purchase the Registered Notes as described under "*Transfer Restrictions*".

**Maturities**

Subject to compliance with all relevant laws and regulations, Senior Notes may have any maturity that is one month or greater and Dated Subordinated Notes will have a minimum maturity of five years and one day.

**Issue Price**

Notes may be issued at their principal amount or at a discount or premium to their principal amount.

<b>Method of Issue</b>	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a " <b>Series</b> "), having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a " <b>Tranche</b> "), on the same or different issue dates. The specific terms of each Tranche (save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche), will be identical to the terms of other Tranches of the same Series and will be set out in a set of Final Terms.
<b>Fixed Rate Notes</b>	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
<b>Reset Notes</b>	Reset Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the applicable Final Terms. Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the applicable Final Terms by reference to a Mid-Swap Rate, a Benchmark Gilt Rate, a Reference Bond Rate or a U.S. Treasury Rate and for a period equal to the reset period, as adjusted for any applicable margin, in each case as may be specified in the applicable Final Terms. Interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
<b>Floating Rate Notes</b>	Floating Rate Notes will bear interest by reference to LIBID, LIMEAN, EURIBOR, HIBOR, SIBOR, SOFR, SONIA, €STR or SORA as adjusted for any applicable margin for the duration specified in the Final Terms.  Interest periods will be specified in the relevant Final Terms.
<b>Zero Coupon Notes</b>	Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest, other than in the case of late payment.
<b>Remedies for Non-Payment</b>	In respect of (i) any Dated Subordinated Notes or (ii) any Senior Notes for which Restrictive Events of Default are specified in the Final Terms, the remedies available to the Trustee (on behalf of the holders of such Notes) for non-payment will be limited. In particular, other than upon certain events of a winding-up, the Trustee (on behalf of the holders of such Notes) will not have the right to give notice to an Issuer that such Notes are due and payable at their Early Redemption Amount plus accrued interest, as described under " <i>Terms and Conditions of the Notes, 9(b)</i> " and " <i>Terms and Conditions of the Notes, 9(c)</i> ".
<b>Redemption</b>	The relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes issued by SCPLC which have a maturity of less than one year and in respect of which the issue proceeds are to be



accepted by SCPLC in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

**Optional Redemption**

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer (either in whole or in part) and/or the Noteholders and if so, the terms applicable to such redemption.

If specified in the relevant Final Terms, subject to certain conditions, if 80 per cent. or more of the aggregate principal amount of the Notes originally issued has been redeemed and/or purchased or cancelled, then the Issuer may, at its option (without any requirement for the consent or approval of the Noteholders) redeem all (but not some only) of the Notes at any time at their principal amount, together with any accrued and unpaid interest to (but excluding) the date of redemption.

**Early Redemption**

Except as provided in "*Optional Redemption*" above, Notes will be redeemable at the option of the relevant Issuer prior to maturity only for tax reasons or, if specified in the relevant Final Terms in relation to Dated Subordinated Notes, upon the occurrence of a Regulatory Capital Event or, if specified in the relevant Final Terms in relation to Senior Notes, in certain circumstances upon the occurrence of Loss Absorption Disqualification Event. See "*Terms and Conditions of the Notes – Redemption, Purchase and Options*".

**Withholding Tax**

All payments of principal and interest in respect of the Notes and the Coupons will be made free and clear of withholding taxes of the United Kingdom unless required by law. In that event (save in respect of the payment of principal on the Dated Subordinated Notes), the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders or Couponholders (after the withholding or deduction) of such amount as would have been received by them in the absence of the withholding or deduction, subject to customary exceptions, all as described in "*Terms and Conditions of the Notes – Taxation*".

**Status of Notes**

The Senior Notes will constitute direct, unsubordinated and unsecured obligations of the relevant Issuer and the Dated Subordinated Notes will constitute direct, subordinated and unsecured obligations of the relevant Issuer, all as described in "*Terms and Conditions of the Notes – Status*".

**Negative Pledge**

None.

**Cross Default**

None.

**Listing**

Application has been made for Notes (other than PR Exempt Notes) issued by SCPLC or SCB under the

Programme to be listed on the Official List and to be admitted to trading on the Market.

PR Exempt Notes may be unlisted and/or may be admitted to trading on another market or stock exchange, as set out in the applicable Pricing Supplement.

## Ratings

As at the date of this Prospectus, i) SCPLC's long term senior debt ratings are A3 by Moody's Singapore, BBB+ by S&P and A by Fitch; and ii) SCB's long term senior debt ratings are A1 by Moody's Singapore, A+ by S&P and A+ by Fitch.

Notes issued under the Programme may be rated or unrated. When an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

## Governing Law

The Notes will be governed by and construed in accordance with English law.

## Agreement with respect to the exercise of UK Bail-In Power

Applicable

## Selling Restrictions

The United States, the EEA, the United Kingdom, Hong Kong, PRC, Japan, France, Italy, The Netherlands, Singapore and such other restrictions as may be required in connection with a particular issue of Notes. See "*Subscription and Sale*" and "*Transfer Restrictions*".

The Notes will be issued in compliance with U.S. Treasury Regulations §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") (the "**D Rules**")), unless (i) the relevant Final Terms state that Notes are issued in compliance with U.S. Treasury Regulations §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the "**C Rules**") or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable. In the case of a distribution under Rule 144A, Notes will be issued in registered form, as defined in U.S. Temp. Treas. Reg. §5f.103-1(c).

**PRIIPs Regulation**

No UK PRIIPs Regulation key information document has been prepared as the Notes are not available to retail investors in United Kingdom.

No EU PRIIPs Regulation key information document has been prepared as the Notes are not available to retail investors in the EEA.

**Transfer Restrictions**

There are restrictions on the transfer of Notes sold pursuant to Rule 144A. See "*Terms and Conditions of the Notes*", "*Transfer Restrictions*" and "*Subscription and Sale*".

## RISK FACTORS

*Each Issuer believes that the following factors, which are specific to the Issuers, may affect its ability to fulfil its obligations under Notes issued pursuant to the Programme. All of these factors are contingencies which may or may not occur.*

*Factors which each Issuer believes may be material for the purpose of assessing the risks relating to the Notes issued under the Programme are also described below.*

*Each Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme, with the most material risk factor under each category being presented first. Notwithstanding this, either Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes issued by it for other reasons and neither Issuer represents that the statements below regarding the risks of holding any Notes are exhaustive.*

**PROSPECTIVE INVESTORS SHOULD HAVE REGARD TO AND SHOULD HAVE SUFFICIENT KNOWLEDGE AND EXPERTISE TO EVALUATE THE EFFECT OF OR THE LIKELIHOOD OF THE OCCURRENCE OF THE FACTORS DESCRIBED IN THE SECTIONS BELOW, WHICH INCLUDE THE RISK THAT THE NOTES MAY BE CONVERTED INTO ORDINARY SHARES AND/OR MAY BE SUBJECT TO STATUTORY WRITE-DOWN OR BAIL-IN, WHICH MAY RESULT IN LOSS ABSORPTION BY INVESTORS.** *Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.*

### **1. Risks relating to the Group and its business operations**

#### **1.1 The Group is exposed to geopolitical risks**

The Group faces risks associated with geopolitical uncertainty. Global tensions over trade, technology and ideology are manifesting themselves in divergent regulatory standards and compliance regimes, presenting long-term strategic challenges for multinational businesses. Geopolitical tensions or conflicts in areas where the Group operates could impact: (i) trade flows; (ii) economic activity and related levels of financial transactions; (iii) the ability of the Group's customers to serve their contractual obligations; and (iv) the Group's ability to manage capital, liquidity or operations across borders.

In particular:

- Tensions between Russia, the U.S. and a number of European states have heightened significantly as a result of Russia's invasion of Ukraine. Although the Group's exposure to the region is limited, the current crisis has the potential to escalate further and this could result in elevated geopolitical instability, trade restrictions, disruptions to global supply chains, increases in energy prices with knock-on global inflationary impacts, and a potential downturn in the global economy. The European Union ("EU"), UK and the U.S., in a coordinated effort joined by several other countries, imposed a variety of new sanctions with respect to certain regions of Ukraine, Russia and various Russia-related parties. The geopolitical dynamic, the regulatory complexity across multiple jurisdictions and the rapid pace of change have created a volatile situation that may have an impact on the Group's business and operations.
- Relations between China and a number of Western countries (particularly the U.S.) remain fragile, with an increasing number of sanctions being imposed by both sides, and this may be further exacerbated by differing stances on the Russia-Ukraine crisis. Among these, the U.S. Hong Kong Autonomy Act authorises the imposition of

secondary sanctions against non-U.S. financial institutions found to be knowingly engaged in significant transactions with individuals and entities subject to U.S. sanctions for engaging in certain activities that undermine Hong Kong's autonomy. In addition, the U.S. has imposed restrictions on U.S. persons' ability to buy or sell certain publicly traded securities linked to a number of prominent Chinese companies. Alongside the EU, UK and Canada, the U.S. has also increasingly imposed sanctions and other measures in response to allegations of human rights abuses in Xinjiang. The U.S. and China are also engaged in a security competition that has ramifications across many aspects of their complex interdependencies. While areas of collaboration exist, such as agreements made at the 2021 United Nations Climate Change Conference ("**COP26**"), there are nevertheless a number of issues that are resulting in a turbulent and unpredictable environment. These include issues involving: (i) public health and safety (for example, in respect of the coronavirus pandemic ("**COVID-19**")), (ii) trade, (iii) national security, (iv) sovereignty (such as Hong Kong's electoral system), and (v) territorial disputes (such as tensions in the South China Sea and on the India-China border). The Group, with its notable exposure and presence in China, may be adversely affected by escalating geopolitical tensions between China and Western countries.

- Hong Kong remains the largest profit contributor to the Group. Following a contraction of 6.1 per cent. in 2020, Hong Kong's economy staged a visible recovery in 2021. However, whilst Hong Kong's economy remains stable, uncertainty over U.S.-China relations, the COVID-19 pandemic and various other factors has led to a notable slowdown. In addition, the U.S. has revoked Hong Kong's 'Special Status' under the U.S. Hong Kong Policy Act 1992 and specific sanctions have been imposed by the U.S. on Hong Kong officials. Hong Kong's standing as an international financial centre could also be at risk if there is a resulting loss in confidence in the convertibility of HK\$ and the freedom of capital movement. Although the Group monitors this risk on an ongoing basis and does not expect such a scenario to be imminent, the convertibility of HK\$ and the freedom of capital movement in and out of Hong Kong remains uncertain.
- The Group is also exposed to increasing volatility within China, with turbulence in the property development sector and targeted legislation for specific industries such as education, technology and real estate, which could have spill-over effects into other markets given the size of China's economy.
- The Group is exposed to rising tensions between historic allies within the North Atlantic Treaty Organisation (NATO) and the Group of Seven (G7), around points such as the withdrawal from Afghanistan, the launch of the trilateral security pact between Australia, the UK and U.S. in September 2021 (known as AUKUS), and tensions on the Korean peninsula. These tensions may intensify with the upcoming 2022 elections of certain states.
- The Group also derives significant revenues from supporting cross-border trade and material offshore support operations. However, a focus on domestic recovery in the wake of the COVID-19 pandemic has led to protectionist policies and disruption to global supply chains. Protectionist policies may also lead to a fundamental shift in supply chains in the future, should they mandate companies to set up parallel supply chains as contingencies or move production closer to the end user. Such protectionist policies would drive fragmentation for strategic industries. Some governments have also used the COVID-19 pandemic as an opportunity to consolidate power, which could lead to further tension and potential retaliatory actions (for example, countries may introduce or increase tariffs on goods and services from other jurisdictions or place further restrictions on immigration).
- Increased demand has also created shortages in some key sectors, such as electronics and energy, which may tip the balance of power towards producers.

- The recent past has seen a surge in large-scale social disturbances globally. In particular, governmental restrictions on movement as a result of the COVID-19 pandemic, combined with longer-term trends of resurgent nationalism and ideology, have heightened existing social tensions. Vaccine mandates are causing domestic tensions and may lead to labour shortages in some states or industries, such as healthcare and aviation. The COVID-19 pandemic has also continued to exacerbate economic inequality, including the reducing availability or quality of work. Collectively, these issues have given rise to societal disturbances in a number of markets which may increase in frequency and magnitude as the level of discontent rises. The exposure of certain underdeveloped countries to social unrest and the regime change risk may rise in parallel with their deepening vulnerabilities linked to the hiking food and oil prices as well as increasing fiscal indebtedness to maintain subsidization of their supply. Fragile governance frameworks, which would fail to manage social demands at the times of potential turmoil, might also intensify the risk of regime change in these vulnerable countries.
- Increases in the cost of living have already sparked social unrest in some countries. There is heightened risk in emerging markets which experience disproportionate declines in disposable income as a result of non-discretionary price increases. Food subsidies already exist in many markets and fiscal space will be squeezed by further price increases. Furthermore, food and energy security challenges have the potential to drive other social impacts such as increased migration.
- The Russia/Ukraine crisis and the response to it have also provided a flashpoint for demonstrations and civil reaction across the world.

The occurrence or continuance of any of the above risks could have a material adverse effect on the Group's financial condition, results of operations and, if severe or prolonged, its prospects.

## 1.2 *The Group is exposed to macroeconomic risks*

The Group operates across more than 59 markets and is affected by the prevailing economic conditions in each of these markets. Macroeconomic factors have an impact on personal expenditure and consumption, demand for business products and services, the debt service burden of consumers and businesses, the general availability of credit for retail and corporate borrowers and the availability of capital and liquidity for the Group. All these factors have impacted and may continue to impact the Group's financial condition and results of operations.

In the second half of 2021 and in the first quarter of 2022, several key developed economies experienced rates of inflation that far exceeded central bank forecasts. Several central banks have altered their stance on monetary policy; starting to raise rates or signalling their willingness to do so. The easing of the COVID-19 restrictions has created a demand surge in developed market economies that have reopened and labour supply shortages have compounded price pressures. There is a risk that the confluence of supply and demand pressures could have effects on inflation that are longer-lasting than expected. Nevertheless, there remains a lack of firm consensus within the industry on some key inflation questions, as well as other potential scenarios such as slow economic growth.

Rising interest rates also introduce risks of other economic scenarios in 2022. The Russia-Ukraine crisis has exacerbated existing concerns around energy security. Shortages of natural gas, oil and other fuels have led to price increases and further disruption to already strained supply chains. Increased costs combined with potential reductions in output make stagflation a possibility, where economic growth is muted but inflation persists.

Asia, led by China (which, for the purposes of this Prospectus, shall exclude Hong Kong), remains the main driver of global economic activity levels. In particular, Greater China, North Asia and South East Asian economies remain key strategic regions for the Group. While China's economy continued its strong recovery from the COVID-19 pandemic in 2021 as growth domestic product (GDP) grew by 8.1 per cent. year-on-year, the national growth target for 2022 is the lowest in nearly 30 years and many analysts have already reduced their 2022 growth forecasts following the Russian invasion of Ukraine, ongoing tensions with the West and the economic impact of China's zero-COVID-19 policy.

The prices of certain financial assets have been artificially supported through the COVID-19 pandemic following multi-trillion dollar central bank asset purchases and record low interest rates. As fiscal and monetary support is withdrawn and countries start to raise interest rates, there is an elevated risk of widespread price corrections.

The occurrence or continuance of any of the above risks could have a material adverse effect on the Group's financial condition, results of operations and, if severe or prolonged, its prospects.

**1.3** *The COVID-19 pandemic, a reduction in the effectiveness of vaccines and the emergence of new diseases, could continue to affect the business, results of operations and financial condition of the Issuers and of the Group materially and adversely*

The COVID-19 pandemic has resulted in authorities implementing numerous social measures to try to contain the virus, such as travel bans and restrictions, curfews, quarantines and shutdowns (such as China's citywide lockdown of Shanghai, which began in March 2022 in response to a new surge of COVID-19 cases), and has led to severe economic downturn in many countries. Countries with high vaccination rates are moving towards accepting COVID-19 as endemic. Nevertheless, domestic policies on managing the spread of the virus differ vastly among nations, and the longer-term impacts of the COVID-19 pandemic are still uncertain. The effectiveness of COVID-19 vaccines is confirmed to diminish after several months, and so policy responses to new waves of infection or new variants tend to quickly revert to forms of restriction, including lockdowns, as seen with the Omicron and Delta variants.

Differences in the pace and scale of vaccine rollouts, social restrictions and disparities in financial resources have widened the global recovery gap and threaten a K-shaped global recovery, where countries and sectors recover at a different rate depending on their ability to adapt to a post-COVID-19 world. Emerging markets have lagged behind in their ability to combat the pandemic which may result in longer-term economic scarring. There has been limited financial stimulus for the third world, and short-term support may take precedence over longer-term structural transformation, which is especially relevant for the Group's footprint. It is possible that monetary tightening in Western countries could lead to a depreciation in emerging market currencies versus the U.S. dollar, increasing debt refinancing costs for emerging market economies. Sharp increases in the price of energy and agricultural products also pose risks to emerging markets that will face higher import costs, feeding into higher domestic inflation and disadvantaging such markets in terms of development given the massive energy needs required to develop.

The economic impacts of the COVID-19 pandemic, including increased levels of unemployment and corporate insolvencies, could adversely impact the Group's customers and their ability to service their contractual obligations, including to the Group. Adverse changes in the credit quality of the Group's borrowers and counterparties or collateral held in support of exposures, or in their behaviour, may reduce the value of the Group's assets and materially increase the Group's write-downs and allowances for impairment losses. This could have a material adverse effect on the Group's results of operations, financial condition or prospects. See the risk factor entitled "*Credit and traded risk – The Group is exposed to risks associated with changes in the credit quality and the recoverability of loans and amounts due from counterparties*" for further information.

Deeper structural transformations of traditional economic systems are also being observed as a result of COVID-19. A shift in priorities, particularly among younger generations, may lead to fundamental changes in the workforce, including a permanent drop in the labour supply and a desire to move away from traditional industries. Government mandated vaccination programmes ('vaccine mandates') are also causing domestic tensions and may lead to labour shortages in some states or industries.

As a result of the COVID-19 pandemic, the potential for conduct and compliance risks, as well as operational risks, materialising has increased (notably in the areas of cyber, fraud, people, technology, operational resilience and reliance on third-party suppliers). In addition to the key operational risks, new risks are likely to arise as the Group will be required to adapt its ways of working whilst managing any instances of COVID-19 among its employees and locations to ensure continuity and support to colleagues and customers. See the risk factors included in the section entitled "*Operational and technology, reputational and sustainability, compliance (including legal) and conduct risks*" for further disclosure on the impact of operational, conduct and compliance risks on the Group.

Another notable emerging effect of the COVID-19 pandemic is heightened political tension. The social and economic consequences of the COVID-19 pandemic are increasingly inter-woven with both domestic social unrest and the geopolitical agenda; see the risk factor entitled "*Risks relating to the Group and its business operations - The Group is exposed to geopolitical risks*" for further disclosure on the impact of the geopolitical tensions on the Group.

The COVID-19 pandemic has also resulted in global supply chain dislocations, with the associated surge in demand for electronics and furniture causing a rundown of inventories and the shift towards online shopping trends (which tend to be more import intensive and Asia-focused) exacerbating shipping backlogs. The supply of certain goods has also been hampered by labour lockdowns and shortages. There is a risk that supply chain disruptions raise inflation expectations on a sustained basis, prompting central banks to tighten monetary policy.

The health and social impact of the COVID-19 pandemic, the economic fallout and associated increased cyber threats have impacted companies globally, resulting in significant pressure on the financial health and security of suppliers, vendors and other third parties that the Group relies upon.

The spread of COVID-19 has led the Group to modify its business practices, including the imposition of restrictions on employee travel, changes to working locations and the cancellation of physical participation in meetings. The Group may take further actions as required by authorities or that it determines are in the best interests of its employees, customers, partners, or suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the COVID-19 pandemic, and the implementation of such measures (or their insufficiency) could harm the Group's ability to perform critical functions. The unavailability of staff could adversely impact the quality and continuity of service to customers and the reputation of the Group.

In the short term, the further economic impact of the COVID-19 pandemic will depend on a number of factors, including (i) virus mutations and the emergence of new strains (impacting its severity, duration and spread), (ii) access to and delivery of vaccination programmes at a global level, and (iii) continuing or additional social restrictions.

In the medium- to long-term, if the spread of COVID-19 is prolonged further or new vaccine-resistant strains emerge, this may give rise to similar macroeconomic effects. In such circumstances, it is likely that macroeconomic conditions will continue to be adversely affected leading to further economic downturn in countries where the Group operates and for the global economy more broadly (which could be widespread, severe



and long lasting). The ability of the Group's customers to comply with their contractual obligations, including to the Group, may also be materially adversely affected.

The factors described above could, together or individually, have a material and adverse impact on the business, results of operations and financial condition of the Issuers and of the Group.

1.4 *The Group is exposed to risks relating to the integrity and continued existence of reference rates*

For several years, global regulators and central banks have been driving international efforts to reform key benchmark interest rates and indices; in particular interbank offered rates (“**IBORs**”) such as the London Interbank Offered Rate (“**LIBOR**”). This has resulted in significant changes to the methodology and operation of certain benchmarks and indices, the adoption of alternative risk-free rates (“**RFRs**”), the discontinuation of certain reference rates (including LIBOR), and the introduction of implementing legislation and regulations. The publication of certain non-U.S. dollar LIBOR tenors (including all sterling, euro, Swiss franc and yen settings) and U.S. dollar LIBOR 1-week and 2-month settings ceased at the end of 2021. The FCA also confirmed in January 2022 that the publication of yen LIBOR on a synthetic basis will cease at the end of 2022 and that the availability of sterling LIBOR on a synthetic basis cannot be guaranteed after the end of 2022. Furthermore, the remaining U.S. dollar LIBOR tenors (including overnight, 1-month, 3-month, 6-month and 12-month) will cease by the end of June 2023, and restrictions have been imposed on new use of U.S. dollar LIBOR.

Given the unpredictable consequences of benchmark reform, any of these developments could have an adverse impact on market participants, including the Group, in respect of any financial instruments linked to, or referencing, any of these benchmark reference rates. Uncertainty associated with such potential changes, including the availability and/or suitability of alternative RFRs, the participation of customers and third party market participants in the transition process, challenges with respect to required documentation changes, and the impact of legislation to deal with certain legacy contracts that cannot convert into or add fall-back RFRs before cessation of the benchmark they reference, may adversely affect a broad range of transactions (including any securities, loans and derivatives which use LIBOR or any other affected benchmark to determine the interest payable which are included in the Group's financial assets and liabilities) that use these reference rates and indices, and present a number of risks for the Group, including but not limited to:

- Legal and regulatory risk - LIBOR transition introduces the potential for litigation risk, including risks relating to contractual continuity, mis-selling and value transfer claims. Regulatory actions adverse to the Group may also result if regulatory requirements and/or expectations are not met.
- Conduct Risk (as defined below) - The Group considers Conduct Risk to be a significant area of non-financial risk management throughout the transition. In particular, clients may allege that they have not been treated fairly throughout the transition or may not be aware of the options available to them and the implications of decisions taken, leading them to claim unfair financial detriment.
- Operational risk – Changes to existing reference rates and indices, discontinuation of any reference rate or index and transition to alternative RFRs have required changes to some of the Group's information technology systems (“**IT systems**”), trade reporting infrastructure, operational processes and controls. In addition, if any reference rate or index (such as LIBOR) is no longer available to calculate amounts payable, the Group incurs additional expenses in amending documentation for new and existing transactions and/or effecting the transition from the original reference rate or index to a new reference rate or index.

- Market risk – It is possible that markets and industries transition at different paces in different regions and across different products, presenting various sources of basis risk and posing major challenges on hedging strategies.
- Accounting risk – The changes in benchmark rates, and their impact on matters such as the measurement of financial instruments, may not be incorporated correctly by the Group into its financial statements.

The occurrence or continuance of any of the above risks could have a material adverse effect on the Group's financial condition, results of operations and prospects.

#### 1.5 *The Group is exposed to risks arising from new business structures, channels and competition*

There is increasing usage of partnerships and alliances by banks (including the Group) to respond to disruption and changes to the industry; particularly from new technologies. While partnerships and alliances are integral to banks' emerging business models and value proposition to clients, they also increase exposure to third-party risks. There are also new business models, such as 'revenue sharing partnerships', that present novel risks and due diligence considerations.

Technological advances such as artificial intelligence ("AI"), machine learning ("ML") and cloud-based systems are creating new opportunities, but are accompanied by challenges. There is also a risk that failure to expediently adapt and harness such technologies would place the Group at a competitive disadvantage.

As new technologies are further embedded across the banking and financial services industry, banks (including the Group) may become more susceptible to technology-related risks. For example, the growing usage of big data and cloud computing solutions requires enhanced focus on cyber security risks in banks. Banks may also face increased risks of business model disruption as new products and technologies continue to emerge.

There is also potential for inadequate risk assessment of new and unfamiliar activities. In Corporate, Commercial and Institutional Banking, there is an increasing focus on process digitisation to provide scalable and personalised solutions for corporate clients. There is a growing number of use cases for blockchain technologies, including streamlined cross-border payments and automated key documentation. In addition, digital assets are gaining adoption and linked business models are increasing in prominence. The health and social impact of COVID-19, the economic fallout and associated increase in cyber threats, most notably ransomware attacks, have impacted companies globally, resulting in significant pressure on the financial health and security of suppliers, vendors and other third parties that the Group relies on.

Regulators are also increasingly emphasising the importance of resilient technology infrastructure in terms of mitigating cyber risk and improving reliability. The challenge is in both renewing, and increasing investment into, the Group's technology estate to meet the demand for its required performance levels, which continue to rise significantly. It is unlikely that all services will fully transition, requiring a balance between resilience and agility as new technologies are onboarded while existing systems are maintained. There is no guarantee that the Group will be successful in maintaining its technology infrastructure and monitoring the associated risks on an ongoing basis. The Group is exposed to the risk of failures in its technology infrastructure (including related risk monitoring and governance processes). The Group is also exposed to the risk of regulatory actions in relation to the adequacy of its technology infrastructure and the costs associated with maintaining it.

The Group is subject to significant competition from local banks and other international banks in the markets in which it operates, including competitors that may have greater financial and other resources. In addition, the Group may experience increased

competition from new entrants in relevant product or geographic markets and existing competitors may also combine to increase their existing market presence or market share. The wider banking industry is also witnessing several significant technology related trends, which is increasingly leading to competition from non-bank technology companies (such as those using financial technology (commonly referred to as “fintechs”) to deliver digital-only banking offerings with a differentiated user experience, value proposition and product pricing), primarily in areas such as peer-to-peer lending, payments and cross-border remittances.

In addition, many of the international and local banks operating in the Group’s markets compete for substantially the same customers as the Group and competition may increase in some or all of the Group’s principal markets. In order to remain competitive, the Group may not realise the margins in certain markets which it would otherwise have expected or desired. In addition, certain competitors may have access to lower cost funding and be able to offer loans on more favourable terms than the Group. Furthermore, in certain of the Group’s markets, it competes against financial institutions that are supported or controlled by governments or governmental bodies and the Group might be required to satisfy certain lending thresholds and other identified targets that are not applicable to such financial institutions. Regulations may also favour local banks by restricting the ability of international banks, such as the Group, to enter the market and/or expand their existing operations. Such restrictions could adversely affect the Group’s ability to compete in these markets.

The occurrence or continuance of any of the above risks could have a material adverse effect on the Group’s financial condition, results of operations and, if severe or prolonged, its prospects.

#### **1.6** *Increased data privacy and security risks from strategic and wider use of data*

As digital technologies grow in sophistication and become further embedded across the banking and financial services industry, the potential impact profile with regards to data risk is changing. Banks may become more susceptible to technology-related data security risks as well as customer privacy risks. The growing use of big data for analysis purposes and cloud computing solutions are examples of this.

There is an increasing trend of highly organised threat actors, both state sponsored and through organised crime. Tactics are becoming more sophisticated and attacks more targeted over time. New techniques, and developments of weapons such as ransomware, are available as a service; reducing the cost of complex attack methods. Increasing connectivity is driving growth and new technologies, but also increasing the Group’s cyber-attack surface and possible entry points for cyber criminals.

The Group, as well as the industry, continues to face challenges to keep pace with the volume of data related regulatory change, with regulatory requirements and client expectations increasing in areas such as data management, data protection, data sovereignty and privacy, including the ethical use of data and AI. Both (i) Regulation (EU) 2016/679 (the EU General Data Protection Regulation) (the “**GDPR**”), and (ii) the GDPR as it forms part of the domestic law of the UK by virtue of the EUWA and the Data Protection, Privacy and Electronic Communication (Amendments etc.) (EU Exit) Regulations 2019 raise the profile of data protection compliance. In addition, regulatory drivers such as the Basel Committee on Banking Supervision’s (“**BCBS**”) requirements on effective risk data aggregation and risk reporting require enhanced controls over data lineage and quality. The increasing use of AI and ML technology within the Group also requires additional data protection considerations and assumptions, including in respect of the algorithms used in the underlying analysis as well as the resulting data produced.

Increased bilateral geopolitical disputes centring on data has prompted some governments to issue data sovereignty legislation, in some cases extraterritorial in nature, which may impact Group processes. Regulatory drivers and requirements vary by market,

and the risk of fragmentation of requirements across the Group's footprint is growing over time. Fragmentation has also been seen to occur inter-market where, in some instances, there is conflicting guidance from different regulatory authorities within the same jurisdiction. The Group's data management policies, standards and controls need to be effectively updated and applied accordingly.

The occurrence or continuance of any of the above risks could have a material adverse effect on the Group's financial condition, results of operations and, if severe or prolonged, its prospects.

## **2. Credit and traded risk**

### **2.1 *The Group is exposed to risks associated with changes in the credit quality and the recoverability of loans and amounts due from counterparties***

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Group's businesses.

Although the Group believes that its continued focus on high-quality origination within a more granular risk appetite has enabled sustained improvements in the credit quality of its corporate and consumer portfolios, the Group remains alert to broader uncertainties and the "new normal" which will follow the COVID-19 pandemic.

Principal uncertainties include the Russia-Ukraine crisis, the continuing impact of the COVID-19 pandemic and its effect on the operating environment and the overall macroeconomic outlook across the Group's footprint, the economic recovery rate, supply chain dislocations and emerging market risks. See the risk factor entitled "Risks relating to the Group and its business operations - The COVID-19 pandemic, a reduction in the effectiveness of vaccines and the emergence of new diseases, could continue to affect the business, results of operations and financial condition of the Issuers and of the Group materially and adversely". The most recent outbreak in China has triggered lockdowns in certain metropolitan areas, including Shanghai, but the sustainability of China's zero-COVID-19 policy remains uncertain. The COVID-19 pandemic, the response to it and its associated global economic slowdown had caused liquidity and potential solvency issues for a number of the world's poorest countries. The combination of economic downturns, increased unemployment, the Russia-Ukraine crisis (which has resulted in a further spike in the price of energy and commodities), supply chain disruptions, capital flight, political instability and increased debt obligations for extending financial support have made it difficult for some countries to refinance their debts. A sharp tightening of financial conditions, possibly triggered by a rise in bond yields in advanced economies or a deterioration in global risk sentiment, could also push-up debt servicing costs for such countries. With the expiry of the G20 Debt Service Suspension Initiative (the "DSSI") on 31 December 2021, as at the date of this Prospectus, three countries (Zambia, Ethiopia and Chad) have requested for their debt to be restructured as part of the Common Framework for Debt Treatments beyond the DSSI. In addition, Sri Lanka defaulted in April 2022 on its foreign debt and will require comprehensive restructuring of these obligations.

Long term low or negative interest rates, in addition to the response to the economic impact as a result of the COVID-19 pandemic, means that developed market central banks have seen record balance sheet expansion in recent years. There is a risk this may result in asset bubbles and/or persistent inflation. Refinance risk may also become an increasing concern.

Any change in global or country-specific economic conditions or asset values, adverse changes in the credit quality of the Group's borrowers and counterparties, and adverse changes arising from a deterioration in economic conditions or asset values (including a prolonged or severe deterioration) could reduce the recoverability and value of the Group's assets and require an increase in the Group level provisions for bad and doubtful

debts or write-downs experienced by the Group, as some of the underlying risk would manifest upon the removal of support measures. The Group may also experience these effects if a systemic failure in one or more financial systems were to occur (see the risk factor entitled “*Credit and traded risk - The Group is exposed to systemic risk resulting from failures by banks, other financial institutions and corporates*”).

Direct or indirect regulatory interventions may also adversely impact the operating environment. These interventions could be based on fundamental policies such as household debt levels, money supply control etc. but could also at times be influenced by politically motivated measures. Industry wide forbearances, capping of debts to overleveraged customers, capping unsecured debt limits and controlling property prices are some examples of measures that can impact a customer’s ability and intention to serve debt obligations. Further information on COVID-19 relief measures can be found on pages 219 to 220 of the 2021 Annual Report.

Whilst credit impairment costs were noticeably lower in 2021 than in 2020, with a reduction of U.S.\$2 billion, and against an improving economic backdrop as markets recover from the effects of the COVID-19 pandemic, amongst other things, future developments in the abovementioned macroeconomic conditions may adversely affect the Group’s credit impairment costs in 2022 or in future periods. The occurrence of any of the above, or a failure by the Group to manage these risks effectively, could have a material adverse effect on the Group’s financial condition, results of operations and, if severe or prolonged, its prospects.

## 2.2 *The Group is exposed to systemic risk resulting from failures by banks, other financial institutions and corporates*

Within the financial services industry, the default of any institution or corporate could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions as the commercial soundness of many financial institutions may be closely correlated as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as “systemic risk”, and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, other financial institutions and exchanges with whom the Group interacts on a daily basis. In turn, the soundness of these institutions could have an adverse effect on the Group’s ability to raise new funding and could have a material impact on the Group’s business, financial condition, results of operations and prospects.

## 2.3 *The Group is exposed to risks associated with changes in interest rates, exchange rates, commodity prices, and credit spreads and other market risks*

The primary categories of market risk for the Group are:

- interest rate risk: arising from changes in yield curves and implied volatilities on interest rate options;
- foreign exchange risk: arising from changes in currency exchange rates and implied volatilities on foreign exchange options;
- commodity risk: arising from changes in commodity prices and implied volatilities on commodity options, covering energy, precious metals, base metals and agriculture as well as commodity baskets;
- credit spread risk: arising from changes in the price of debt instruments and credit-linked derivatives, driven by factors other than the level of risk-free interest rates; and
- equity risk: arising from changes in the prices of equities, equity indices, equity baskets and implied volatilities on related options.

The occurrence or continuance of unexpected events resulting in significant market dislocation could have a material adverse effect on the Group's financial condition and results of operations and, if severe or prolonged, its prospects. Failure to manage these risks effectively may also have a material adverse effect on the Group's financial condition and results of operations and, if such failure is significant or prolonged, its prospects.

*2.4 The Group is exposed to the risks associated with volatility and dislocation affecting financial markets and asset classes*

Volatility and dislocation affecting certain financial markets and asset classes, whether unexpected, prolonged or elevated, are factors that have had and may continue to have a material adverse effect on the Group's assets, financial condition and results of operations. In particular, these factors have had, and may continue to have, a negative impact on the mark-to-market valuations of assets in the Group's Fair Value through Other Comprehensive Income ("FVOCI") and trading portfolios. As at the close of business on 31 March 2022, Treasury Markets held approximately U.S.\$130 billion of mostly High Quality Liquid Assets for regulatory purposes under EU IFRS 9/FVOCI accounting rules. Under Regulation (EU) 575/2013, as amended (including, without limitation, by Regulation (EU) 2019/876 (the "CRR II")) and as it forms part of the domestic law of the UK by virtue of the EUWA (the "CRR"), any profit or loss under FVOCI impacts the Group's Common Equity Tier 1 Capital ("CET1 Capital" or "CET1") position directly. In addition, if such volatility or dislocation were to be severe or prolonged, this may also adversely affect the Group's prospects.

Market volatility may also negatively impact certain customers exposed to derivative contracts. While the Group seeks to manage customer exposure and risk, the potential losses incurred by certain customers as a result of derivative contracts could lead to an increase in customer disputes and corporate defaults and result in further write-downs or impairments. Failure to manage such risks therefore would have a material adverse effect on the Group's financial condition, results of operations and, if such failure is significant or prolonged, its prospects.

*2.5 The Group is subject to the risk of exchange rate fluctuations and risks associated with exposure to cross-border or foreign currency obligations, in each case arising from the geographical diversity of its businesses*

As the Group's business is conducted in a number of jurisdictions and in a number of currencies (including, for example, U.S. dollars, Sterling, Korean won, Hong Kong dollars, Singapore dollars, TWD, Chinese yuan, Indian rupees and a number of African currencies), the Group's business is subject to the risk of exchange rate fluctuations. The results of operations of Group companies are initially reported in the local currencies in which they are domiciled, and these results are then translated into U.S. dollars at the applicable foreign currency exchange rates for inclusion in the Group's consolidated financial statements. The exchange rates between local currencies and the U.S. dollar have been, and may continue to be, volatile. The Group is therefore exposed to movements in exchange rates in relation to non-U.S. dollar currency receipts and payments, dividend and other income from its subsidiaries and branches, reported profits of subsidiaries and branches and the net asset carrying value of non-U.S. dollar investments and Risk Weighted Assets ("RWA") attributable to non-U.S. dollar currency operations.

Although the Group monitors adverse exchange rate movements (and, in some cases, may seek to hedge against such movements), it is difficult to predict changes in economic or market conditions with accuracy and to anticipate the effects that such changes could have on the Group and the translation effect against the U.S. dollar of such fluctuations in the exchange rates of the currencies of those countries in which the Group operates.

In addition, the Group's exposure to cross-border or foreign currency obligations gives rise to transfer and convertibility risks, which arise from the possibility that a government is unable or unwilling to make foreign currency available for remittance out of the country, thereby preventing, amongst other things, its use in settlement of cross-border arrangements. Unless suitable mitigation is in place to transfer the exposure to an alternative country of risk (e.g. parental support, offshore cash collateral, comprehensive credit insurance), transfer and convertibility risks could result in counterparties being unable to discharge their obligations to the Group when due. They could also adversely affect the ability of one member of the Group to make remittances to other members of the Group.

In particular, although the Group's direct exposure to Russia and Ukraine is limited, the crisis has led to a high risk of disruption to the settlement of Russian Ruble payments. If this risk crystallises, it might impact settlement of the Group's outstanding Russian Ruble forward foreign exchange transactions.

Any such changes in the economic and market conditions, or a failure by the Group to manage such risks effectively, could have a material adverse effect on the Group's financial condition, results of operations and, if severe or prolonged, its prospects.

## 2.6 *The Group is exposed to counterparty credit risk*

Counterparty credit risk is the risk that a counterparty in a foreign exchange, interest rate, commodity, equity or credit derivative or repurchase contract defaults either on, or prior to, the maturity date of the relevant contract, and that the Group at the time has a claim on the counterparty. This risk arises predominantly in the trading book, but also arises in the non-trading book when hedging with external counterparties is undertaken.

Changes in the credit quality of the counterparties, and adverse changes arising from a deterioration (including a prolonged or severe deterioration) in global or country-specific economic conditions or asset values can impact the counterparty's ability to meet its payment, margin call and collateral posting requirements. The Group may also experience these effects if a systemic failure in one or more financial systems were to occur.

In the broad range of trading products and services, the Group also faces settlement risk when there is an exchange of value that is not made simultaneously between the counterparties (i.e. where the Group delivers value prior to receipt of payment from the counterparty); foreign exchange products are primary contributors to the Group's settlement risk profile. There are a broad range of settlement techniques adopted such as Continuous Linked Settlement ("**CLS**"), settlement via Central Counterparties ("**CCPs**"), settlement on a netted basis and Delivery-Versus-Payment ("**DVP**") mechanisms, to reduce, mitigate and monitor settlement risk.

The occurrence of any of the above or a failure by the Group to manage these risks effectively, could have a material adverse effect on the Group's financial condition, results of operations and, if severe or prolonged, its prospects.

## 2.7 *The Group is exposed to issuer risk*

The Group is exposed to the risk of an issuer of marketable securities defaulting, including risks in respect of its underwriting commitments from time to time. Market participants raise capital and funding for their needs through the issuance of bonds, notes, debentures, loans and other forms of negotiable instruments or securities from investors through public or private issuances. Risk arises from the change in value to the investors in such instruments or their derivatives.

The risk has two key components:

- the market price risk, which is the potential change in the value of the instrument resulting from changes in the underlying market risk factors, predominantly interest rates and credit spreads; and
- the risk arising from a potential Jump-to-Default (“JTD”) of the issuer on its obligation, resulting in the value of the instrument falling to the expected value of the instrument at default,

together, “**Issuer Risk**”.

The Group has appropriate mechanisms in place to monitor and manage Issuer Risk; sensitivities to the market risk factors and concentration limits across multiple dimensions are monitored on a daily basis. Any failure in these mechanisms, or losses occurring as a result of the occurrence of an event of default in relation to an issuer or issuers (in each case, whether arising from a JTD or otherwise) could have a material adverse effect on the Group’s financial condition, results of operations and prospects.

### **3. Treasury risk**

#### **3.1** *The Group’s business is exposed to risks resulting from restrictions on, and decisions relating to, the management of its balance sheet and capital resources*

The Group must ensure the effective management of its capital position in order to operate its business, to grow organically and to pursue its strategy. Future changes that limit the Group’s ability to manage its balance sheet and capital resources effectively, or capital, strategic, operational or financial decisions taken by the Group, could have a material adverse effect on the Group’s regulatory capital position, financial condition, results of operations and prospects.

For more information on the prudential and capital requirements imposed on the Issuers and the Group, see “*Supervision and Regulation - Prudential regulation*” on pages 142 to 144 of this Prospectus.

#### **3.2** *The Group is exposed to risks associated with any downgrade to the Group’s credit ratings*

The Group’s ability to access the capital markets, and the cost of borrowing in these markets, is significantly influenced by the Group’s credit ratings. A reference to the Group’s credit ratings includes (i) all ratings provided by the agencies including, but not limited to, long term and short term ratings, counterparty ratings and instrument ratings and (ii) any outlooks assigned to those ratings from time to time.

There is no guarantee that the Group will not be subject to downgrades to its credit ratings and/or negative changes in the outlook on such ratings. Factors leading to any such downgrade or change in outlook may not be within the control of the Group (for example, the deterioration of macroeconomic factors assessments, including as a result of the COVID-19 pandemic, the exercise of subjective judgment by the rating agencies, a change in the methodology or a change in approach used by the rating agencies to rate the Group or its securities).

Since November 2015, certain of the Group’s ratings have periodically been downgraded by Fitch, Moody’s and S&P for various reasons. The impact of these changes has not, to date been considered significant by the Group; however, the impact of any future changes to the Group’s ratings may be material. The ratings agencies each rely on their own methodologies to assess the Group’s ratings. Common drivers include operating environment, profitability, capital, liquidity, asset risk, government/affiliate support, debt buffers and Environmental, Social, and Governance (“**ESG**”) considerations. Changes in these methodologies or drivers and/or any changes in the rating agencies’ subjective assessments of the Group could adversely impact the Group’s ratings. Notwithstanding



the rating agency methodologies, rating agencies have also specifically identified a number of factors based on their most recent assessment of the Group that could result in a negative change to the Group's ratings in the near future, some of which may be referred to in the ratings agencies' public statements on the Group's ratings from time to time.

Factors identified by credit ratings agencies in their reports include, but are not limited to, the Group's financial performance or balance sheet metrics of the Group on which elements of the ratings are based, reduction in the Group's debt buffers, external events affecting the Group or the broader banking sector, deterioration in the macro-economic assessments of the Group's markets and/or the potential for deterioration in the Group's operating environment. If any of these factors materialise or other events occur (for example, a change in the methodology or approach used by any applicable agency that rates the Group or its securities) or any other factors not yet identified emerge, they could lead to negative change in the Group's ratings.

Although the Group currently has a liquid and well-funded balance sheet, any negative change in the Group's credit ratings in the future could impact the volume, price and source of its funding, or adversely impact the Group's competitive position, all of which could have a material adverse effect on the Group's financial condition, results of its operations and/or prospects.

### 3.3 *The Group is exposed to liquidity and funding risks*

Liquidity and funding risks are a potential cause of loss where the Group may not have sufficiently stable or diverse sources of funding or financial resources to meet the Group's obligations as they fall due.

Although the Group currently has a liquid and well-funded balance sheet, liquidity and funding risk is inherent in banking operations and can be heightened by a number of factors, including: (i) an over-reliance on, or inability to, access a particular source of funding (including, for example, reliance on inter-bank funding); (ii) the extent of mobility of intra-Group funding; (iii) changes in credit ratings or market-wide phenomena such as financial market instability; (iv) natural disasters, including global health crises such as the COVID-19 pandemic; and (v) the risk to the global financial system posed by climate change.

As the Group operates in markets which have been and may continue to be affected by illiquidity and extreme price volatility, either directly or indirectly through exposures to securities, loans, derivatives and other commitments, its policy is to manage its liquidity prudently in all geographic locations so as to ensure each country operates within predefined liquidity limits and remains in compliance with Group liquidity policies and practices, as well as local regulatory requirements.

However, any reoccurrence or prolonged continuation of such conditions could have an adverse effect on the Group's financial condition and results of operations and, if severe, its prospects. In addition, any significant increase in the cost of acquiring deposits, inability to further increase deposits or significant outflow of deposits from the Group, particularly if it occurs over a short period of time, could have a material adverse impact on the Group's financial condition and liquidity position.

### 3.4 *The Group is exposed to the risk of regulators imposing new prudential standards, including increased capital, leverage, loss-absorbing capacity and liquidity requirements*

The Group meets the minimum capital, leverage, loss-absorbing capacity and liquidity standards under Directive 2013/36/EU, as amended on or prior to 31 December 2020 (including, without limitation, by Directive (EU) (2019/873) and Directive (EU) (2019/878)) as it forms part of the domestic law of the UK by virtue of the EUWA, the Capital

Requirements (Amendment) (EU Exit) Regulations 2018, the CRR and associated technical standards, supervisory and policy statements, and implementing measures and as amended by HM Treasury and the Prudential Regulatory Authority (“**PRA**”) following 31 December 2020 (together, “**CRD V**”). The PRA has stated that it intends to follow the Basel III prudential framework, as adopted by the BCBS in 2017 (“**Basel III**”), which involves deviations from the standards set by CRD V on or prior to 31 December 2020. The UK implemented the first tranche of changes associated with the Basel III reforms in January 2022. In March 2022, the PRA indicated its intention to release a consultation paper in Q4 2022 outlining its steps to implement the remaining elements of the Basel III reforms in January 2025.

Furthermore, the Group is exposed to the risk that the PRA or UK Resolution Authority (“**BoE**”) could:

- increase the minimum regulatory requirements or additional capital, loss-absorbing capacity, liquidity or leverage buffers set for the Group or any of its UK regulated firms;
- introduce changes to the basis on which capital, loss-absorbing capacity, liquidity, leverage and RWA are computed; and/or
- change the manner in which it applies existing requirements to or impose new regulatory requirements on the Group or any of its UK regulated firms.

As a result, the Group may be required to raise capital, loss-absorbing capacity and/or liquidity to meet any of the foregoing requirements (or to meet any changes, or changes to the application of, such requirements) or take other actions to ensure compliance, which could have a material adverse impact on the Group’s financial condition, results of operations and prospects.

The Group’s ability to maintain its regulatory capital, loss-absorbing capacity and leverage ratios in the longer term could also be affected by a number of factors, including its RWA and exposures, post-tax profit, exchange rate movements and fair value adjustments. Capital levels and requirements are more sensitive to market and economic conditions under the Basel III standards, than under previous regimes and effective capital requirements and loss-absorbing capacity could increase if economic or financial market conditions worsen.

The Group remains a Global Systemically Important Bank (“**G-SIB**”) with a 1.0 per cent. G-SIB CET1 Capital buffer which was fully implemented on 1 January 2019. If the Group were categorised as a G-SIB with a greater than 1 per cent. requirement, the Group’s minimum CET1 Capital requirement would increase. Certain of the Group’s non-UK entities have been, and others may be, designated domestic systemically-important banks (referred to in the EU and in the UK as other systemically-important institutions, or “**O-SIIs**”) in the markets in which they operate in accordance with the approach developed by the BCBS and the Financial Stability Board (the “**FSB**”), which may in the future result in higher capital requirements for them.

The PRA also has additional tools to require firms to hold additional capital, including, for example, a “PRA buffer” (which replaced the PRA Capital Planning Buffer in 2015). The PRA buffer is intended to ensure the Group remains well capitalised during periods of stress. It is understood that to set the PRA buffer, the PRA considers results from various stress tests as well as other relevant information. The PRA buffer is additional to the existing capital conservation buffer, and is applied if and to the extent that the PRA considers existing capital buffers do not adequately address the Group risk profile. The PRA buffer is not disclosed.

Certain UK banks (including SCB) are subject to a minimum leverage ratio of 3.25 per cent., and in certain cases a supplementary leverage ratio buffer is applicable. The Group

is also required to ensure that the amount of stable sources of funding to which it has access (i.e. liquidity) meets a ratio prescribed by the CRR.

Institutions for which bail-in is the appropriate resolution strategy, such as the Group, are also required to hold certain amounts of loss-absorbing capital (i.e. minimum requirements for own funds and eligible liabilities (“**MREL**”)).

In addition, the PRA has introduced new prudential requirements for holding companies that substantively control their group. SCPLC sought approval as a parent holding company from the PRA on 28 June 2021 and approval was provided on 21 December 2021. As a result, SCPLC is subject to direct supervision to ensure compliance with consolidated prudential requirements and the PRA will have additional powers to enforce compliance with these prudential requirements.

If the regulatory capital, leverage, loss-absorbing capacity, liquidity or other requirements applied to the Group are increased in the future, this may have an adverse effect on the Group’s financial condition, results of operations and prospects. In addition, any failure by the Group to satisfy such increased requirements could result in regulatory intervention or sanctions (including loss or suspension of a banking license) or significant reputational harm, which in turn may have a material adverse effect on the Group’s financial condition, results of operations and prospects.

The Group may also be impacted by the implementation of further regulations which are currently under consultation or yet to be finalised or transposed (where applicable) into domestic law. For example, pursuant to a consultation paper published in February 2022, the PRA is currently consulting on changes to the definition of capital to clarify its expectation of firms regarding the quality of capital instruments, among other things, with a proposed implementation date of September 2022. Such changes in regulation, if implemented and/or when finalised may, directly or indirectly, give rise to increased regulatory capital, leverage, loss-absorbing capacity and liquidity requirements for the Group and could materially adversely affect the Group’s business, financial condition, results of operations and prospects.

For more information on the capital, leverage, loss-absorbing capacity and liquidity requirements imposed on the Issuers and the Group, see “*Supervision and Regulation - Prudential regulation*” on pages 142 to 144 of this Prospectus.

#### **4. Risks associated with regulatory resolution measures**

##### **4.1 *The business and operations of the Group may be affected by resolution measures developed by its regulators, including those introduced in accordance with the Directive (EU) 2014/59, as amended on or prior to 31 December 2020 (including, without limitation, by Directive 2019/879) (the “**BRRD**”), as implemented by the Banking Act 2009 (the “**UK BRRD**”)***

The wide-ranging powers introduced and to be introduced by the Group’s regulators to enable them to intervene and alter the business and operations as well as the capital and debt structure of an unsound or failing bank could have significant consequences for the Group’s profitability, its competitive strength, its financing costs and the implementation of its global strategy. The exercise or prospective exercise of resolution powers may have a material adverse effect on the Group’s financial condition, results of operations and prospects. For example, whilst the PRA have not historically challenged SCB’s compliance with the contractual recognition of bail-in requirement, it remains open to the PRA to comment on this, which could require SCB to renegotiate relevant contracts in the future, incurring additional costs to the Group in doing so.

In addition, the preparation and maintenance of recovery plans and resolution plan-related information, and the need to undertake work to improve the resolvability of the Group, represents a significant burden for the Group. The cost of the UK bank levy, which

was established in the UK to cover the costs of bank resolutions and ensure the effective application of resolution powers, could also represent a material cost to SCB or the Group.

Moreover, in order to prepare for the possibility of a bank entering financial difficulty, recovery and resolution planning regimes provide the Group's regulators with powers to require the Group to make changes to its legal, capital or operational structures, alter or cease to carry on certain specified activities, or satisfy the minimum requirements for own funds and eligible liabilities. If the Group's regulators ultimately decide that any such changes are necessary or desirable to increase the resolvability and recoverability of the Group, the impact of any changes required may have a material effect on capital, liquidity and leverage ratios or on the overall profitability of the Group.

For further information on the regulatory resolution regime to which the Issuers and the Group are subject, see "*Supervision and Regulation - Recovery and resolution stabilisation and resolution framework*" on pages 144 and 145 of this Prospectus.

The specific interaction of the resolution recovery mechanics with the Notes is outlined in the risk factor entitled "*Risk Factors – Risks relating to the structure of the Notes – The Notes may be subject to statutory write-down or bail-in*" below.

## **5. Operational and technology, reputational and sustainability, compliance (including legal) and conduct risks**

### *5.1 The Group is exposed to operational and technology risks*

Operational and technology risk is the potential for loss resulting from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks). Operational and technology losses may result from:

- deficient execution capability (the failure to execute client facing transactions appropriately, and failure to design and/or meet product management standards and product-related regulatory requirements);
- challenges in the Group's operational resilience (failure to maintain and test business continuity plans, failure to maintain systems, failure to meet appropriate data standards, failure to appropriately manage vendor services, failure to meet related regulatory requirements, failure to manage change projects, failure to meet standards for people management including relevant regulations);
- non-compliance with laws and regulations on corporate governance and exchange listing rules;
- inadequate maintenance of financial books and records, financial reporting, or failure to comply with tax laws and regulations;
- failure to create a safe, secure, and healthy environment for staff and clients; and/or
- inability to enforce the Group's contractual risks.

In the majority of cases, the Group adopts straight through processing to deliver internal or external client requests. In certain situations, processes are dependent on manual interventions (for example, when a bespoke transaction is supported) which expose the Group to execution related risks. The Group continues to invest in and prioritise process and system enhancements to curtail and limit these risks.

The shift towards remote-working for employees caused by the COVID-19 pandemic initially enabled better employee safety and was found to benefit productivity. However, the extended nature of the COVID-19 pandemic is continuing to restrict employees' ability to adopt hybrid-working arrangements causing potential risks to wellbeing. In addition, as

demand for new skills and capabilities gains momentum with the rapid change in technology and hybrid-working, the shortage of key skills is driving a war for talent in the financial services industry. This, combined with cross-border mobility restrictions and government protectionist policies, is likely to intensify competition for local talent and could potentially lead to a lack of key skills within the Group's employee cohort.

Policy statements on operational resilience issued by the PRA and FCA in March 2021 have highlighted the importance of maintaining client services on an end to end basis and the expectation for, among other things, firms to identify important business services as well as vulnerabilities to set impact tolerances for disruption to important business services and to test their ability to remain within these impact tolerances during severe but plausible disruption scenarios. The operational resilience requirements outlined in these policy statements became effective on 31 March 2022. In March 2022, the PRA published a further policy statement on operational resilience and operational continuity in resolution in line with a November 2021 consultation paper. The policy statement provides, among other things, that certain group obligations relating to operational resilience requirements relevant to CRR firms should apply directly to the CRR consolidation entity, rather than just the individual firms in their group. CRR consolidation entities are required to comply with the requirements within a reasonable time and by no later than 30 June 2022. Other changes relating to operational resilience came into force on 31 March 2022 while changes relating to operational continuity will come into force on 1 January 2023. Resilience risks are heightened for the Group in the following areas:

- The Group continues to enhance its product (hardware and software) lifecycle, however the Group may be exposed to obsolescence risk if product refreshes are not carried out in a timely manner before vendor end of support dates. The Group continues to run targeted programs to review its product support and to inform on investment requirements to maintain products.
- The appropriate management, maintenance and use of data supports many of the Group's decisions and interactions with clients and regulators. Inaccurate or erroneous use of data may lead to financial, regulatory, or reputational impact. The Group has adopted a number of key processes and standards to apply and oversee adherence to the BCBS principles for effective risk data aggregation and risk reporting (BCBS239).
- The Group selectively engages third party vendors to support its business strategy and operating model. These vendors may expose the Group to further operational challenges ranging from non-delivery of services to reputational or regulatory impact. The Group manages vendor service risk under the Third Party Risk Management Process supported by the Group's risk and control self-assessment standards.
- In support of its strategy, the Group continues to invest in its people, processes, and infrastructure through material change programmes which expose the Group to delivery risk.

For more information on the PRA and FCA's operational resilience policies, see "*Supervision and Regulation - Cyber security and operational resilience*" on pages 148 and 149 of this Prospectus.

Although the Group seeks to manage operational risks in a timely and effective manner through a framework of policies and standards, the occurrence or continuation of one or more of the foregoing risks which are inherent in banking activities, or any failure to manage one or more of such risks effectively, may have a material adverse effect on the Group's financial condition, results of operations and prospects.

## 5.2 *The Group's business is subject to reputational and sustainability risk*

Reputational and sustainability risk is the potential for damage to the franchise (such as loss of trust, earnings or market capitalisation), because of stakeholders taking a negative view of the Group through actual or perceived actions or inactions, including a failure to uphold responsible business conduct or lapses in the Group's commitment to do no significant environmental and social harm through the Group's client, third-party relationships, or the Group's own operations.

Risk drivers with negative impact on the Group are frequently linked with ESG risks including increasing regulatory change and the potential for civil claims in connection with adverse environmental and human rights impacts, as well as Non-Governmental Organisations' focus on climate risk and the decisions taken around thresholds for financing carbon-intensive sectors (e.g. coal, oil and gas, and plastics), especially with the Group's recent external commitment to adhere to 'Net Zero' targets. Recently, the social impact of the businesses the Group finances in alignment with responsible corporate lending, and other governance factors have also been an area of growing focus. In light of these trends, there are reputational risks if the Group is unable to adapt to new regulation quickly, meet publicly stated sustainability goals and assist in helping clients transition. ESG targets and taxonomy requirements are also being incorporated into many countries' domestic policies and corporations' strategic goals and disclosures. There is fragmentation in the pace and scale of ESG-related development across the Group's footprint globally, which adds complexity in managing a global business.

Beyond ESG, a potential failure in the Group's other principal risks may also result in negative shifts in perceptions of the Group held by shareholders, other stakeholders of the Group or other third parties if not managed effectively.

Material damage to the Group's reputation could have a material impact on the future earning capacity of the Group through the loss of current and prospective customers, or through damage to key governmental or regulatory relationships. As such, a failure to manage reputational and sustainability risk effectively could materially affect the Group's business, results of operations and prospects.

**5.3** *The Group is exposed to risks associated with operating in some markets that have relatively less developed judicial and dispute resolution systems*

In some of the markets in which the Group operates, judicial and dispute resolution systems are less developed than in North America and Western Europe. In case of a breach of contract, there may be difficulties in enforcing claims against contractual counterparties. Conversely, if claims are made against the Group, there may be difficulties in defending such allegations. If the Group becomes party to legal proceedings in a market with an insufficiently developed judicial and dispute resolution system, this exacerbates the risk of there being an outcome which is unexpected, and an adverse outcome to such proceedings could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

**5.4** *The Group is exposed to penalties or loss through a failure to comply with laws or regulations*

The Group is subject to a wide variety of banking and financial services laws and regulations and is supervised by a large number of regulatory and enforcement authorities in the jurisdictions in which it operates. As a result, the Group is exposed to many forms of legal and regulatory risk, which may arise in a number of ways, primarily:

- as a result of changes in applicable laws and regulations or in their application or interpretation; this may cause losses and the Group may not be able to predict the timing or form of any current or future regulatory or law enforcement initiatives which are becoming increasingly common for international banks and financial institutions;

- as a result of being subject to extensive laws and regulations which are designed to combat money laundering and terrorist financing, and requiring action to be taken to enforce compliance with sanctions against designated countries, entities and persons, including countries in which, and entities or persons with which, the Group may conduct and may have conducted business from time to time;
- in connection with the risk from defective transactions or contracts, either where contractual obligations are not enforceable or do not allocate rights and obligations as intended, or where contractual obligations are enforceable against the Group in an unexpected or adverse way, or by defective security arrangements;
- as a result of the title to and ability to control the assets of the Group (including the intellectual property of the Group, such as its trade names) not being adequately protected; and
- as a result of allegations being made against the Group, or claims (including through legal proceedings) being brought against the Group; regardless of whether such allegations or claims have merit, the outcome of legal proceedings is inherently uncertain and could result in financial loss (including as a result of the Group being liable to pay damages).

Failure to manage legal and regulatory risks properly has, in some cases, resulted (and may, in some cases, continue to result) in a variety of adverse consequences for the Group that, individually or in combination, could have an adverse impact on the Group's business, financial condition, results of operations and prospects. For example:

- the Group has been, and continues to be, subject to regulatory actions, reviews, requests for information and investigations relating to compliance with applicable laws and regulations, as summarised below;
- the Group may incur costs and expenses in connection with legal proceedings and regulatory actions resulting from non-compliance by the Group (or its employees, representatives, agents or third party service providers) with applicable laws and regulations, or a suspicion or perception of such non-compliance (including costs associated with the conduct of such proceedings and any associated liability for damages) and such non-compliance may also give rise to reputational damage; and
- a failure by the Group to comply with applicable laws or regulations may result in the Group deciding to implement restrictions on its businesses or the markets in which it operates (or offering to relevant regulators to implement such restrictions or accepting proposed restrictions or being required by relevant regulators to do so). These restrictions may be accompanied by a requirement on the Group to make periodical attestations to the relevant regulators as to its compliance with the relevant restrictions (and, if the Group does not comply with such restrictions, or is unable to give any required attestations, this may give rise to the adverse consequences described above).

As noted above, the Group has been and is subject to a number of regulatory and legal proceedings brought by various authorities and other parties. In recent years, the resolution of certain of these matters has resulted in substantial monetary penalties, additional compliance and remediation requirements and additional business restrictions for the Group, including the monetary penalties paid in April 2019 in connection with resolution of investigations by various U.S. authorities and the FCA of U.S.\$947 million and £102 million, respectively. The Group's compliance with historical, current and future sanctions, as well as financial crime control, anti-money laundering and the U.S. Bank Secrecy Act 1970 (the "**Bank Secrecy Act**") requirements and customer due diligence practices are, and will remain, a focus of relevant authorities.

Any breach of law, regulation, settlement agreement or order, or non-compliance with or weakness in, the Group's policies, standards, systems, controls and assurance for its anti-money laundering, Bank Secrecy Act, sanctions, compliance, corruption and tax crime prevention efforts may give rise to the adverse consequences described above, any of which could have a material adverse impact on the Group, including its reputation, business, results of operations, financial condition and prospects.

Ongoing legal proceedings against the Group include:

- Since 2014, the Group has been named as a defendant in a series of lawsuits that have been filed in the United States District Courts for the Southern and Eastern Districts of New York against a number of banks (including SCB and its affiliates) on behalf of plaintiffs who are, or are relatives of, victims of various terrorist attacks in Iraq and Afghanistan. The most recent lawsuit was filed in April 2022 and concerns terrorist attacks that occurred in Afghanistan between 2013 and 2016. The plaintiffs in each of these lawsuits have alleged that the defendant banks aided and abetted the unlawful conduct of parties with connections to terrorist organisations in breach of the U.S. Anti-Terrorism Act. While the courts have ruled in favour of the banks' motions to dismiss in five of these lawsuits, plaintiffs' have appealed or are expected to appeal against certain of these judgments. The remaining cases are at an early procedural stage and, except for the lawsuit filed in April 2022 and a similar lawsuit filed in August 2021, have been stayed pending the outcomes of the appeals in the dismissed cases. None of these lawsuits have specified the amount of damages claimed.
- In January 2020, a shareholder derivative complaint was filed by the City of Philadelphia in the New York State Court against 45 current and former directors and senior officers of the Group. It is alleged that the individuals breached their duties to the Group and caused a waste of corporate assets by permitting the conduct that gave rise to the costs and losses to the Group related to legacy conduct and control issues. In March 2021, an amended complaint was served in which SCB and seven individuals were removed from the case. SCPLC and Standard Chartered Holdings Limited remained as named "nominal defendants" in the complaint. In May 2021, SCPLC filed a motion to dismiss the complaint. On 2 February 2022, the New York State Court ruled in favour of SCPLC's motion to dismiss the complaint. On 2 March 2022, the plaintiffs filed a notice of appeal against the 2 February 2022 ruling.
- Since October 2020, two lawsuits have been filed in the English High Court against SCPLC on behalf of more than 300 shareholders in relation to alleged untrue and/or misleading statements and/or omissions in information published by SCPLC in its rights issue prospectuses of 2008, 2010 and 2015 and/or public statements regarding the Group's historic sanctions, money laundering and financial crime compliance issues. These lawsuits have been brought under sections 90 and 90A of the FSMA. Section 90 permits shareholders to pursue a claim if they acquire shares, and suffer loss, as a result of misleading statements in, or omissions of necessary information from, a prospectus or listing particulars. Section 90A permits shareholders to pursue a claim if they acquire, hold or dispose of shares in reliance upon a knowingly or recklessly made untrue or misleading statement in, or dishonest omission of required information from published information, or if there has been a dishonest delay in publishing relevant information. These lawsuits are at an early procedural stage.
- As the Group previously disclosed, Bernard Madoff's 2008 confession to running a Ponzi scheme through Bernard L. Madoff Investment Securities LLC ("**BMIS**") gave rise to a number of lawsuits against the Group. BMIS and the Fairfield funds (which invested in BMIS) are in bankruptcy and liquidation, respectively. Between 2010 and 2012, five lawsuits were brought against the Group by the BMIS



bankruptcy trustee and the Fairfield funds' liquidators, in each case seeking to recover funds paid to the Group's clients pursuant to redemption requests made prior to BMIS' bankruptcy filing. The total amount sought in these cases exceeds U.S.\$300 million, excluding any pre-judgment interest that may be awarded. The four lawsuits commenced by the Fairfield funds' liquidators have been dismissed and the appeals of those dismissals by the funds' liquidators are ongoing. The lawsuit brought against the Group by the BMIS bankruptcy trustee had been stayed pending a ruling by the U.S. Second Circuit Court of Appeals in related cases brought by the BMIS bankruptcy trustee against other defendants that had been dismissed. In August 2021, the U.S. Court of Appeals issued its ruling in the related cases with the result that the BMIS bankruptcy trustee's lawsuit against the Group is no longer stayed and is now ongoing. While the Group continues to vigorously defend these lawsuits, there is a range of possible outcomes in this litigation.

Based on the facts currently known, it is not possible for the Group to predict the outcome of these lawsuits.

**5.5** *The Group is exposed to the risks of operating in a highly regulated industry and changes to banking and financial services laws and regulations*

The Group's businesses are subject to a complex framework of banking and financial services laws and regulations which give rise to associated legal and regulatory risks, including the effects of changes in laws, regulations, policies, regulatory interpretations and voluntary codes of practice. Legislative and regulatory changes, and changes to governmental or regulatory policy, that could adversely impact the Group's business include:

- the monetary and other policies of central banks and regulatory authorities;
- general changes in governmental or regulatory policy, or changes in regulatory regimes that may significantly influence investor decisions in particular markets in which the Group operates, may change the structure of those markets and the products offered, or may increase the costs of doing business in those markets;
- changes to other regulatory requirements such as rules on consumer protection and prudential rules relating to capital adequacy and/or liquidity and/or loss-absorbing capacity instruments, charging special levies to fund governmental intervention in response to crises (which may not be tax-deductible for the Group), separation of certain businesses from deposit-taking and the breaking-up of financial institutions that are perceived to be too large for regulators to take the risk of their failure;
- over-the-counter ("**OTC**") derivatives reforms across the Group's markets, designed to contain systemic risk (central clearing, margin requirements, capital) and increase market transparency (real-time reporting, exchange or swap execution facility trading, disclosure and record retention);
- changes in competition and pricing environments; and
- further developments in relation to financial reporting, including changes in accounting and auditing standards, corporate governance, conduct of business and employee compensation.

In recent years there has been a substantial increase in the regulation and supervision of the financial services industry in order to seek to prevent future crises and otherwise ensure the stability of institutions, including the imposition of higher capital and liquidity requirements (including pursuant to Basel III and CRD V, as defined above), increased levies and taxes, requirements to centrally clear certain transactions, heightened

disclosure standards, further development of corporate governance and employee compensation regimes and restrictions on certain types of transaction structures.

While there is growing international regulatory co-operation on supervision and regulation of international and EU and UK banking groups, the Group is, and will continue to be, subject to the complexity of complying with existing and new regulatory requirements in each of the jurisdictions in which it operates. Where changes in regulation are implemented they may not be co-ordinated, potentially resulting in the Group having to comply with different and possibly conflicting requirements.

The Group could also be subject to increased cyber security regulation, including a more robust cyber security stress test in 2022 designed to test banks' ability to withstand co-ordinated global cyber-attacks announced by the BoE's Financial Policy Committee on 26 March 2021.

The foregoing matters may adversely impact any number of areas of the Group's operations and activities which in turn may have a material adverse effect on its financial condition, results of operations and prospects.

For more information on the regulatory landscape in which the Issuers and the Group operates, see "*Supervision and Regulation*" on pages 141 to 152 of this Prospectus.

**5.6** *Changes in law or regulation applicable to derivatives may adversely affect the Group's business and the Group may face increased costs and/or reduced revenues*

The business of the Group is subject to increased regulation and regulatory changes at both a local and global level which may increase the costs of, and/or reduce the revenue from, its business. The Group is subject to financial services laws, regulations, administrative actions and policies in each location in which the Group operates.

In July 2010, the United States passed the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"). The Dodd-Frank Act established wide-ranging reform of the U.S. regulatory system designed to contain systemic risk (central clearing, margin requirements, capital) and increase market transparency (real-time reporting, exchange or swap execution facility trading, disclosure and record retention). The legislation also introduced registration and oversight of key entities engaging in swaps. The Group is not a U.S. Person and SCB is registered with the Commodity Futures Trading Commission ("**CFTC**") as a Non-U.S. Person Swap Dealer and with the Securities and Exchange Commission as a Security-Based Swap Dealer. Relevant federal regulatory agencies have been issuing new rules, implementing regulations, and instructing the relevant regulatory agencies to examine specific issues before taking any action. The Group therefore continues to track and assess the impact of the reforms and maintains internal programs (including in respect of operational systems) to ensure compliance.

Both (i) the European Market Infrastructure Regulation, formally known as Regulation (EU) No 648/2012 of the European Parliament and the Council on Over-The-Counter Derivatives, Central Counterparties and Trade Repositories, as amended on or prior to 31 December 2020 ("**EMIR**") and (ii) EMIR as it forms part of the domestic law of the UK by virtue of the EUWA ("**UKMIR**"), impose requirements to report all derivative transactions to authorised or recognised trade repositories and the obligation to clear on authorised or recognised central clearing counterparties certain OTC derivative transactions ("**Transactions**") executed with financial counterparties and non-financial counterparties who exceed certain clearing thresholds. EMIR and UKMIR also introduce a stringent risk mitigation regime for all uncleared Transactions including a requirement to exchange collateral or margin.

The regulatory changes and resulting requirements of the Dodd-Frank Act, EMIR, UKMIR and similar international reform efforts may continue to increase the costs of, and/or reduce the revenue from, engaging in Transactions and related activities for the Group. Provisions of the Dodd-Frank Act have also caused or required certain market participants (including SCB) to transfer some of their derivatives activities to separate entities. For example, in the CFTC swap dealer space, SCB currently prohibits any subsidiary from transacting in-scope derivatives with U.S. persons (specifically to prevent any subsidiary from having to register as a swap dealer). In cases where these counterparties are not able (or unwilling) to face SCB, this activity and associated client revenue may be lost at a Group level. Accordingly, the ability to enter into and perform Transactions or engage in future Transactions may be affected in both predictable and unpredictable ways, including increasing the costs of or reducing the incentives for engaging in such activities. New regulations may also put restraints on the way the Group can conduct its business with regard to derivatives, if those derivatives are not cleared through a central clearing house (or otherwise give rise to new compliance requirements depending on the type of regulation).

For more information on EMIR and UKMIR, see “*Supervision and Regulation - Market infrastructure regulation*” on pages 146 and 147 of this Prospectus.

**5.7** *Changes in the Group’s accounting policies or in accounting standards could affect its capital ratios and how it reports its financial condition and results of operations*

The Group’s financial statements for the year ended 31 December 2021 were prepared in accordance with UK-adopted international accounting standards and EU IFRS. There are no significant differences between UK-adopted international accounting standards and EU IFRS. From time to time, the International Accounting Standards Board and/or the UK Endorsement Board may change international accounting standards, which could affect the Group’s capital ratios or how it reports its financial position and performance. In some cases, either Issuer could be required to apply a new or revised standard retroactively, or voluntarily elect to change its accounting policies, resulting in restating prior period financial statements.

Further information on the Group’s accounting policies and accounting standards in issue but not yet effective may be found on page 317 of the 2021 Annual Report. However, any other changes to UK-adopted international accounting standards or EU IFRS, to the extent applicable, that may be proposed in the future, could materially adversely affect the Group’s reported results of operations and financial position.

**5.8** *Climate related physical risks and transition risks*

The Group is exposed to the potential for financial loss and further non-financial detriments arising from climate change and society’s response to it. This risk consists principally of:

- physical risk, being the risks arising from increasing frequency and severity of acute weather-related events and longer-term chronic shifts in climate patterns; and
- transition risk, being the risks arising from the process of adjustment to a low-carbon economy, in order to limit global temperature rise,

together referred to as “**Climate Risk**”.

Climate Risk continues to be a core focus of regulatory policy-making across all jurisdictions in which the Group operates, enhanced by COP26-related initiatives. For example, environmental targets are being incorporated into many countries’ domestic policies, with increased pressure to set ambitious sustainability goals. In the UK, the BoE has initiated and developed a series of regulatory measures, supervisory statements and discussion papers on Climate Risk. For further information, see “*Supervision and*

*Regulation - Climate-related regulatory environment*" on pages 147 and 148 of this Prospectus.

The Group anticipates that the climate-related regulatory environment in which it operates will be subject to further regulatory developments. Such regulatory developments and the possibility of regulatory fragmentation across regions in which the Group operates, together with existing guidance and expectations, may have significant impacts, for example, by increasing potential 'transition' risks for the Group's clients, and requiring investment in terms of resources to comply with regulations across the Group's markets.

If governments fail to enact policies which limit global warming, many of the Group's clients, markets and operations will be particularly susceptible to the 'physical' risks of climate change such as droughts, floods, sea level change and average temperature change. For example, severe weather events have caused increased volatility in commodity prices, exacerbated disruptions in global supply chains, and impacted regions in which the Group and its clients operate.

Climate Risk may impact the loss profile of the Group's loan portfolio, as a result of potential disruption or productivity loss to clients' operations due to physical risk, or transition risks impacting the profitability of the Group's clients' existing business models. Additionally, properties securing loans may be subject to extreme physical risk, impacting the valuation of collateral held. The occurrence or continuance of any of the abovementioned risks could have a material adverse effect on the Group's financial condition, results of operations and, if severe or prolonged, its prospects.

#### 5.9 *The Group is exposed to conduct risk*

**"Conduct Risk"** is defined as the "risk of detriment to the Group's clients, investors, shareholders, counterparties, employees, market integrity and competition arising from (i) business activities performed by the Group, or (ii) individual behaviour and actions including instances of wilful or negligent misconduct".

Failure to manage Conduct Risk which results in a failure to (i) deliver positive outcomes to the Group's clients, investors, shareholders, counterparties, employees, markets and competition, (ii) protect the integrity of the markets in which the Group operates, and/or (iii) provide employees with a fair and safe working environment that is free from discrimination, exploitation, bullying, harassment and/or inappropriate language, may lead to regulatory consequences, financial loss and reputational damage.

The effective management of Conduct Risk takes into consideration the Group's culture, its strategy, business model, and the implementation of the three lines of defence model across the Group. Effective from January 2021 onwards, the Group incorporated Conduct Risk management into its overall Enterprise Risk Management Framework to reflect the overarching nature of Conduct Risk and ensure that it is always considered as part of the other principal risks to the Group.

Although the Group seeks to manage Conduct Risk in a timely and effective manner, the occurrence or continuation of one or more of the abovementioned risks, or any failure to manage one or more of such risks effectively, may have a material adverse effect on clients and the Group's financial position and operations.

## 6. **Information and cyber security risk, financial crime risk and model risk**

### 6.1 *The Group is exposed to information and cyber security ("ICS") risk*

Cybercrime is rising and becoming more globally coordinated. The Group's business depends on its ability to protect client data and process large volumes of transactions efficiently and with integrity. The Group is increasingly reliant on ICS to be effectively managed for digital technologies, technology infrastructure, systems, communication

services and networks. The dependency on secure processing, storage and transmission of sensitive information in its systems and networks increases the Group's risk of being subject to cybercrime which would result in the Group facing disruption, extortion and data theft (which may be for fraud or other purposes).

The ongoing COVID-19 pandemic accelerated the move towards remote working for the Group's employees as a result of full or partial lockdowns imposed by many governments in countries where the Group operates. The Group now has hybrid working options for employees across 28 markets, and over 73 per cent. of employees in these locations have adopted flexible working arrangements. Remote and hybrid working arrangements present new challenges in the management of ICS risk and there is an increasing trend of highly organised threat actors, both state sponsored and through organised crime, targeting such practices. Such actors are maturing their capability by adapting to new technologies to personalise attacks on organisations and initiating attacks such as ransomware. Greater difficulty associated with monitoring staff and ensuring security awareness is associated with remote working practices and potentially exacerbates this risk.

Whilst increasing connectivity drives growth and new technologies, it also increases the Group's cyberattack surface and possible entry points for cyber criminals. Unless the Group's security controls, awareness and assurance maintains pace, the Group may be further exposed to cyber security threats, including the potential for business disruption, cyber security attacks, data leaks and fraud, which may result in a further reputational risk for the Group. The sensitive nature of data held by the Group and other market participants exposes the Group to a high level of public scrutiny and potential public criticism in relation to data security. If such risks materialise, there may be a material adverse effect on the Group's prospects, reputation and customer base. For more information on how reputational risks may impact the Group, see the risk factor entitled "*Operational and technology, reputational and sustainability, compliance (including legal) and conduct risks - The Group's business is subject to reputational and sustainability risk*".

The threat from cyber attacks has recently intensified at a global level, and with the increased tensions resulting from the Russia-Ukraine crisis and consequential developments (such as sanctions restricting Russian banks from accessing certain financial systems), the threat is increasingly volatile. This may further expose the Group to increased cyber threats should it fail to effectively manage its ICS risks. Although the Group has consolidated its ICS efforts to seek to identify and withstand cyber threats and to streamline and instil cyber responsibilities across its operating model, if the Group fails to effectively manage its ICS risks, the impact could be significant and may result in reputational damage, business disruption (which, in turn, may result in lost revenue and a loss of customers), data leakage, customer impact and regulatory action. Factors ranging from unmanaged exposures through to challenges detecting and responding to sophisticated attacks could give rise to these consequences, which, if they occur, could have a material adverse effect on the Group's operations, financial condition and prospects.

## 6.2 *The Group is exposed to financial crime risk*

Financial crime risk is defined as the potential for legal or regulatory penalties, material financial loss or reputational damage resulting from the failure to comply with applicable laws and regulations relating to international sanctions, anti-money laundering, anti-bribery and corruption, and fraud.

The Group, through its size and strategic intent, continues to be exposed to financial crime risks. These risks are inherent in the Group's operations and may arise from, among other things, the Group offering different banking products via multiple channels across regions to diverse customer types; the Group's defences being overcome by criminals; and/or regulators assessing deficiencies in the Group's design and/or governance over

controls operating across the Group's client or counterparty due diligence and surveillance. The Group seeks continuously to enhance its approach in preventing bribery and corruption, money laundering, combating terrorist financing, complying with sanctions and mitigating internal and external fraud risk through its internal controls. While the Group and its financial crime compliance controls continue to adapt to incorporate new risk indicators, there is no guarantee that such adaptations will be effective in addressing all financial crime risks (including those related to the COVID-19 pandemic).

The occurrence or continuation of one or more of the abovementioned risks, or any failure to manage one or more of such risks effectively, may have a material adverse effect on the Group's financial condition, results of operations and prospects.

### 6.3 *The Group is exposed to model risk*

Model risk is defined as the potential loss that may occur as a consequence of decisions or the risk of mis-estimation that could be principally based on the output of models due to errors in the development, implementation or use of such models.

Regulatory focus on model risk has intensified with: (i) the growing importance of models for business decisions, and (ii) recognition of financial losses due to inadequate models or wrong use. Additionally, new areas such as ML and AI also have the potential to generate model risk.

The Group's model risk results in part from both the number and complexity of the models used, and the extent of their use within the Group. The Group uses approximately 950 in-use models across 15 model families under the scope of the Group Model Risk Policy. Credit Risk Internal Ratings Based ("**IRB**"), Market Risk Internal Model Approach and Counterparty Credit Risk Internal Model Method models are used to calculate regulatory capital. IFRS9 models are used for the calculation of expected credit loss to meet the Group's financial reporting obligations under IFRS9. Financial crime compliance scorecard-based models are used to flag high-risk customers to aid the prioritisation of investigation work. Operational risk models are mainly used in capital adequacy assessments to project operational losses under stress conditions. Algorithmic trading and climate risk were added to the policy scope in 2021 as emerging model use cases, with the latter being used for the 2021 PRA biennial exploratory scenario in relation to climate change stress testing.

Models are used across the Group for various important processes (such as capital calculation, stress testing and business decisions). Examples of existing and emerging model uses include, but are not limited to:

- financial, public and regulatory reporting and disclosures;
- stress testing, financial and economic forecasting and internal capital adequacy assessments;
- product pricing, hedging, valuations, portfolio allocations, automated trading strategies and execution, economic and market research;
- counterparty and credit risk management and client credit decisions;
- fraud detection, trade and communication surveillance and anti-money laundering controls; and
- algorithmic trading and climate risk.

AI and ML techniques are increasingly adopted as a processing component of models in finance, such as algorithmic trading and credit scoring. In April 2021, the Group enhanced its model risk management framework to cover key risks that may be amplified when

these techniques are a type of processing unit in a model and define requirements for development and validation activities. However, there is no guarantee that such amendments will adequately address the risks identified.

The volatile market conditions witnessed throughout the COVID-19 pandemic have resulted in large movements in macro-economic variables which are inputs of IFRS9 models, some of which were outside of the boundary conditions of expected model performance. As a result, a number of models required the application of post-model adjustments. Further information on post model adjustments for IFRS9 models can be found on page 235 of the 2021 Annual Report.

The occurrence or continuation of model risk, or any failure to manage such risk effectively, may have a material adverse effect on the Group's financial condition, results of operations and prospects.

## **Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

### **1. Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

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

Dated Subordinated Notes may, in the circumstances set out, and subject as provided in Conditions 5(c), 5(d), 5(e) and 5(h) be redeemed at the option of the relevant Issuer at their Early Redemption Amount or Call Option Redemption Amount (as the case may be) together with any interest accrued to the date fixed for redemption. Senior Notes may, in the circumstances set out, and subject as provided in Condition 5(c), 5(d), 5(f) and 5(h), be redeemed at the option of the relevant Issuer at their Early Redemption Amount or Call Option Redemption Amount (subject to any Maximum Call Option Redemption Amount or Minimum Call Option Redemption Amount) (as the case may be) together with any interest accrued to the date fixed for redemption. In addition, Notes may be redeemed at the option of the relevant Issuer in circumstances set out, and subject as provided, in the Terms and Conditions of the Notes.

An optional redemption feature is likely to limit the market value of Notes. During any period when an Issuer may elect to redeem Notes, or if there is a perception that the Notes may be so redeemed, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

An Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### *1.2 Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such conversion may affect the secondary market and the market value of such Notes as the change of interest basis may result in a lower interest return for Noteholders. If the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable

than the then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

### *1.3 Reset Notes*

Reset Notes will initially bear interest at the Initial Rate of Interest until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of (i) the applicable Mid-Swap Rate, Benchmark Gilt Rate or Reference Bond Rate and (ii) the First Margin or Subsequent Margin (as applicable) as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a “**Subsequent Reset Rate**”). The Subsequent Reset Rate for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate for prior Reset Periods and could affect the market value of an investment in the Reset Notes.

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

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

### *1.5 The Issuers' obligations under Dated Subordinated Notes are subordinated*

An Issuer's obligations under Dated Subordinated Notes will be unsecured and subordinated and will rank junior in priority to the claims of Senior Creditors (as defined in “*Terms and Conditions of the Notes*” herein). Although Dated Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Dated Subordinated Notes will lose all or some of his investment should the relevant Issuer become insolvent.

### *1.6 Notes where denominations involve integral multiples*

In the case of any Notes which have denominations consisting of a minimum Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Denomination. In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase or sell a principal amount of Notes such that it holds an amount equal to one or more Denominations.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Denomination may be illiquid and difficult to trade.

### *1.7 Notes denominated in a different currency to the currency in which principal and/or interest are payable*

An Issuer may issue Notes where principal and/or interest are payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors in such Notes should be aware that, depending on the terms of the Notes, (i) they may receive no interest or a limited amount of interest, (ii) payment of principal or interest may occur at a different time or in a different currency than expected, and (iii) they may lose a substantial portion of their investment. Movements in currency



exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices, and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations. Payments of principal and interest or other obligations of the relevant Issuer in respect of any Series of Notes may be restricted upon the occurrence of certain disruption events described in the applicable Final Terms.

The market price of such Notes may be volatile and, if the amount of principal and/or interest payable are dependent upon movements in currency exchange rates, may depend upon the time remaining to the redemption maturity date and the volatility of currency exchange rates. Movements in currency exchange rates may be dependent upon economic, financial and political events in one or more jurisdictions. The value of any currency, including those currencies specified in any indicative transaction, may be affected by complex political and economic factors.

*1.8 The regulation and reform of benchmarks may adversely affect the value of Notes linked to or referencing such “benchmarks”*

Interest rates and indices which are deemed to be “benchmarks” are the subject of ongoing national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a “benchmark”.

Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”) and the Benchmarks Regulation as it forms part of the domestic law of the UK by virtue of the EUWA (the “**UK BMR**”) apply to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU and the UK (respectively). They, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU or non-UK based (as applicable)), to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU or UK (as applicable) supervised entities of “benchmarks” of administrators that are not authorised or registered (or, if non-EU or non-UK based (as applicable), not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation and UK BMR could have a material impact on any Notes linked to or referencing a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmarks Regulation or the UK BMR. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

More broadly, any of the national or international reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark”; or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of national or international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation and UK BMR reforms

in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

1.9 *The Group is subject to risks relating to the structure of particular Notes linked to the Secured Overnight Funding Rate (“SOFR”), SONIA, the Euro Short-Term Rate (“€STR”) the Singapore Overnight Rate Average (“SORA”), the Singapore Interbank Offered Rate (“SIBOR”) or any other benchmark*

Investors should be aware that if SOFR, SONIA, €STR, SORA, SIBOR or any other benchmark were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes and Reset Notes which are linked to or which reference such benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes. The Terms and Conditions of the Notes provide for certain fallback arrangements where a relevant Benchmark Event occurs (as defined in Condition 4(k)) or a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred (as defined in Condition 4(c)(ii)(C)) (which, in each case, amongst other events, includes (i) the permanent discontinuation of the relevant benchmark, (ii) a prohibition against using the relevant benchmark in respect of the Notes, or (iii) the relevant benchmark being deemed no longer representative of its underlying market). These fallback arrangements may require or result in adjustments to the interest calculation provisions of the Terms and Conditions of the Notes. Even prior to the implementation of any changes to any benchmark, or to the interest calculation provisions based on such benchmark, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect the operation of such benchmark during the term of the relevant Notes, as well as potentially adversely affecting both the return on any Notes which are linked to or which reference such benchmark and the trading market for such Notes.

In certain situations in relation to Floating Rate Notes and/or Reset Notes, including the relevant benchmark (or the relevant component part(s) thereof) ceasing to be administered, where (in the case of Floating Rate Notes) the Primary Source for the Floating Rate is a Page or (in the case of Reset Notes) Mid-Swap Rate or Swap Rate is specified to apply (any such Notes being “**Relevant Notes**”), the fallback arrangements referenced in the preceding paragraph will include the possibility that:

- (A) the relevant rate of interest (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to a successor rate or an alternative rate (as applicable) determined by an Independent Adviser appointed by the relevant Issuer or, if the relevant Issuer is unable to appoint an Independent Adviser (having used reasonable endeavours) or the Independent Adviser appointed by the relevant Issuer fails to make such determination, the relevant Issuer; and
- (B) where Benchmark Discontinuation (General) is specified as applicable in the relevant Final Terms, an Adjustment Spread may be applied as determined by the relevant Independent Adviser or the relevant Issuer (as applicable),

in each such case, with the Independent Adviser or Issuer (as applicable) acting in good faith and in a commercially reasonable manner, as more fully described in the Terms and Conditions of the Notes.

No consent of the Noteholders shall be required in connection with effecting any successor rate or alternative rate (as applicable). In addition, no consent of the Noteholders shall be required in connection with any other related adjustments and/or amendments to the Terms and Conditions of the Notes (or any other document) which are made in order to effect any successor rate or alternative rate (as applicable).

In certain circumstances, the ultimate fallback for a particular Interest Period or Reset Period (as applicable), including where no successor or alternative rate (as applicable) is determined, may be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period) or the rate of interest last displayed on the relevant screen rate page or website prior to the relevant Interest Period or Reset Period (as applicable) (though substituting where a different Margin or Maximum Interest Rate or Minimum Interest Rate is specified to be applied to the relevant Interest Period or Reset Period (as applicable) from that which applied to the last preceding Interest Accrual Period or Reset Period (as applicable), the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Accrual Period or Reset Period (as applicable) in place of the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the last preceding Interest Accrual Period or Reset Period (as applicable)). In addition, no successor or alternative rate (as applicable) will be adopted if and to the extent that, in the sole determination of the Issuer, the same (i) prejudices, or could reasonably be expected to prejudice, the qualification of the Notes to form part of the Capital Resources of the relevant Issuer or of the Group or the eligibility of the Notes to count towards the Issuer's or the Group's minimum requirements for own fund and eligible liabilities, or (ii) results, or could reasonably be expected to result, in the relevant regulator treating the next Interest Payment Date or Reset Date (as applicable) as the effective maturity date of the Notes, rather than the relevant Maturity Date of the Notes. This may result in the effective application of a fixed rate for Floating Rate Notes or Reset Notes (as applicable). In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the relevant Issuer to meet its obligations under the Floating Rate Notes or Reset Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or Reset Notes. Investors should note that, in the case of relevant Notes, the relevant Independent Adviser or the relevant Issuer (as applicable) will have discretion to adjust the relevant successor rate or alternative rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder. An Independent Adviser will be required to act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the relevant Issuer in connection with any determination made by the relevant Issuer in such circumstances.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Notes or Reset Notes.

- 1.10 *SOFR, SONIA, €STR and SORA are relatively new market indices that may be used as reference rates for Floating Rate Notes and, as the related market continues to develop, there may be an adverse effect on the return on or value of Notes linked to RFRs.*

The New York Federal Reserve (the "**NY Federal Reserve**") began to publish SOFR in April 2018. Although the NY Federal Reserve has published historical indicative SOFR information going back to 2014, such prepublication historical data inherently involves assumptions, estimates and approximations. Investors should not rely on any historical changes or trends in SOFR as an indicator of future performance of SOFR. Since the publication of SOFR, daily changes in the rate have, on occasion, been more volatile than daily changes in other benchmark or market rates. As a result, the return on and value of

SOFR-linked Notes may fluctuate more than floating rate debt securities that are linked to less volatile rates.

On 29 November 2017, the BoE and the FCA announced that, from January 2018, the Working Group on Risk Free Rates (“**RFRWG**”) had been mandated with implementing a broad-based transition to SONIA over the next four years across Sterling bond, loan and derivative markets, so that SONIA is established as the primary Sterling interest rate benchmark by the end of 2021. In February 2021, the RFRWG released an updated priorities and roadmap presentation, which stated that the top priority remains to be fully prepared for the end of Sterling LIBOR by the end of 2021. The FCA also confirmed in January 2022 that the publication of yen LIBOR on a synthetic basis will cease at the end of 2022 and that the availability of sterling LIBOR on a synthetic basis cannot be guaranteed after the end of 2022. Furthermore, the remaining U.S. Dollar LIBOR tenors (including overnight, 1-month, 3-month, 6-month and 12-month) will cease by the end of June 2023, and restrictions have been imposed on new use of U.S. Dollar LIBOR.

Similarly, on 30 August 2019, the Monetary Authority of Singapore announced the establishment of the Steering Committee for SOR & SIBOR Transition to SORA (“**SC-STTS**”) to oversee an industry-wide benchmark transition from the Singapore dollar Swap Offer Rate (“**SOR**”) to SORA. In addition, The Association of Banks in Singapore and the Singapore Foreign Exchange Market Committee released a consultation report identifying SORA as the alternative interest rate benchmark to SOR, envisaging a phased transition over two years. In February 2021 the Monetary Authority of Singapore confirmed its intention to transition to SORA by the end of 2021. In a consultation paper released on 18 May 2022, SC-STTS recommended the setting of adjustment spreads for the conversion of legacy SOR contracts to a SORA reference rate, given that SORA is now the main interest rate in the Singapore financial market.

Investors should be aware that the market continues to develop in relation to RFRs, such as SONIA, SOFR, €STR and SORA, as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates.

In addition, market participants and relevant working groups are exploring alternative RFRs, including various ways to produce term versions of certain RFRs (which seek to measure the market’s forward expectation of an average of these reference rates over a designated term as they are overnight rates) or different measures of such risk-free rates. For example, on 2 March 2020, the NY Federal Reserve began publishing the SOFR Compounded Index and on 3 August 2020, the BoE began publishing the SONIA Compounded Index.

The market or a significant part thereof may adopt an application of RFRs that differs significantly from that set out in the Terms and Conditions and used in relation to any Notes that reference RFRs issued under the Programme. Each Issuer may in the future also issue Notes referencing RFRs that differ materially in terms of interest determination when compared with any previous Notes referencing the same RFR issued by it, or the other Issuer, under the Programme. The development of RFRs as interest rates for Floating Rate Notes in the Eurobond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes issued under the Programme which reference any such RFR from time to time.

Furthermore, the basis of deriving certain RFRs such as SONIA, SOFR, €STR and SORA, may mean that interest on Notes which reference any such RFR will only be capable of being determined after the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference any such RFR to accurately estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT Systems, both of which could adversely impact

the liquidity of such Notes. Further, in contrast to LIBOR-linked Notes, if Notes referencing Compounded Daily SONIA, Compounded Daily €STR or Compounded Daily SORA become due and payable as a result of an event of default under Condition 9(a), the rate of interest payable for the final Interest Period in respect of such Notes shall only be determined on the date which the Notes become due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Notes.

In addition, the manner of adoption or application of RFRs in the Eurobond markets may differ materially compared with the application and adoption of such RFRs in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of RFRs across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such RFRs.

The use of RFRs as reference rates for Eurobonds is nascent, and may be subject to change and development in terms of the methodology used to calculate such rates, the development of rates based on RFRs and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing RFRs. In particular, investors should be aware that several different methodologies have been used in notes linked to RFRs issued to date and no assurance can be given that any particular methodology will gain widespread market acceptance. The administrators of RFRs may make methodological or other changes that could change the value of RFRs, including changes related to the method by which such rates are calculated, eligibility criteria applicable to transactions used to calculate such rates, or timing related to the publication of such rates. In addition, an administrator may alter, discontinue or suspend calculation or dissemination of an RFR, in which case a fallback method of determining Rate of Interest of any Notes linked to that RFR will apply in accordance with the Terms and Conditions of the Notes (for further information, see the risk factor entitled "*The Group is subject to risks relating to the structure of particular Notes linked to the Secured Overnight Funding Rate ("SOFR"), SONIA, the Euro Short-Term Rate ("€STR") the Singapore Overnight Rate Average ("SORA"), the Singapore Interbank Offered Rate ("SIBOR") or any other benchmark*"). An administrator has no obligation to consider the interests of noteholders when calculating, adjusting, converting, revising or discontinuing any RFR.

Since RFRs are relatively new market indices, Notes linked to any such RFR may also have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities referencing any RFR, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if any RFR to which a series of Notes refers does not prove to be widely used in securities like the Notes, the trading price of such Notes referencing an RFR may be lower than those of Notes which reference indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that any RFR to which a series of Notes refers will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing the relevant RFR. If the manner in which such RFR is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

Certain administrators of RFRs have published hypothetical and actual historical performance data. Hypothetical data inherently includes assumptions, estimates and approximations and actual historical performance data may be limited in the case of RFRs. Investors should not rely on hypothetical or actual historical performance data as an indicator of future performance of such RFRs.

## 2. Risks related to Notes denominated in Renminbi

There are certain special risks associated with investing in any Notes denominated in Renminbi (“**RMB Notes**”). The Issuers believe that the factors described below represent the principal risks inherent in investing in RMB Notes issued, but the inability of an Issuer to pay interest, principal or other amounts on or in connection with RMB Notes may occur for other reasons and the Issuers do not represent that the statements below regarding the risks of holding RMB Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

### 2.1 *The Renminbi is not completely freely convertible and there are significant restrictions on remittance of Renminbi into and outside the PRC which may adversely affect the liquidity of RMB Notes*

The Renminbi is not completely freely convertible at present. The government of the PRC (the “**PRC government**”) continues to regulate conversion between the Renminbi and foreign currencies, including the Hong Kong dollar, despite the reduction of control over the years by the PRC government over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

Remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Subject to the prior receipt of all necessary governmental approvals, an Issuer may remit the net proceeds from the offering of RMB Notes into the PRC. There is no assurance that such approvals will be granted and, if granted, will not be revoked or amended in the future. Although the Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund in 2016 and policies further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were implemented by the People’s Bank of China (“**PBOC**”) in 2018, there is no assurance that the PRC government will continue to gradually liberalise the control over cross-border RMB remittances in the future, that any pilot schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which would have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. An Issuer may need to source Renminbi offshore to finance its obligations under RMB Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC which may be affected in the event that funds cannot be repatriated outside the PRC in Renminbi. For further details in respect of the remittance of Renminbi into and outside the PRC, see the section entitled “*PRC Currency Controls*” on pages 201 to 206 of this Prospectus.

### 2.2 *There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and an Issuer’s ability to source Renminbi outside China to service RMB Notes*

As a result of the restrictions imposed by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. While the PBOC has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the “**Renminbi Clearing Banks**”), including but not limited to Hong Kong, and is in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the “**Settlement Arrangements**”),

the current size of Renminbi-denominated financial assets outside the PRC remains limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. RMB Clearing Banks will only have access to onshore liquidity support from PBOC to square open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future, which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of RMB Notes. To the extent an Issuer is required to source Renminbi in the offshore market to service RMB Notes, there is no assurance that such Issuer will be able to source such Renminbi on satisfactory terms, if at all. If the Renminbi is not available in certain circumstances as described under “*Terms and Conditions of the Notes – Payments and Talons – Inconvertibility, Non-transferability or Illiquidity*”, the relevant Issuer can make payments under the Renminbi Notes in a currency other than Renminbi.

### 2.3 *Investment in RMB Notes is subject to exchange rate risks*

The value of the Renminbi against the U.S. dollar, the Hong Kong dollar and other currencies fluctuates and is affected by changes in the PRC and international, political and economic conditions and by many other factors. In August 2015, PBOC implemented changes to the way it calculates the midpoint of the Renminbi against the U.S. dollar to take into account market-maker quotes before announcing the daily midpoint. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against other currencies. An Issuer will make all payments of interest and principal with respect to RMB Notes in Renminbi. As a result, the value of these Renminbi payments in foreign currency may vary with the prevailing exchange rates in the marketplace. For example, when an investor buys RMB Notes, such investor may need to convert foreign currency to Renminbi at the exchange rate available at that time. If the value of Renminbi depreciates against the relevant foreign currency between then and the time that the relevant Issuer pays back the principal of RMB Notes in Renminbi at maturity, the value of the investment in the relevant foreign currency will have declined. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from an investment in the RMB Notes.

### 2.4 *Payments in respect of RMB Notes will only be made to investors in the manner specified in RMB Notes*

All payments to investors in respect of RMB Notes will be made solely (i) for so long as RMB Notes are represented by a Global Note or Global Certificate, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and procedures of the relevant clearing system, or (ii) for so long as RMB Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The relevant Issuer cannot be required to make payment by any other means (including in any other currency (unless this is specified in the Final Terms of the RMB Notes) or by transfer to a bank account in the PRC).

*2.5 There may be PRC tax consequences with respect to investment in the RMB Notes*

In considering whether to invest in the RMB Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situation as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the holder's investment in the RMB Notes may be materially and adversely affected if the holder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those RMB Notes.

*2.6 Remittance of proceeds in Renminbi into or out of the PRC*

In the event that an Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there is no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

There is no assurance that the PRC Government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that the PRC Government will not impose any interim or long-term restrictions on capital inflow or outflow which may restrict cross-border Renminbi remittances, that the pilot schemes introduced will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that an Issuer does remit some or all of the proceeds into the PRC in Renminbi and an Issuer subsequently is not able to repatriate funds out of the PRC in Renminbi, it will need to source Renminbi outside the PRC to finance its obligations under the Renminbi Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

*2.7 Investment in RMB Notes denominated in Renminbi is subject to interest rate risks*

The value of Renminbi payments under RMB Notes may be susceptible to interest rate fluctuations occurring within and outside the PRC, including PRC Renminbi repo rates and/or the Shanghai inter-bank offered rate. The PRC Government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC law and regulations and prevailing market conditions.

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

*2.8 Payments in respect of the RMB Notes will only be made to investors in the manner specified in the RMB Notes*

Investors may be required to provide certifications and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

All payments to investors in respect of the RMB Notes will be made solely by (i) when the RMB Notes are represented by a Global Note deposited with a sub-custodian for the CMU Service, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU Service rules and procedures, (ii) when the RMB Notes are



represented by a Global Note held with the common depository for Euroclear and Clearstream, Luxembourg or any alternative clearing system, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing Euroclear and Clearstream, Luxembourg rules and procedures, or (iii) when the RMB Notes are in definitive form, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

### **3. Risks related to the Notes generally**

#### **3.1 *Holding company structure and the structural subordination of Notes***

SCPLC is a holding company and operates its business entirely through its subsidiaries, including SCB. SCB also operates part of its business through its subsidiaries. Payments on Notes issued by SCPLC or SCB are structurally subordinated to all existing and future liabilities and obligations of each company's subsidiaries. Claims of creditors of such subsidiaries will have priority as to the assets of such subsidiaries over SCPLC or SCB and their creditors, including holders of any Notes issued by SCPLC or SCB. Each Issuer's obligation to make payments on the Notes issued by it is solely an obligation of that Issuer and will not be guaranteed by any of its subsidiaries or associates. Neither the Terms and Conditions nor the Trust Deed contain any restrictions on the ability of SCPLC's or SCB's subsidiaries or associates to incur additional unsecured or secured indebtedness.

In addition, as holding companies, SCPLC's and SCB's ability to make payments depends, substantially in the case of SCPLC, and partly, in the case of SCB, upon the receipt of dividends, distributions or advances from their respective subsidiaries and associates. The ability of each company's subsidiaries and associates to pay dividends or such other amounts will be subject to their profitability, to applicable laws and regulations, to the evolution of their capital adequacy position and to restrictions on making payments contained in financing or other agreements.

#### **3.2 *Restricted remedy for non-payment***

The remedies against an Issuer available to the Trustee on behalf of the holders of (i) Dated Subordinated Notes or (ii) any Series of Senior Notes for which Restrictive Events of Default are specified in the Final Terms will be limited. Subject to certain conditions, as described under Condition 9(d), including a requirement that the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction, in most circumstances the sole remedy available to the Trustee to recover any amounts owing in respect of the principal of or interest on such Notes will be to institute proceedings for the winding-up of the relevant Issuer in its jurisdiction of incorporation. See "*Terms and Conditions of the Notes, Condition 9(b)*" and "*Terms and Conditions of the Notes, Condition 9(c)*".

#### **3.3 *Modification, waivers and substitution***

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal

debtor under any Notes in place of any of the Issuers, in the circumstances described in Condition 10 of the Terms and Conditions of the Notes. The provisions in the Terms and Conditions of the Notes and the Trust Deed may only be modified or waived and any Issuer may only be substituted if the relevant Issuer has notified the Relevant Regulator of such modification, waiver or substitution and/or obtained the prior consent of the Relevant Regulator, as the case may be (if such notice and/or consent is required).

3.4 *Implementation of and/or changes to the capital adequacy framework may result in changes to the risk-weighting of the Notes and/or loss absorption by Noteholders in certain circumstances*

The Basel III framework adopted by the BCBS introduced, amongst other things, new definitions of instruments eligible as regulatory capital, measures to strengthen the capital requirements for counterparty credit risk exposures arising from certain transactions, a leverage ratio and liquidity metrics.

Basel III was originally implemented in the EU through Directive 2013/36/EU (as amended by Directive (EU) 2019/873) (“**CRD IV**”). Agreement on CRD IV was reached on 16 April 2013 and the final texts were published in the Official Journal of the EU on 26 June 2013. Member States were required to apply the new requirements (with certain exceptions and subject to transitional arrangements) from 1 January 2014. In December 2020, CRD V became applicable, amending CRD IV and CRR in part to reflect amendments made by the BCBS to the Basel III standards. The changes in requirements introduced through CRD V or the implementation of Basel III in the UK may have an impact on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

Any of the foregoing could affect the capital treatment of the Notes for investors who are subject to capital adequacy requirements that follow, or are based on, Basel I (being the International Convergence of Capital Measurement and Capital Standards published by the BCBS in July 1988 together with the Amendment to the Capital Accord to Incorporate Market Risks published by the BCBS in January 1996, in each case as amended by the BCBS), Basel II or Basel III (including, in the EU/EEA, banks and investment firms), or the ability of such investors to hold the Notes. This could, in turn, affect the liquidity and/or value of the Notes.

Furthermore, the Notes may be subject to regulatory capital write-down powers and/or bail-in powers (see “*Risks related to the structure of a particular issue of Notes – Notes issued under the Programme may be subject to statutory write-down or bail-in*” below and the paragraph entitled “*Risks associated with regulatory resolution measures - the business and operations of the Group may be affected by resolution measures developed by its regulators, including those introduced in accordance with the Directive (EU) 2014/59, as it forms part of the domestic law of the UK by virtue of the EUWA (“**BRRD**”) (as amended) and the Banking Act 2009*” above).

The application of write-down, conversion to equity or bail-in to the Notes may have an adverse effect on the position of holders of Senior Notes and/or Dated Subordinated Notes and, as a result, may affect the liquidity and/or value of the Notes. See “*Treasury risk - The Group is exposed to the risk of regulators imposing new prudential standards, including increased capital, leverage, loss-absorbing capacity and liquidity requirements*” above.

In all other respects, the Issuers cannot predict the precise effects of potential changes that might result from the requirements on investors' own financial performance or the impact on the market value of the Notes. Prospective investors in the Notes should consult their own advisers as to the potential consequences to and effect on them of the changes described above.

### 3.5 *Notes issued under the Programme may be subject to statutory write-down or bail-in*

Pursuant to the Banking Act 2009, the Dated Subordinated Notes issued under the Programme could be subject to the exercise of regulatory capital write-down powers in certain circumstances, including before a determination that the relevant Issuer and/or the Group has reached the point of non-viability. Senior Notes and Dated Subordinated Notes issued under the Programme (insofar as they have not already been written-down or converted under such regulatory capital write-down powers) also fall within the scope of the bail-in powers set out in the Banking Act 2009. The determination that the regulatory capital write-down powers or the bail-in powers will be exercised in respect of all or part of the principal amount of any Notes may be unpredictable and may be outside of the Issuers' control. Accordingly, trading behaviour in respect of the Notes which are subject to such powers is not necessarily expected to follow trading behaviour associated with other types of securities. Any final determination, or actual or perceived increase in the likelihood, that such powers will be exercised in respect of the Notes could have an adverse effect on the market price of the relevant Notes.

Potential investors should also consider the risk that a Noteholder may lose all of its investment in such Notes and claims to unpaid interest. Any amounts written-off as a result of the application of either regulatory capital write-down powers or bail-in powers would be irrevocably lost and holders of such Notes would cease to have any claims for (i) the written-off principal amount of the Notes and (ii) any unaccrued obligations or claims arising in relation to such amounts where the full principal amount of a Note is written-off. In circumstances where the BoE (as the UK Resolution Authority) uses its bail-in powers to reduce part of the principal amount of the Notes, the terms of the Notes would continue to apply in relation to the residual principal amount, subject to any modification to the amount of interest payable to reflect the reduction of the principal amount. Furthermore there is a risk that the BoE (as the UK Resolution Authority) could use other resolution tools at its disposal if SCB or the Group were in resolution, either individually or in combination, to sell all or part of the business, including shares or other instruments of ownership issued by an institution, any assets, rights or liabilities, to another firm or to a bridge institution, and/or to transfer assets, rights or liabilities to a bridge institution and/or one or more asset management vehicles.

Where the BoE (as the UK Resolution Authority) uses its bail-in powers, it must ensure that creditors do not incur greater losses than they would have incurred had the institution been wound up under normal insolvency proceedings immediately before the exercise of the resolution power, however there can be no guarantee that the application of this requirement will mean that a Noteholder will not lose all of its investment in the Notes in the event that the BoE (as the UK Resolution Authority) uses its bail-in powers in this way.

For a description of the recovery and resolution stabilisation and resolution framework in the UK, see "*Supervision and Regulation - Recovery and resolution stabilisation and resolution framework*" on pages 144 and 145 of this Prospectus.

### 3.6 *Holders agree to be bound by the exercise of the UK Bail-in Power by the Resolution Authority*

In recognition of the resolution powers granted by law to the Resolution Authority (as defined in Condition 4(k)), by acquiring any Series of Notes, each Noteholder acknowledges and accepts that the amounts due under the Notes may be subject to the exercise of the UK Bail-in Power (as defined in the Terms and Conditions) and acknowledges, accepts, consents and agrees to be bound by the effect of the exercise of the UK Bail-in Power by the Resolution Authority that may result in (i) the reduction of all, or a portion of, the amounts due under the Notes; (ii) the conversion of all, or a portion of, the amounts due under the Notes into shares or other securities or other obligations of the relevant Issuer or another person (and the issue to or conferral on the Noteholder of such shares, securities or obligations), including by means of an amendment,

modification or variation of the terms of the Notes; (iii) the cancellation of the Notes; (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable of the Notes, or the dates on which interest becomes payable, including by suspending payment for a temporary period. Each Noteholder further acknowledges, accepts, consents and agrees to be bound by the variation of the terms of the Notes, if necessary, to give effect to the exercise of the UK Bail-in Power by the Resolution Authority.

Accordingly, the UK Bail-in Power may be exercised in such a manner as to result in Noteholders losing all or part of the value of their investment in the Notes or receiving a different security from the Notes, which may be worth significantly less than the Notes and which may have significantly fewer protections than those typically afforded to debt securities. Moreover, the Resolution Authority may exercise the UK Bail-in Power without providing any advance notice to, or requiring the consent of, the Noteholders. In addition, under the Terms and Conditions, the exercise of the UK Bail-in Power by the Resolution Authority with respect to the Notes is not an Event of Default (as defined in the Trust Deed). See also, generally, the “*Regulatory capital write-down, bail-in and other Resolution Powers*” and “*Contractual recognition of bail-in*” paragraphs in the risk factor entitled “*Risks associated with regulatory resolution measures - The business and operations of the Group may be affected by resolution measures developed by its regulators, including those introduced in accordance with the Directive (EU) 2014/59, as it forms part of the domestic law of the UK by virtue of the EUWA (“BRRD”) (as amended) and the Banking Act 2009*” above.

### 3.7 *Change of law*

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or any administrative practice after the date of issue of the relevant Notes.

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

In respect of each Series of Notes which are specified in the relevant Final Terms as being “Sustainability Bonds”, “Green Bonds” or “Social Bonds”, the relevant Issuer will exercise its judgment and sole discretion in determining the businesses and projects that will constitute Eligible Projects (as defined in the section entitled “*Use of Proceeds*”) in respect of such Series of Notes, as described under “*Use of Proceeds*” below, which will be financed by an amount equal to the net proceeds of the issuance of such Notes. If the use of such proceeds is a factor in an investor’s decision to invest in the Notes, they should consider the disclosure in “*Use of Proceeds*” below and/or in the relevant Final Terms relating to such Notes, and consult with their legal or other advisers before making an investment in the Notes. There can be no assurance that any of the businesses and projects funded with the net proceeds of the issuance of the Notes will meet a specific framework or an investor’s expectations or requirements. Each Noteholder acknowledges and accepts that the amounts due under the Notes may be subject to the exercise of the UK Bail-in Power (as defined in the Terms and Conditions), irrespective of whether the Notes are specified in the relevant Final Terms as being “Sustainability Bonds”, “Green Bonds” or “Social Bonds”.

Furthermore, there is no contractual obligation to allocate any proceeds of the issuance of the Notes to finance Eligible Projects or to provide annual progress reports as described in “*Use of Proceeds*” below and/or in the relevant Final Terms. The relevant Issuer’s failure to so allocate or report, the failure of any Eligible Projects funded with an amount equal to the net proceeds of the issuance of the Notes to meet a specific framework or the failure of external assurance providers to opine on the relevant Eligible Projects’ conformity with a specific framework, will not (i) give rise to any claim of a Noteholder against the Issuers, the Dealers or any other party, (ii) constitute an Event of

Default with respect to the Notes or a breach or violation of any term thereof or constitute a default by the relevant Issuer for any other purpose, (iii) lead to a right or obligation of the Issuer to redeem any of the Notes, (iv) constitute an incentive to redeem or (v) affect the qualification of the Notes which are Dated Subordinated Notes as part of the Capital Resources (as defined in the Terms and Conditions) of the relevant Issuer or of the Group or the eligibility of the Notes which are Senior Notes to count towards the relevant Issuer's or the Group's minimum requirements for own fund and eligible liabilities or loss-absorbing capacity instruments (as applicable) and may affect the value of the Notes and/or have adverse consequences for certain investors with portfolio mandates to invest in green, social and/or sustainable assets. None of the Dealers will verify or monitor the proposed use of proceeds of Notes issued under the Programme.

It should be noted that there is currently no clearly-defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "social", "sustainable" or an equivalently labelled project or as to what precise attributes are required for a particular project to be defined as "green", "social", "sustainable" or such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time or that, if such a definition, market consensus or label is developed in the future, any Green Bonds will comply with such definition, market consensus or label. A basis for the determination of such a definition has been established in the EU with the publication in the Official Journal of the EU on 22 June 2020 of Regulation (EU) 2020/852 of the European Parliament and of the Council on 18 June 2020 (the "**Taxonomy Regulation**") on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy**"). The EU Taxonomy is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out in the Taxonomy Regulation. On 21 April 2021, the European Commission approved in principle the first delegated act (the "**EU Taxonomy Climate Delegated Act**") aimed at supporting sustainable investment by making it clearer which economic activities most contribute to meeting the EU's environmental objectives. The EU Taxonomy Climate Delegated Act sets out criteria for economic activities in the sectors that are most relevant for achieving climate neutrality and delivering on climate change adaptation. This includes sectors such as energy, forestry, manufacturing, transport and buildings. Criteria for other environmental objectives will follow in a later delegated act, in line with the mandates in the Taxonomy Regulation. Until all criteria for such objectives have been developed and disclosed it is not known whether any Eligible Projects will satisfy those criteria. Accordingly, alignment with the EU Taxonomy, once all criteria is established, is not certain. In addition to the EU Taxonomy, recent regulations such as the EU Sustainable Finance Disclosure Regulation and EU Green Bond Standards have been introduced to address, among other things, climate change and sustainability, and broadly focuses on disclosure obligations, standardised definitions and classification frameworks for environmentally sustainable activities. The European Banking Authority released a report on 24 January 2022, which includes guidelines on prudential disclosures on ESG risks in accordance with Article 449a CRR. In particular, disclosures in relation to exposures that are towards sectors covered by the Taxonomy Regulation and the breakdown of those exposures that are environmentally sustainable.

Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any of the businesses and projects funded with an amount equal to the net proceeds of the issuance of the Notes will meet any or all investor expectations regarding such "green", "social", "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any of the businesses and projects funded with an amount equal to the net proceeds of the issuance of the Notes.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or report (including, without limitation, the Sustainability reports and opinions referred to in “*Use of Proceeds*” below) of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of the Notes and in particular as to whether any of the businesses and projects to be funded with an amount equal to the net proceeds of the issuance of the Notes fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or report is not, nor shall it be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such opinion or report is not, nor should be deemed to be, a recommendation by the relevant Issuer, the Dealers or any other person to buy, sell or hold any Notes. Any such opinion or report is only current as at the date that opinion or report was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or report and/or the information contained therein and/or the provider of such opinion or report for the purpose of any investment in the Notes. The providers of such opinions and reports are not currently subject to any specific regulatory or other regime or oversight. Investors in the Notes shall have no recourse against the Issuers, the Dealers or the provider of any such opinion or certification for the contents of any such opinion or report.

If a Series of Notes is at any time listed in, admitted to or included in any dedicated “green”, “environmental”, “social”, “sustainable” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the relevant Issuer, the Dealers or any other person that such listing or admission satisfies, whether in whole or part, any present or future investor expectations or requirements as regards to any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own constitutive documents or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any of the businesses and projects funded with an amount equal to the net proceeds of the issuance of the Notes. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No assurance or representation is given or made that any such listing or admission to trading will be obtained in respect of a Series of Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

None of the Issuers or the Dealers makes any representation as to (i) whether the Notes will meet investor criteria and expectations regarding environmental or social impact and sustainability performance for any investors, (ii) whether an amount equal to the net proceeds of the issuance of the Notes will be used to finance and/or refinance relevant Eligible Projects, or (iii) the characteristics of relevant Eligible Projects, including their green, social and/or sustainability criteria, as applicable. Each potential purchaser of the Notes should have regard to the Eligible Project categories and criteria described in “*Use of Proceeds*” and/or in the relevant Final Terms and determine for itself the relevance of the information contained in this Base Prospectus regarding the use of proceeds, and its purchase of any Notes should be based upon such investigation as it deems necessary.

For information on the climate-related regulatory framework in which the Issuers operate, see “*Regulation and Supervision - Climate-related regulatory environment*” on pages 147 and 148 of this Prospectus.

#### **4. Risks related to the market generally**

##### **4.1 *The secondary market generally***

Notes may have no established trading market when issued, and one may never develop (for example, Notes may be allocated to a limited pool of investors). If a market does

develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of Notes.

#### 4.2 *Exchange rate risks and exchange controls*

An Issuer will pay principal and interest on the Notes in the currency specified (the “**Currency**”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Currency would decrease (i) the Investor’s Currency-equivalent yield on the Notes, (ii) the Investor’s Currency-equivalent value of the principal payable on the Notes and (iii) the Investor’s Currency-equivalent market value of the Notes.

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

#### 4.3 *Interest rate risks*

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

#### 4.4 *Credit ratings assigned to Notes issued under the Programme*

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, reduced or withdrawn by the rating agency at any time. Each rating should be evaluated independently of any other rating. The suspension, reduction or withdrawal of a credit rating assigned to the Notes, or assignment of an unsolicited rating, might affect the trading behaviour of the relevant Notes and could have an adverse effect on their market price.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions (“**Conditions**”) that, save for the text in italics and subject to completion and minor amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms or Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each series of Notes (each a “**Series**”). Either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms or Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “**Notes**” are to the Notes of one Series only, not to all Notes that may be issued under the Programme. Provisions in italics do not form part of the Conditions. References to the “**Issuer**” are to Standard Chartered PLC (“**SCPLC**”) or Standard Chartered Bank (“**SCB**”) as applicable as the relevant Issuer of the Notes as specified in the Final Terms or Pricing Supplement.*

*These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms or Pricing Supplement in relation to such Series.*

The Notes are constituted by an Amended and Restated Trust Deed dated 15 June 2022, which amends and restates an Amended and Restated Trust Deed dated 15 June 2021, and as further amended and/or supplemented as at the date of issue of the Notes (the “**Issue Date**”) (the “**Trust Deed**”) between SCPLC, SCB and BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. An Amended and Restated Agency Agreement dated 15 June 2021, which amends and restates an Amended and Restated Agency Agreement dated 17 June 2020 (and as amended and/or supplemented as at the Issue Date (the “**Agency Agreement**”)), was entered into in relation to the Notes between SCPLC, SCB, the Trustee and The Bank of New York Mellon, London Branch as issuing and paying agent, paying agent, transfer agent and calculation agent, The Bank of New York Mellon SA/NV, Luxembourg Branch as paying agent, registrar and transfer agent, The Bank of New York Mellon, Hong Kong Branch as CMU Paying Agent and CMU Lodging Agent (the “**CMU Lodging Agent**”, which expression shall include any successor CMU lodging agents), and The Bank of New York Mellon as exchange agent, paying agent, registrar and calculation agent and the other agents named therein. The issuing and paying agent, the paying agents, the registrars, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent and the CMU Lodging Agent), the “**Registrar**”, the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent(s)**”. Copies of the Trust Deed and the Agency Agreement referred to above are available for inspection free of charge by appointment during usual business hours at the registered office of the Trustee (presently at One Canada Square, London E14 5AL) and at the specified offices of the Paying Agents and the Transfer Agents (at the Trustee’s, the Paying Agents’ or the Transfer Agents’ option, such inspection may be provided electronically) (the Trust Deed and Agency Agreement are also available at the website of the Issuer at <https://www.sc.com/en/investors/>), save that, if any Series of Notes is neither admitted to trading on a regulated market in the United Kingdom, nor offered to the public in the United Kingdom (the “**UK**”) in circumstances where a prospectus is required to be published pursuant to Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (the “**UK Prospectus Regulation**”), the applicable pricing supplement will only be available for inspection by a Noteholder holding one or more Notes of the Series and such Noteholder must produce evidence satisfactory to the relevant Issuer and the Trustee or, as the case may be, the relevant Paying Agent as to its holding of such Notes and



identity. For the purposes of these Conditions, all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the Issuing and Paying Agent shall, with respect to a Series of Notes to be held in the Hong Kong Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU Service**”), be deemed to be a reference to the CMU Lodging Agent and all such references shall be construed accordingly.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) appertaining to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**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 applicable Final Terms or Pricing Supplement and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

The Final Terms or Pricing Supplement (as applicable) for this Note (or the relevant provisions thereof) are attached to or endorsed on this Note. Part A of the Final Terms or Pricing Supplement (as applicable) supplements these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Note. References to the “applicable Final Terms” are to the Final Terms (or relevant provisions thereof) attached to or endorsed on this Note. References to the “applicable Pricing Supplement” are to the Pricing Supplement (or relevant provisions thereof) attached to or endorsed on this Note.

As used in these Conditions, “**Tranche**” means Notes of a Series which are identical in all respects.

## **1. Form, Denomination and Title**

The Notes are issued in bearer form (“**Bearer Notes**”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“**Registered Notes**”) or in bearer form exchangeable for Registered Notes (“**Exchangeable Bearer Notes**”) in each case in the denomination(s) specified hereon (the “**Denomination(s)**”) save that the minimum Denomination of each Note admitted to trading on a regulated market in the UK and/or offered to the public in the UK which require the publication of a prospectus under the UK Prospectus Regulation will be at least €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Relevant Currency.

*All Registered Notes shall have the same Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Denomination as the lowest denomination of Exchangeable Bearer Notes. Unless otherwise permitted by the then current laws and regulations, Notes issued by SCPLC which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by SCPLC in the United Kingdom or whose issue would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (“**FSMA**”) will have a minimum Denomination of £100,000 (or its equivalent in other currencies). Notes sold in reliance on Rule 144A will be in minimum Denominations of U.S.\$200,000 (or its equivalent in another currency) and integral multiples of U.S.\$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant jurisdiction.*

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent a holder’s entire holding of Registered Notes.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). The Issuer may appoint a registrar (the “**Alternative Registrar**”) in accordance with the provisions of the Agency Agreement other than the Registrar in relation to any Series comprising Registered Notes. In these Conditions, “**Registrar**” includes, if applicable, in relation to any Series comprising Registered Notes, the Registrar or, as the case may be, the Alternative Registrar. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

## **2. Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes**

### **(a) Exchange of Exchangeable Bearer Notes**

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 6(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination may not be exchanged for Bearer Notes of another Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

### **(b) Transfer of Registered Notes**

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require without service charge and subject to payment of any taxes, duties and other governmental charges in respect of such transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

### **(c) Exercise of Options or Partial Redemption in Respect of Registered Notes**

In the case of an exercise of an Issuer’s or Noteholder’s option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect

of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) **Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar.

(e) **Exchange Free of Charge**

Exchange and transfer of Notes and Certificates on registration, transfer or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) **Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

### **3. Status**

(a) **Status of Senior Notes**

The Senior Notes (being those Notes that specify their Status as Senior) and the Coupons relating to them constitute direct and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

(b) **Status of Dated Subordinated Notes**

The Dated Subordinated Notes (being those Notes that specify their Status as Dated Subordinated) and the Coupons relating to them constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves.

The rights and claims of Noteholders and Couponholders against the Issuer to payment in respect of the Dated Subordinated Notes (including, without limitation, any payments in respect of damages awarded for breach of any obligations) are, in the event of the winding-up of the Issuer or in an administration of the Issuer following notice by the administrator of an intention to declare and distribute a dividend, subordinated in right of payment in the manner provided in the Trust Deed to the claims of all Senior Creditors (as defined below). Accordingly, amounts (whether principal, interest or otherwise) in respect of the Notes and Coupons shall be payable in such winding-up or such administration following notice by the administrator of an intention to declare and distribute a dividend, only if and to the extent that the Issuer could be considered solvent at the time of payment thereof and still be considered solvent immediately thereafter. For this purpose, the Issuer shall be considered solvent if both (i) it is able to pay its debts to Senior Creditors as they fall due and (ii) its Assets exceed its Liabilities to Senior Creditors.

A report as to the solvency of the Issuer by two authorised signatories of the Issuer or, in certain circumstances as provided in the Trust Deed, the Auditors or, if the Issuer is being wound up, its liquidator shall, in the absence of manifest error, be treated and accepted by the Issuer, the Trustee and the Dated Subordinated Noteholders and Couponholders as correct and sufficient evidence thereof.

(c) ***Set-off and excess payment***

Subject to applicable law, no Noteholder or Couponholder may exercise, claim or plead any right of set-off, counter-claim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Notes, the Dated Subordinated Notes or the Coupons in respect of them and each Noteholder and Couponholder shall, by virtue of being the holder of any Senior Note, Dated Subordinated Note or, as the case may be, Coupon in relation to them, be deemed to have waived all such rights of such set-off, counter-claim or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder or Couponholder by the Issuer under or in connection with the Senior Notes and/or Dated Subordinated Notes is discharged by set-off, such Noteholder or Couponholder, as the case may be, shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of its winding-up or administration, the liquidator or administrator, as appropriate, of the Issuer and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer, or the liquidator or administrator, as appropriate, of the Issuer (as the case may be) and accordingly any such discharge shall be deemed not to have taken place.

For the purposes of Conditions 3(b) and (c):

**“Assets”** means the non-consolidated gross assets of the Issuer as shown by the then latest published balance sheet of the Issuer but adjusted for contingencies and for subsequent events and to such extent as two authorised signatories of the Issuer, the Auditors or the liquidator of the Issuer (as the case may be) may determine to be appropriate;

**“Auditors”** means the auditors for the time being of the Issuer or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of the Trust Deed, such other firm of accountants as may be nominated or approved by the Trustee after consultation with the Issuer;

**“Liabilities”** means the non-consolidated gross liabilities of the Issuer as shown by the then latest published balance sheet of the Issuer but adjusted for contingencies and for subsequent events and to such extent as two authorised signatories of the Issuer, the Auditors or the liquidator of the Issuer (as the case may be) may determine to be appropriate; and

**“Senior Creditor”** means any creditor of the Issuer (and, for the purposes of Condition 10(c) only, any creditor of a Holding Company of the Issuer that is substituted for such Issuer in which case references in (i) and (ii) below to the Issuer shall be construed as referring to such Holding

Company) whose claims have been accepted by the liquidator in the winding-up of the Issuer, not being a creditor:

- (i) whose right to repayment ranks or is expressed to rank postponed to or subordinate to that of unsubordinated creditors of the Issuer; or
- (ii) whose right to repayment is made subject to a condition or is restricted (whether by operation of law or otherwise) or is expressed to be restricted in each case such that the amount which may be claimed for his own retention by such creditor in the event that the Issuer is not solvent is less than in the event that the Issuer is solvent; or
- (iii) whose debt is irrecoverable or expressed to be irrecoverable unless the persons entitled to payment of principal and interest in respect of the Dated Subordinated Notes recover the amounts of such principal and interest which such persons would be entitled to recover if payment of such principal and interest to such persons were not subject to any condition.

#### **4. Interest and other Calculations**

##### **(a) *Interest Rate and Accrual***

Each Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate, such interest being payable in arrear on each Interest Payment Date.

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest shall continue to accrue (after as well as before judgment) at the Interest Rate in the manner provided in this Condition 4 to the Relevant Date.

The amount of interest payable shall be determined in accordance with Condition 4(h).

##### **(b) *Business Day Convention***

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified hereon is (i) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (ii) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

##### **(c) *Interest Rate on Floating Rate Notes***

If the Interest Rate is specified as being Floating Rate, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of each Interest Accrual Period in accordance with the following provisions.

(i) *Floating Rate Notes other than Floating Rate Notes referencing SOFR, SONIA, €STR or SORA*

(A) Subject to Condition 4(f)(i), if the Primary Source for the Floating Rate is a Page which does not reference SOFR, SONIA, €STR or SORA as the Benchmark, subject as provided below, the Interest Rate shall be:

- a. the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or
- b. the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date, plus or minus (as specified hereon) the Margin (if any) in accordance with Condition 4(g), all as determined by the Calculation Agent.

(B) Subject to Condition 4(f)(i), if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (i)(A)a. applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (i)(A)b. above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent.

(C) If paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Calculation Agent will determine the arithmetic mean of the rates per annum (expressed as a percentage) that the Issuer acting in good faith determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Relevant Currency that at least two out of five leading banks selected by the Issuer acting in good faith in the principal financial centre of the country of the Relevant Currency or, if the Relevant Currency is euro, in the Eurozone (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (x) to leading banks carrying on business in Europe, or (if the Issuer acting in good faith determines that fewer than two of such banks are so quoting to leading banks in Europe) (y) to leading banks carrying on business in the Principal Financial Centre, and the Interest Rate shall be the sum of the Margin and the arithmetic mean so determined; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Interest Rate shall be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(ii) *Floating Rate Notes referencing SOFR*

If the Primary Source for the Floating Rate is a Page which references SOFR as the Benchmark, the Interest Rate for each Interest Accrual Period shall, subject

to Condition 4(f)(ii) and as provided below, be equal to the relevant SOFR Benchmark, plus or minus (as specified hereon) the Margin (if any) in accordance with Condition 4(g), all as determined by the Calculation Agent.

The “**SOFR Benchmark**” will be determined based on SOFR Arithmetic Mean, SOFR Compound or SOFR Index Average, as follows (subject in each case to Condition 4(f)(ii)):

- (A) If SOFR Arithmetic Mean (“**SOFR Arithmetic Mean**”) is specified as applicable hereon, the SOFR Benchmark for each Interest Accrual Period shall be the arithmetic mean of the SOFR rates for each day during the period, as calculated by the Calculation Agent, where, if applicable (as specified hereon), the SOFR rate on the SOFR Rate Cut-Off Date shall be used for the days in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Period Date.
- (B) If SOFR Compound (“**SOFR Compound**”) is specified as applicable hereon, the SOFR Benchmark for each Interest Accrual Period shall be equal to the value of the SOFR rates for each day during the relevant Interest Accrual Period (where SOFR Compound with Lookback or SOFR Compound with Payment Delay is specified hereon to determine SOFR Compound) or SOFR Observation Period (where SOFR Compound with SOFR Observation Period Shift is specified hereon to determine SOFR Compound).

SOFR Compound shall be calculated in accordance with one of the formulas referenced below depending upon which is specified as applicable hereon:

- a. *SOFR Compound with Lookback:*

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_{i-xUS} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>o</sub>**” for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers from one to d<sub>o</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period;

**“Lookback Days”** means the number of U.S. Government Securities Business Days as agreed in advance by the Issuer and the Calculation Agent and specified hereon;

**“ $n_i$ ”** for any U.S. Government Securities Business Day “ $i$ ” in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “ $i$ ” up to (but excluding) the following U.S. Government Securities Business Day (“ $i+1$ ”); and

**“ $SOFR_{i-xUSBD}$ ”** for any U.S. Government Securities Business Day “ $i$ ” in the relevant Interest Accrual Period, is equal to the SOFR in respect of the U.S. Government Securities Business Days falling a number of U.S. Government Securities Business Days prior to that day “ $i$ ” equal to the number of Lookback Days.

b. *SOFR Compound with SOFR Observation Period Shift:*

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

**“ $d$ ”** means the number of calendar days in the relevant SOFR Observation Period;

**“ $d_o$ ”** for any SOFR Observation Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

**“ $i$ ”** means a series of whole numbers from one to  $d_o$ , each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period;

**“ $n_i$ ”** for any U.S. Government Securities Business Day “ $i$ ” in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “ $i$ ” up to (but excluding) the following U.S. Government Securities Business Day (“ $i+1$ ”);

**“SOFR Observation Period”** means, in respect of each Interest Accrual Period, the period from (and including) the date falling a number of U.S. Government Securities Business Days equal to the SOFR Observation Shift Days preceding the first date in such Interest Accrual Period to (but excluding) the date falling a number of U.S. Government Securities Business Days equal to the number of SOFR Observation Shift Days preceding the Interest Period Date for such Interest Accrual Period;



**“SOFR Observation Shift Days”** means the number of U.S. Government Securities Business Days as agreed in advance by the Issuer and the Calculation Agent and specified hereon; and

**“SOFR<sub>i</sub>”** for any U.S. Government Securities Business Day “i” in the relevant SOFR Observation Period, is equal to SOFR in respect of that day “i”.

c. *SOFR Compound with Payment Delay:*

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

**“d”** means the number of calendar days in the relevant Interest Accrual Period;

**“d<sub>o</sub>”** for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

**“i”** means a series of whole numbers from one to d<sub>o</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period;

**“Interest Payment Dates”** shall be the number of Business Days equal to the Interest Payment Delay following each Interest Period Date; provided that the Interest Payment Date with respect to the final Interest Accrual Period will be the Maturity Date or, if the Issuer elects to redeem the Notes prior to the Maturity Date, the redemption date;

**“Interest Payment Delay”** means the number of U.S. Government Securities Business Days specified hereon;

**“Interest Payment Determination Dates”** means the Interest Period Date at the end of each Interest Accrual Period; provided that the Interest Payment Determination Date with respect to the final Interest Accrual Period will be the SOFR Rate Cut-Off Date;

**“n<sub>i</sub>”** for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day (“i+1”); and

**“SOFR<sub>i</sub>”** for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, is equal to SOFR in respect of that day “i”.

For the purposes of calculating SOFR Compound with respect to the final Interest Accrual Period, the level of SOFR for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date.

- (C) If SOFR Index Average (“**SOFR Index Average**”) is specified as applicable hereon, the SOFR Benchmark for each Interest Accrual Period shall be equal to the value of the SOFR rates for each day during the relevant Interest Accrual Period as calculated by the Calculation Agent as follows:

$$\left( \frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left( \frac{360}{d_c} \right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

“**d<sub>c</sub>**” means the number of calendar days from (and including) the SOFR Index<sub>Start</sub> to (but excluding) the SOFR Index<sub>End</sub>;

“**SOFR Index**” means the SOFR Index in relation to any U.S. Government Securities Business Day as published by the NY Federal Reserve on the NY Federal Reserve’s Website at the SOFR Determination Time and appearing on the Page;

“**SOFR Index<sub>End</sub>**” means the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified hereon preceding the Interest Period Date relating to such Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date); and

“**SOFR Index<sub>Start</sub>**” means the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified hereon preceding the first date of the relevant Interest Accrual Period (a “**SOFR Index Determination Date**”).

Subject to Condition 4(f)(ii), if the SOFR Index is not published on any relevant SOFR Index Determination Date and a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date have not occurred, the “SOFR Index Average” shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the SOFR Compound formula described above in “b. SOFR Compound with SOFR Observation Period Shift” and the term “SOFR Observation Shift Days” shall mean two U.S. Government Securities Business Days (or such other number of U.S. Government Business Days as agreed in advance by the Issuer and the Calculation Agent and specified hereon). If a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(f)(ii) shall apply.

In connection with the SOFR provisions above, the following definitions apply:

**“Bloomberg Screen SOFRRATE Page”** means the Bloomberg screen designated “SOFRRATE” or any successor page or service;

**“NY Federal Reserve”** means the Federal Reserve Bank of New York;

**“NY Federal Reserve’s Website”** means the website of the NY Federal Reserve, currently at [www.newyorkfed.org](http://www.newyorkfed.org), or any successor website of the NY Federal Reserve or the website of any successor administrator of SOFR;

**“Reuters Page USDSOFR=”** means the Reuters page designated “USDSOFR=” or any successor page or service;

**“SOFR”** means, with respect to any U.S. Government Securities Business Day, the rate determined by the Calculation Agent or the Independent Adviser, as the case may be, in accordance with the following provision:

- a. the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Bloomberg Screen SOFRRATE Page, then the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Reuters Page USDSOFR=, then the Secured Overnight Financing Rate that appears at the SOFR Determination Time on the NY Federal Reserve’s Website; or
- b. if the rate specified in a. above does not appear, the SOFR published on the NY Federal Reserve’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the NY Federal Reserve’s Website;

**“SOFR Determination Time”** means approximately 3:00 p.m. (New York City time) on the NY Federal Reserve’s Website on the immediately following U.S. Government Securities Business Day;

**“SOFR Benchmark Replacement Date”** means the date of occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark;

**“SOFR Benchmark Transition Event”** means the occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark;

**“SOFR Rate Cut-Off Date”** means the date that is a number of U.S. Government Securities Business Days prior to the end of each Interest Accrual Period, the Maturity Date or the redemption date, as applicable, as specified hereon; and

**“U.S. Government Securities Business Day”** 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.

(iii) *Floating Rate Notes referencing SONIA*

If the Primary Source for the Floating Rate is a Page which references SONIA as the Benchmark, the Interest Rate for each Interest Accrual Period shall, subject to Condition 4(f)(i) and as provided below, be equal to the relevant SONIA

Benchmark, plus or minus (as specified hereon) the Margin (if any) in accordance with Condition 4(g), all as determined by the Calculation Agent.

The “**SONIA Benchmark**” will be determined based on Compounded Daily SONIA or SONIA Compounded Index Rate, as follows (subject in each case to Condition 4(f)(i)):

- (A) If Compounded Daily SONIA (“**Compounded Daily SONIA**”) is specified as applicable hereon, the SONIA Benchmark for each Interest Accrual Period shall be the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Interest Rate, as specified hereon) as at the relevant Interest Determination Date, as follows:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in:

- a. where “Lag” is specified as the SONIA Observation Method hereon, the relevant Interest Accrual Period; or
- b. where “SONIA Observation Shift” is specified as the SONIA Observation Method hereon, the relevant SONIA Observation Period;

“**d<sub>o</sub>**” means:

- a. where “Lag” is specified as the SONIA Observation Method hereon, the number of London Banking Days in the relevant Interest Accrual Period; or
- b. where “SONIA Observation Shift” is specified as the SONIA Observation Method hereon, the number of London Banking Days in the relevant SONIA Observation Period;

“**i**” is a series of whole numbers from one to **d<sub>o</sub>**, each representing the relevant London Banking Day in chronological order from, and including:

- a. where “Lag” is specified as the SONIA Observation Method hereon, the first London Banking Day in the relevant Interest Accrual Period to, and including, the last London Banking Day in the relevant Interest Accrual Period; or
- b. where “SONIA Observation Shift” is specified as the SONIA Observation Method hereon, the first London Banking Day in the relevant SONIA Observation Period to, and including, the last London Banking Day in the relevant SONIA Observation Period;

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

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

“ $p$ ” means:

- a. where “Lag” is specified as the SONIA Observation Method hereon, five London Banking Days (or such other number of London Banking Days in the SONIA Observation Look-Back Period as agreed in advance by the Issuer and the Calculation Agent and specified hereon); or
- b. where “SONIA Observation Shift” is specified as the SONIA Observation Method hereon, five London Banking Days (or such other number of London Banking Days included in the SONIA Observation Shift Period as agreed in advance by the Issuer and the Calculation Agent and specified hereon);

“**SONIA Observation Period**” means the period from and including the date falling “ $p$ ” London Banking Days prior to the first day of the relevant Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling “ $p$ ” London Banking Days prior to the Interest Period Date for such Interest Accrual Period (or the date falling “ $p$ ” London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

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

“**SONIA<sub>i-pLBD</sub>**” means:

- a. where “Lag” is specified as the SONIA Observation Method hereon, in respect of any London Banking Day “ $i$ ”, the SONIA reference rate for the London Banking Day falling “ $p$ ” London Banking Days prior to such London Banking Day “ $i$ ”; or
- b. where “SONIA Observation Shift” is specified as the SONIA Observation Method hereon, in respect of any London Banking Day “ $i$ ”, the SONIA reference rate for that day.

If, in respect of any London Banking Day, and subject to Condition 4(f)(i), the Calculation Agent (or such other party responsible for the calculation of the Interest Rate, as specified hereon) determines that the SONIA reference rate is not available on the Page or Fallback Page as applicable or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be (A) (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Banking Day, plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest

spread (or, if there is more than one lowest spread, one only of those lowest spreads), or (B) if such Bank Rate is not available, the SONIA reference rate published on the Page for the first preceding London Banking Day on which the SONIA reference rate was published on the Page provided that such London Banking Day was after the last preceding Interest Determination Date.

In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Interest Rate, as specified hereon), the Interest Rate shall, subject to Condition 4(f)(i), be:

- a. that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Interest Rate or Minimum Interest Rate specified hereon is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Accrual Period in place of the Margin or Maximum Interest Rate or Minimum Interest Rate relating to that last preceding Interest Accrual Period); or
- b. if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Accrual Period).

If the relevant Series of Notes become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified hereon, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SONIA formula) and the Interest Rate on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

- (B) If SONIA Compounded Index Rate (“**SONIA Compounded Index Rate**”) is specified as being applicable hereon, the SONIA Benchmark for each Interest Accrual Period shall be the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Interest Rate, as specified hereon) as at the relevant Interest Determination Date, as follows:

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

where:

“**London Banking Day**” and “**SONIA Observation Period**” have the meanings set out under Condition 4(c)(iii)(A);

“**d**” means the number of calendar days in the relevant SONIA Observation Period;

“**p**” shall mean five London Banking Days (or such other number of London Banking Days included in the SONIA Observation Shift Period as agreed in advance by the Issuer and the Calculation Agent and specified hereon);

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

“**SONIA Compounded Index<sub>End</sub>**” means, with respect to an Interest Accrual Period, the SONIA Compounded Index Value on the last day of the relevant SONIA Observation Period;

“**SONIA Compounded Index<sub>Start</sub>**” means, with respect to an Interest Accrual Period, the SONIA Compounded Index Value on the first day of the relevant SONIA Observation Period; and

“**SONIA Compounded Index Value**” means, in relation to any London Banking Day, the value of the SONIA Compounded Index as published on the relevant Page on such London Banking Day or, if the value of the SONIA Compounded Index cannot be obtained from the relevant Page, as published on the Bank of England’s website at [www.bankofengland.co.uk/boeapps/database/](http://www.bankofengland.co.uk/boeapps/database/) (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) in respect of the relevant London Banking Day.

Subject to Condition 4(f)(i), if the SONIA Compounded Index Value is not available in relation to any Interest Accrual Period on the relevant Page or the Bank of England’s website (or such other page or website referred to in the definition of “SONIA Compounded Index Value” above) for the determination of either or both of SONIA Index<sub>Start</sub> and SONIA Index<sub>End</sub>, the Interest Rate for such Interest Accrual Period shall be “Compounded Daily SONIA” determined as set out in Condition 4(c)(iii)(A) and (i) the “SONIA Observation Method” shall be deemed to be “SONIA Observation Shift”, and (ii) the “Page” shall be deemed to be the “Fallback Page”.

If the relevant Series of Notes become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified hereon, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the SONIA Compounded Index Rate formula) and the Interest Rate on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(iv) *Floating Rate Notes referencing €STR*

- (A) If the Primary Source for the Floating Rate is a Page which references €STR as the Benchmark, the Interest Rate for each Interest Accrual Period shall, subject to Condition 4(f)(i) and as provided below, be Compounded Daily €STR, plus or minus (as specified hereon) the Margin (if any) in accordance with Condition 4(g), all as determined by the Calculation Agent.

**“Compounded Daily €STR”** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the reference rate for the calculation of interest being the daily Euro Short-Term (€STR) reference rate) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Interest Rate, as specified hereon) as at the relevant Interest Determination Date:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

with the resulting percentage being rounded, if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

**“d”** is the number of calendar days in:

- a. where “Lag” is specified as the €STR Observation Method hereon, the relevant Interest Accrual Period; or
- b. where “€STR Observation Shift” is specified as the €STR Observation Method hereon, the relevant €STR Observation Period;

**“D”** is the number specified as such hereon (or, if no such number is specified, 360);

**“d<sub>0</sub>”** means:

- a. where “Lag” is specified as the €STR Observation Method hereon, the number of TARGET Business Days in the relevant Interest Accrual Period; or
- b. where “€STR Observation Shift” is specified as the €STR Observation Method hereon, the number of TARGET Business Days in the relevant €STR Observation Period;

**“€STR reference rate”** in respect of any TARGET Business Day is a reference rate equal to the daily Euro Short-Term (€STR) reference rate for such TARGET Business Day as provided by the European Central Bank (or a successor administrator), as the administrator of €STR, on the Page (or as otherwise published by it or provided by it to authorised distributors and as then published on the Page or, if the Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Business Day immediately following such TARGET Business Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines of the European Central Bank or the successor administrator of €STR);

**“€STR<sub>i</sub>”** means the €STR reference rate for:

- a. where “Lag” is specified as the €STR Observation Method hereon, the TARGET Business Day falling “p” TARGET Business Days prior to the relevant TARGET Business Day “i”; or



- b. where “€STR Observation Shift” is specified as the €STR Observation Method hereon, the relevant TARGET Business Day “i”.

“**€STR Observation Period**” means the period from and including the date falling “p” TARGET Business Days prior to the first day of the relevant Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling “p” TARGET Business Days prior to the Interest Period Date for such Interest Accrual Period (or the date falling “p” TARGET Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“i” is a series of whole numbers from one to  $d_o$ , each representing the relevant TARGET Business Day in chronological order from, and including, the first TARGET Business Day in:

- a. where “Lag” is specified as the €STR Observation Method hereon, the relevant Interest Accrual Period; or
- b. where “€STR Observation Shift” is specified as the €STR Observation Method hereon, the relevant €STR Observation Period;

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

“p” means:

- a. where “Lag” is specified as the €STR Observation Method hereon, five TARGET Business Days (or such other number of TARGET Business Days in the €STR Observation Look-Back Period as agreed in advance by the Issuer and the Calculation Agent and specified hereon); or
- b. where “€STR Observation Shift” is specified as the €STR Observation Method hereon, five TARGET Business Days (or such other number of TARGET Business Days included in the €STR Observation Shift Period as agreed in advance by the Issuer and the Calculation Agent and specified hereon);

“**TARGET Business Day**” means any day on which the TARGET2 System is open.

- (B) Subject to Condition 4(f)(i), if, where any Interest Rate is to be calculated pursuant to Condition 4(c)(iv)(A) above, in respect of any TARGET Business Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Page or has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Business Day shall be the €STR reference rate for the first preceding TARGET Business Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Calculation Agent.
- (C) In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions of this Condition 4(c)(iv) by the Calculation

Agent (or such other party responsible for the calculation of the Interest Rate, as specified hereon), the Interest Rate shall, subject to Condition 4(f)(i), be:

- a. that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Interest Rate or Minimum Interest Rate specified hereon is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Accrual Period in place of the Margin or Maximum Interest Rate or Minimum Interest Rate relating to that last preceding Interest Accrual Period); or
- b. if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Accrual Period).

(D) If the relevant Series of Notes become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified hereon, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily €STR formula) and the Interest Rate on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(v) *Floating Rate Notes referencing SORA*

(A) If the Primary Source for the Floating Rate is a Page which references SORA as the Benchmark, the Interest Rate for each Interest Period shall, subject to Condition 4(f)(i) and as provided below, be Compounded Daily SORA, plus or minus (as specified hereon) the Margin (if any) in accordance with Condition 4(g), all as determined by the Calculation Agent.

**“Compounded Daily SORA”** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the SORA Observation Period corresponding to such Interest Accrual Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Interest Rate, as specified hereon) on the relevant Interest Determination Date:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SORA_{i-xSBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001 per cent.), with 0.00005 per cent. being rounded upwards,

where:

**“SORA Observation Period”** means, for the relevant Interest Accrual Period, the period from, and including, the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified hereon) prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified hereon) prior to the Interest Period Date at the end of such Interest Accrual Period (or the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified hereon) prior to such earlier date, if any, on which the Notes become due and payable);

**“d”** is the number of calendar days in the relevant Interest Accrual Period;

**“d<sub>o</sub>”**, for any Interest Accrual Period, is the number of Singapore Business Days in the relevant Interest Accrual Period;

**“i”**, for the relevant Interest Accrual Period, is a series of whole numbers from one to d<sub>o</sub>, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Accrual Period to, but excluding, the last Singapore Business Day in such Interest Accrual Period;

**“n<sub>i</sub>”**, for any day “i”, is the number of calendar days from and including such day “i” up to but excluding the following Singapore Business Day;

**“Singapore Business Days”** or **“SBD”** means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

**“SORA”** means, in respect of any Singapore Business Day “i”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such day “i”; and

**“SORA<sub>i-x SBD</sub>”** means, in respect of any Singapore Business Day falling in the relevant Interest Accrual Period, the reference rate equal to SORA in respect of the Singapore Business Day falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified hereon) prior to the relevant Singapore Business Day “i”.

- (B) If, subject to Condition 4(f)(i), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day “i”, SORA in respect of such day “i” has not been published and a Benchmark Event has not occurred, then SORA for that day “i” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.
- (C) In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other

party responsible for the calculation of the Interest Rate, as specified hereon), subject to Condition 4(f)(i), the Interest Rate shall be:

- a. that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Interest Rate or Minimum Interest Rate specified hereon is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Interest Rate or Minimum Interest Rate (as specified hereon) relating to the relevant Interest Accrual Period in place of the Margin or Maximum Interest Rate or Minimum Interest Rate relating to that last preceding Interest Accrual Period); or
- b. if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Interest Rate or Minimum Interest Rate applicable to the first Interest Accrual Period).

(D) If the relevant Series of Notes become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified hereon, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SORA formula) and the Interest Rate on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(vi) *Linear interpolation*

Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Interest Rate for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the Relevant Rate, one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then an Independent Adviser shall determine such rate at such time and by reference to such sources as it determines appropriate.

(d) ***Interest Rate on Zero Coupon Notes***

Where a Note the Interest Rate of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Interest Rate for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as determined in accordance with Condition 5(b)).

(e) ***Interest Rate on Reset Notes***

- (i) If Notes are specified as being Reset Notes (each a “**Reset Note**”), each Reset Note shall bear interest:

- (A) from (and including) the Interest Commencement Date specified hereon until (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;
- (B) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified hereon, the Maturity Date, at the rate per annum equal to the First Reset Rate of Interest; and
- (C) for each Subsequent Reset Period thereafter (if any), at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

in each case, payable in arrear on each Interest Payment Date. The first payment of interest will be made on the first Interest Payment Date following the Interest Commencement Date.

- (ii) Subject to Condition 4(f)(i), if Mid-Swap Rate is specified hereon and 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 (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Relevant Currency on the Reset Determination Date in question. 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 First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent. If on any Reset Determination Date 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 paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be determined to be the sum (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of (x) the last observable mid-swap rate for swaps in the Relevant Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (y) the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.
- (iii) For the purposes of this Condition 4(e):

**“Benchmark Gilt”** means, in respect of a Reset Period, such United Kingdom government security having a maturity date on or about the last day of such Reset Period as an Independent Adviser, with the advice of the Reference Banks, may determine to be appropriate;

**“Benchmark Gilt Rate”** means, in respect of a Reset Period, the gross redemption yield (as calculated by the Calculation Agent in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks at 11.00 a.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If at least four quotations are provided, the Benchmark Gilt Rate

will be the rounded arithmetic mean 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). If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be determined by an Independent Adviser in its sole discretion following consultation with the Issuer;

**“dealing day”** means a day, other than a Saturday or Sunday, on which the London Stock Exchange (or such other stock exchange on which the Benchmark Gilt is at the relevant time listed) is ordinarily open for the trading of securities;

**“First Margin”** means the margin specified hereon;

**“First Reset Date”** means the date specified hereon;

**“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 hereon, the Maturity Date;

**“First Reset Rate of Interest”** means, in respect of the First Reset Period and subject to Condition 4(e)(ii) (where applicable), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the First Margin, with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent);

**“Initial Rate of Interest”** has the meaning specified hereon;

**“Interest Rate”** means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

**“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 frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Relevant Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Relevant Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant 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 day count basis customary for floating rate payments in the Relevant 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 Mid-Swap Floating Leg Benchmark specified hereon;

**“Mid-Swap Maturity”** has the meaning specified hereon;

**“Mid-Swap Rate”** means, in relation to a Reset Determination Date and subject to Condition 4(e)(ii), either:

(A) if Single Mid-Swap Rate is specified hereon, the rate for swaps in the Relevant Currency:

a. with a term equal to the relevant Reset Period; and

b. commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(B) if Mean Mid-Swap Rate is specified hereon, 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 Relevant Currency:

a. with a term equal to the relevant Reset Period; and

b. commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Relevant Currency 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 provision, 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 provision, 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;

**“Reference Banks”** means:

(A) for the purposes of Condition 4(e)(ii), five leading swap dealers in the principal interbank market relating to the Relevant Currency selected by the Calculation Agent in its discretion after consultation with the Issuer; or

(B) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers selected by the Calculation Agent in its discretion after consultation with the Issuer;

**“Reference Bond”** means for any Reset Period:

(A) a government security or securities issued by the government of the state responsible for issuing the Relevant Currency (which, if the Relevant Currency is euro, shall be Germany); or

(B) in the event paragraph (B) of the definition of U.S. Treasury Rate applies, a U.S. Treasury security,

in each case, selected by an Independent Adviser as having an actual or interpolated maturity date on or about the relevant last day of such Reset Period and that (in the opinion of an Independent Adviser after consultation with the

Issuer) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Relevant Currency and of a comparable maturity to the relevant Reset Period;

**“Reference Bond Dealer”** means each of five banks which are primary government securities dealers or market makers in pricing corporate bond issuances, as selected by an Independent Adviser in its discretion after consultation with the Issuer;

**“Reference Bond Dealer Quotations”** means, with respect to each Reference Bond Dealer and the Reset Determination Date, the arithmetic mean, 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 nominal amount) as at approximately 11.00 a.m. in the principal financial centre of the Relevant Currency on the Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Bond Dealer;

**“Reference Bond Price”** means, with respect to a Reset Determination Date, (a) the arithmetic mean of the Reference Bond Dealer Quotations for that Reset Determination Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Bond Dealer Quotations, the arithmetic mean of all such quotations or (c) except for if U.S. Treasury Rate is specified hereon, if the Calculation Agent obtains only one Reference Bond Dealer Quotation or if the Calculation Agent obtains no Reference Bond Dealer Quotations, the Subsequent Reset Rate of Interest shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest;

**“Reference Bond Rate”** means, in respect of a Reset Period, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price;

**“Relevant Screen Page”** means the page, section, column or other part of a particular information service (including, but not limited to, the Reuters Markets 3000) specified hereon, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service;

**“Reset Date”** means the First Reset Date, the Second Reset Date (if any) and each Subsequent Reset Date (if any), as applicable, in each case as adjusted (if so specified hereon) in accordance with Condition 4(b) as if the relevant Reset Date was an Interest Payment Date;

**“Reset Determination Date”** means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

**“Reset Period”** means the First Reset Period or a Subsequent Reset Period, as the case may be;

**“Reset Rate”** means:

(A) if Mid-Swap Rate is specified hereon, the relevant Mid-Swap Rate;



- (B) if Benchmark Gilt Rate is specified hereon, the relevant Benchmark Gilt Rate;
- (C) if Reference Bond is specified hereon, the relevant Reference Bond Rate;  
or
- (D) if U.S. Treasury Rate is specified hereon, the relevant U.S. Treasury Rate;

**“Second Reset Date”** means the date specified hereon;

**“Subsequent Margin”** means the margin specified hereon;

**“Subsequent Reset Date”** means the date or dates specified hereon;

**“Subsequent Reset Period”** means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date;

**“Subsequent Reset Rate of Interest”** means, in respect of any Subsequent Reset Period and subject to Condition 4(e)(ii) (where applicable), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the relevant Subsequent Margin, with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent); and

**“U.S. Treasury Rate”** means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate per annum determined by the Calculation Agent and expressed as a percentage equal to:

- (A) the average of the yields on actively traded U.S. Treasury securities adjusted to “constant maturity” for the relevant U.S. Treasury Rate Maturity, for the five business days immediately prior to the applicable Reset Determination Date and appearing under the caption “Treasury constant maturities (Nominal)”, at 5:00 p.m. (New York City time) on the Reset Determination Date in the most recently published U.S. Treasury Rate Screen Page;
- (B) if such release is not published during the week immediately prior to such Reset Determination Date or does not contain the yields referred to in paragraph (A) above, provided that the Calculation Agent shall have received more than one Reference Bond Dealer Quotation, the rate per annum equal to the semi-annual equivalent of the yield to maturity calculated by the Calculation Agent based on the Reference Bond Price at approximately 5:00 p.m. (New York City time) on such Reset Determination Date;
- (C) if the yield referred to in paragraph (B) above is not or cannot be so calculated by the Calculation Agent by 5:00 p.m. (New York City time) on such Reset Determination Date, the yield for U.S. Treasury securities at “constant maturity” for a designated maturity equal to the applicable U.S. Treasury Rate Maturity as published in the most recently published U.S. Treasury Rate Screen Page under the caption “Treasury constant maturities (Nominal)” for such Reset Determination Date; or

- (D) if the yield referred to in paragraph (C) above is not published by 5:00 p.m. (New York City time) on such Reset Determination Date, the Subsequent Reset Rate of Interest shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest;

**“U.S. Treasury Rate Maturity”** means the designated maturity for the U.S. Treasury Rate to be used for the determination of the Reset Rate, as specified hereon; and

**“U.S. Treasury Rate Screen Page”** means the published statistical release designated “H.15 Daily Update” or any successor publication that is published by the Board of Governors of the Federal Reserve System that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity, under the caption “Treasury constant maturities”.

(f) ***Benchmark Discontinuation***

(i) ***Benchmark Discontinuation (General)***

(A) If:

- a. Benchmark Discontinuation (General) is specified hereon; and
- b. a Benchmark Event occurs in relation to any Original Reference Rate when any Interest Rate (or component thereof) remains to be determined by reference to such Original Reference Rate,

then the following provisions shall apply.

(B) The Issuer shall use reasonable endeavours to appoint an Independent Adviser, at the Issuer’s own expense, to determine a Successor Relevant Rate or, if such Independent Adviser is unable to determine a Successor Relevant Rate, an Alternative Relevant Rate and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 4(f)(i) during any other future Interest Period(s)). An Independent Adviser appointed pursuant to this Condition 4(f)(i) shall act in good faith and in a commercially reasonable manner and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(f)(i).

(C) Subject to paragraph (D) of this Condition 4(f)(i), if:

- a. the relevant Independent Adviser (acting in good faith and in a commercially reasonable manner), no later than five Business Days prior to the Interest Determination Date or Reset Determination Date relating to the next Interest Accrual Period or Reset Period, in each case as applicable (the **“IA Determination Cut-off Date”**), determines a Successor Relevant Rate or, if such Independent Adviser fails to determine a Successor Relevant Rate, an Alternative Relevant Rate and, in each case, an

Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Notes for all future Interest Periods or Reset Periods, as applicable, subject to the subsequent operation of this Condition 4(f)(i) during any other future Interest Accrual Period(s) or Reset Period(s) as applicable); or

- b. the Issuer is unable to appoint an Independent Adviser having used reasonable endeavours, or the Independent Adviser appointed by the Issuer in accordance with paragraph (B) of this Condition 4(f)(i) fails to determine a Successor Relevant Rate or an Alternative Relevant Rate prior to the relevant IA Determination Cut-off Date and the Issuer (acting in good faith and in a commercially reasonable manner), no later than three Business Days prior to the Interest Determination Date or Reset Determination Date, as applicable, relating to the next Interest Period (the “**Issuer Determination Cut-off Date**”), determines a Successor Relevant Rate or, if the Issuer fails to determine a Successor Relevant Rate, an Alternative Relevant Rate (as applicable) and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Notes for all future Interest Periods or Reset Periods, as applicable (subject to the subsequent operation of this Condition 4(f)(i) during any other future Interest Accrual Period(s) or Reset Period(s), as applicable),

then:

- (x) such Successor Relevant Rate or Alternative Relevant Rate (as applicable), in each case as adjusted in accordance with paragraph (y) below shall be the Original Reference Rate for all future Interest Periods or Reset Periods, as applicable (subject to the subsequent operation of this Condition 4(f)(i) during any other future Interest Accrual Period(s) or Reset Period(s), as applicable).

Without prejudice to the definition thereof, for the purposes of determining an Alternative Relevant Rate, the Independent Adviser or the Issuer will take into account relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets and such other materials as the Independent Adviser or the Issuer, as the case may be, in its sole discretion, considers appropriate; and

- (y) if the relevant Independent Adviser or the Issuer (as applicable):
  - i. determines that an Adjustment Spread is required to be applied to the Successor Relevant Rate or Alternative Relevant Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Relevant Rate or Alternative Relevant Rate (as applicable) for all future

Interest Periods or Reset Periods, as applicable (subject to the subsequent operation of this Condition 4(f)(i)); or

- ii. is unable to determine the quantum of, or a formula or methodology for determining, an Adjustment Spread, or determines that no such Adjustment Spread is required, then such Successor Relevant Rate or Alternative Relevant Rate (as applicable) will apply without an Adjustment Spread for all future Interest Periods or Reset Periods, as applicable (subject to the subsequent operation of this Condition 4(f)(i)).

(D) Notwithstanding paragraph (C) of this Condition 4(f)(i), if:

- a. the Independent Adviser appointed by the Issuer in accordance with paragraph (B) of this Condition 4(f)(i) notifies the Issuer prior to the IA Determination Cut-off Date that it has determined that no Successor Relevant Rate or Alternative Relevant Rate exists; or
- b. the Independent Adviser appointed by the Issuer in accordance with paragraph (B) of this Condition 4(f)(i) fails to determine a Successor Relevant Rate or an Alternative Relevant Rate prior to the relevant IA Determination Cut-off Date, without notifying the Issuer as contemplated in sub-paragraph (D)a. of this Condition 4(f)(i), and the Issuer (acting in good faith and in a commercially reasonable manner) determines prior to the Issuer Determination Cut-off Date that no Successor Relevant Rate or Alternative Relevant Rate exists; or
- c. neither a Successor Relevant Rate nor an Alternative Relevant Rate is otherwise determined in accordance with paragraph (C) of this Condition 4(f)(i) prior to the Issuer Determination Cut-off Date,

then the relevant Interest Rate shall be determined using the Original Reference Rate last displayed on the Page, Relevant Screen Page or website of the Relevant Nominating Body (as applicable) prior to the relevant Interest Determination Date or Reset Determination Date, as applicable (though substituting, where a different Margin or Maximum Interest Rate or Minimum Interest Rate specified hereon is to be applied to the relevant Interest Accrual Period or Reset Period (as applicable) from that which applied to the last preceding Interest Accrual Period or Reset Period (as applicable), the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Accrual Period or Reset Period (as applicable)) in place of the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the last preceding Interest Accrual Period or Reset Period (as applicable). This paragraph (D) shall apply to the relevant Interest Accrual Period or Reset Period, as applicable, only. Any subsequent Interest Accrual Period(s) or Reset Period(s) shall be subject to the subsequent operation of, and adjustment as provided in, this Condition 4(f)(i).

(E) Promptly following the determination of any Successor Relevant Rate or Alternative Relevant Rate (as applicable) as described in this Condition 4(f)(i), the Issuer shall give notice thereof and of any Adjustment Spread (and the effective date(s) thereof) pursuant to this Condition 4(f)(i) to the Trustee, the Calculation Agent, the Paying Agent and the Noteholders.

- (F) No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer confirming;
- a. that a Benchmark Event has occurred;
  - b. the Successor Relevant Rate or, as the case may be, the Alternative Relevant Rate;
  - c. where applicable, any Adjustment Spread; and
  - d. where applicable, that the Issuer has determined that the waivers and consequential amendments to be effected pursuant to Condition 4(f)(i)(G) below are required to give effect to this Condition 4(f)(i),

in each case as determined in accordance with the provisions of this Condition 4(f)(i). The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Relevant Rate or Alternative Reference Rate and the Adjustment Spread (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Relevant Rate or Alternative Reference Rate and the Adjustment Spread (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Noteholders and the Couponholders.

- (G) Subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(f)(i)(F) above, the Trustee, the Calculation Agent, the Registrars, the Transfer Agents, the Exchange Agent and the Paying Agents shall, at the direction and expense of the Issuer, effect such waivers and consequential amendments to the Trust Deed, the Agency Agreement, these Conditions and any other document as the Issuer, following consultation with the Independent Adviser and acting in good faith, determines may be required to give effect to any application of this Condition 4(f)(i), including, but not limited to:
- a. changes to these Conditions which the relevant Independent Adviser or the Issuer (as applicable) determines may be required in order to follow market practice (determined according to factors including, but not limited to, public statements, opinions and publications of industry bodies and organisations) in relation to such Successor Relevant Rate or Alternative Relevant Rate (as applicable), including, but not limited to (A) the Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reset Determination Date, Reference Banks, Relevant Financial Centre, Page and/or Relevant Time applicable to the Notes and (B) the method for determining the fallback to the Interest Rate in relation to the Notes if such Successor Relevant Rate or Alternative Relevant Rate (as applicable) is not available; and
  - b. any other changes which the relevant Independent Adviser or the Issuer in consultation with the Independent Adviser (as applicable) determines acting in good faith are reasonably necessary to ensure the proper operation and comparability to

the Original Reference Rate of such Successor Relevant Rate or Alternative Relevant Rate (as applicable),

which changes shall apply to the Notes for all future Interest Periods or Reset Periods, as applicable (subject to the subsequent operation of this Condition 4(f)(i)). None of the Trustee, the Calculation Agent, the Paying Agents, the Registrars, the Exchange Agent or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its Independent Adviser with respect to any waivers or consequential amendments to be effected pursuant to this Condition 4(f)(i)(G) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

- (H) Subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(f)(i)(F) above, no consent of the Noteholders shall be required in connection with effecting the relevant Successor Relevant Rate or Alternative Relevant Rate as described in this Condition 4(f)(i) or such other relevant adjustments pursuant to this Condition 4(f)(i), or any Adjustment Spread, including for the execution of, or amendment to, any documents or the taking of other steps by the Issuer or any of the parties to the Trust Deed and/or the Agency Agreement (if required).
- (I) Notwithstanding any other provision of this Condition 4(f)(i), no Successor Relevant Rate or Alternative Relevant Rate will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 4(f)(i), if and to the extent that, in the sole determination of the Issuer, the same (i) prejudices, or could reasonably be expected to prejudice, the qualification of the Notes to form part of the Capital Resources of the Issuer or of the Group or the eligibility of the Notes to count towards the Issuer's or the Group's minimum requirements for own fund and eligible liabilities, or (ii) results, or could reasonably be expected to result, in the Relevant Regulator treating the next Interest Payment Date or Reset Date, as applicable, as the effective maturity date of the Notes, rather than the relevant Maturity Date of the Notes.
- (J) As used in this Condition 4(f)(i):

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

- a. in the case of a Successor Relevant Rate, is formally recommended in relation to the replacement of the Original Reference Rate with such Successor Relevant Rate by any Relevant Nominating Body; or
- b. in the case of a Successor Relevant Rate for which no such recommendation has been made or, in the case of an Alternative Relevant Rate, the relevant Independent Adviser or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by such Successor Relevant Rate or Alternative Relevant Rate (as applicable); or

- c. if no such customary market usage is recognised or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) in its discretion 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 such Successor Relevant Rate or Alternative Relevant Rate (as applicable);

**“Alternative Relevant Rate”** means the rate which the Independent Adviser or Issuer (as the case may be) determines has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in respect of notes denominated in the Relevant Currency, or, if the relevant Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the Original Reference Rate;

**“Relevant Nominating Body”** means, in respect of any Original Reference Rate (or the relevant component part(s) thereof):

- a. the central bank for the currency to which such Original Reference Rate (or the relevant component part(s) thereof) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such Original Reference Rate (or the relevant component part(s) thereof); or
- b. any working group or committee established, approved or sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which such Original Reference Rate (or the relevant component part(s) thereof) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of such Original Reference Rate (or the relevant component part(s) thereof), (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof; and

**“Successor Relevant Rate”** means the rate which has been formally published, endorsed, approved, recommended or recognised as a successor or replacement to the Original Reference Rate by any Relevant Nominating Body.

(ii) *Benchmark Discontinuation (SOFR)*

*This Condition 4(f)(ii) shall only apply to U.S. dollar-denominated Notes and where so specified hereon.*

If Benchmark Discontinuation (SOFR) is specified hereon:

- (A) If:
  - a. Benchmark Discontinuation (SOFR) is specified hereon; and

- b. a Benchmark Event occurs in relation to any Original Reference Rate when any Interest Rate (or component thereof) remains to be determined by reference to such Original Reference Rate,

then the following provisions shall apply.

- (B) The Issuer shall use reasonable endeavours to appoint an Independent Adviser, at the Issuer's own expense, to determine the SOFR Benchmark Replacement (acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 4(f)(ii) during any other future Interest Period(s)). An Independent Adviser appointed pursuant to this Condition 4(f)(ii) shall act in good faith and in a commercially reasonable manner and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(f)(ii).

- (C) Subject to paragraph (D) of this Condition 4(f)(ii), if:

- a. the relevant Independent Adviser (acting in good faith and in a commercially reasonable manner), no later than five Business Days prior to the Interest Determination Date or Reset Determination Date relating to the next Interest Accrual Period or Reset Period, in each case as applicable (the "**IA Determination Cut-off Date**"), determines the SOFR Benchmark Replacement (acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Notes for all future Interest Periods or Reset Periods, as applicable, subject to the subsequent operation of this Condition 4(f)(ii) during any other future Interest Accrual Period(s) or Reset Period(s) as applicable); or
- b. the Issuer is unable to appoint an Independent Adviser having used reasonable endeavours, or the Independent Adviser appointed by the Issuer in accordance with paragraph (B) of this Condition 4(f)(ii) fails to determine the SOFR Benchmark Replacement prior to the relevant IA Determination Cut-off Date and the Issuer (acting in good faith and in a commercially reasonable manner), no later than three Business Days prior to the Interest Determination Date or Reset Determination Date, as applicable, relating to the next Interest Period (the "**Issuer Determination Cut-off Date**") determines the SOFR Benchmark Replacement (acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Notes for all future Interest Periods or Reset Periods, as applicable (subject to the subsequent operation of this Condition 4(f)(ii) during any other future Interest Accrual Period(s) or Reset Period(s), as applicable),

then such SOFR Benchmark Replacement shall be the Original Reference Rate for all future Interest Periods or Reset Periods, as applicable (subject to the subsequent operation of this Condition 4(f)(ii) during any other future Interest Accrual Period(s) or Reset Period(s), as applicable).



Without prejudice to the definition thereof, for the purposes of determining the SOFR Benchmark Replacement, the Independent Adviser or the Issuer will take into account relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets and such other materials as the Independent Adviser or the Issuer, as the case may be, in its sole discretion, considers appropriate.

- (D) Notwithstanding paragraph (C) of this Condition 4(f)(ii), if:
- a. the Independent Adviser appointed by the Issuer in accordance with paragraph (B) of this Condition 4(f)(ii) notifies the Issuer prior to the IA Determination Cut-off Date that it has determined that no SOFR Benchmark Replacement exists; or
  - b. the Independent Adviser appointed by the Issuer in accordance with paragraph (B) of this Condition 4(f)(ii) fails to determine the SOFR Benchmark Replacement prior to the relevant IA Determination Cut-off Date, without notifying the Issuer as contemplated in sub-paragraph (D)a. of this Condition 4(f)(ii), and the Issuer (acting in good faith and in a commercially reasonable manner) determines prior to the Issuer Determination Cut-off Date that no SOFR Benchmark Replacement exists; or
  - c. the SOFR Benchmark Replacement is not otherwise determined in accordance with paragraph (C) of this Condition 4(f)(ii) prior to the Issuer Determination Cut-off Date,

then the relevant Interest Rate shall be determined using the SOFR Benchmark last displayed on the relevant Page prior to the relevant Interest Determination Date or Reset Determination Date, as applicable (though substituting, where a different Margin or Maximum Interest Rate or Minimum Interest Rate specified hereon is to be applied to the relevant Interest Accrual Period or Reset Period (as applicable) from that which applied to the last preceding Interest Accrual Period or Reset Period (as applicable), the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Accrual Period or Reset Period (as applicable) in place of the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the last preceding Interest Accrual Period or Reset Period (as applicable)).

This paragraph (D) shall apply to the relevant Interest Accrual Period or Reset Period, as applicable, only. Any subsequent Interest Accrual Period(s) or Reset Period(s) shall be subject to the subsequent operation of, and adjustment as provided in, this Condition 4(f)(ii).

- (E) Promptly following the determination of the SOFR Benchmark Replacement as described in this Condition 4(f)(ii), the Issuer shall give notice thereof pursuant to this Condition 4(f)(ii) to the Trustee, the Calculation Agent, the Paying Agent and the Noteholders.
- (F) No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer confirming;
- a. that a Benchmark Event has occurred;

- b. the SOFR Benchmark Replacement; and
- c. where applicable, that the Issuer has determined that the waivers and consequential amendments to be effected pursuant to Condition 4(f)(ii)(G) below are required to give effect to this Condition 4(f)(ii),

in each case as determined in accordance with the provisions of this Condition 4(f)(ii). The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The SOFR Benchmark Replacement specified in such certificate will (in the absence of manifest error or bad faith in the determination of the SOFR Benchmark Replacement and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Noteholders and the Couponholders.

(G) Subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(f)(ii)(F) above, the Trustee, the Calculation Agent, the Registrars, the Transfer Agents, the Exchange Agent, and the Paying Agents shall, at the direction and expense of the Issuer, effect such waivers and consequential amendments to the Trust Deed, the Agency Agreement, these Conditions and any other document as the Issuer, following consultation with the Independent Adviser and acting in good faith, determines may be required to give effect to any application of this Condition 4(f)(ii), including, but not limited to:

- a. changes to these Conditions which the relevant Independent Adviser or the Issuer (as applicable) determines may be required in order to follow market practice (determined according to factors including, but not limited to, public statements, opinions and publications of industry bodies and organisations) in relation to such SOFR Benchmark Replacement, including, but not limited to (A) the Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reset Determination Date, Reference Banks, Relevant Financial Centre, Page and/or Relevant Time applicable to the Notes and (B) the method for determining the fallback to the Interest Rate in relation to the Notes if such SOFR Benchmark Replacement is not available; and
- b. any other changes which the relevant Independent Adviser or the Issuer in consultation with the Independent Adviser (as applicable) determines acting in good faith are reasonably necessary to ensure the proper operation and comparability to the Original Reference Rate of such SOFR Benchmark Replacement,

which changes shall apply to the Notes for all future Interest Periods or Reset Periods, as applicable (subject to the subsequent operation of this Condition 4(f)(ii)). None of the Trustee, the Calculation Agent, the Paying Agents, the Registrars, the Exchange Agent or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its Independent Adviser with respect to any waivers or consequential amendments to be effected pursuant to this Condition 4(f)(ii)(G) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

- (H) Subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(f)(ii)(F) above, no consent of the Noteholders shall be required in connection with effecting the relevant SOFR Benchmark Replacement as described in this Condition 4(f)(ii) or such other relevant adjustments pursuant to this Condition 4(f)(ii), including for the execution of, or amendment to, any documents or the taking of other steps by the Issuer or any of the parties to the Trust Deed and/or the Agency Agreement (if required).
- (I) Notwithstanding any other provision of this Condition 4(f)(ii), no SOFR Benchmark Replacement will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 4(f)(ii), if and to the extent that, in the sole determination of the Issuer, the same (i) prejudices, or could reasonably be expected to prejudice, the qualification of the Notes to form part of the Capital Resources of the Issuer or of the Group or the eligibility of the Notes to count towards the Issuer's or the Group's minimum requirements for own fund and eligible liabilities, or (ii) results, or could reasonably be expected to result, in the Relevant Regulator treating the next Interest Payment Date or Reset Date, as applicable, as the effective maturity date of the Notes, rather than the relevant Maturity Date of the Notes.
- (J) As used in this Condition 4(f)(ii):

**"Corresponding Tenor"** with respect to a SOFR Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current SOFR Benchmark;

**"ISDA Fallback Rate"** means the rate to be effective upon the occurrence of a SOFR Index Cessation Event according to (and as defined in) the ISDA Definitions, where such rate may have been adjusted for an overnight tenor, but without giving effect to any additional spread adjustment to be applied according to such ISDA Definitions;

**"ISDA Spread Adjustment"** means the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that shall have been selected by ISDA as the spread adjustment that would apply to the ISDA Fallback Rate;

**"SOFR Benchmark"** has the meaning given to that term in Condition 4(c)(ii);

**"SOFR Benchmark Replacement"** means the first alternative set forth in the order below that can be determined by the Independent Adviser:

- a. the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the applicable Corresponding Tenor and (b) the SOFR Benchmark Replacement Adjustment;
- b. the sum of: (a) the ISDA Fallback Rate and (b) the SOFR Benchmark Replacement Adjustment; or
- c. the sum of: (a) the alternate rate that has been selected by the Independent Adviser as the replacement for the then-current SOFR Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate as a

replacement for the then-current SOFR Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the SOFR Benchmark Replacement Adjustment;

**“SOFR Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Independent Adviser:

- a. the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Benchmark Replacement;
- b. if the applicable Unadjusted SOFR Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Spread Adjustment;
- c. the spread adjustment (which may be a positive or negative value or zero) determined by the Independent Adviser giving due consideration to any industry accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current SOFR Benchmark with the applicable Unadjusted SOFR Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time; and

**“Unadjusted SOFR Benchmark Replacement”** means the SOFR Benchmark Replacement excluding the applicable SOFR Benchmark Replacement Adjustment.

(g) ***Margin, Maximum/Minimum Interest Rates and Redemption Amounts, Rate Multipliers and Rounding***

- (i) If any Margin or Rate Multiplier is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 4(c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.
- (ii) If any Maximum Interest Rate or Minimum Interest Rate is specified hereon, then any Interest Rate shall be subject to such maximum or minimum, as the case may be.
- (iii) If any Maximum Call Option Redemption Amount or Minimum Call Option Redemption Amount is specified hereon, then any Call Option Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iv) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified):
  - (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
  - (B) all figures shall be rounded to seven significant figures (with halves being rounded up); and

- (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency and in the case of euro means 0.01 euro.

(h) **Calculations**

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Interest Rate, the Calculation Amount specified hereon and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (as defined below) (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be applied to the period for which interest is required to be calculated.

(i) **Determination and Publication of Interest Rates and Redemption Amounts**

As soon as practicable after the Relevant Time on each Interest Determination Date or Reset Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount, obtain any quotation or make any determination or calculation, it shall determine the Interest Rate and calculate the Interest Amount for the relevant Interest Accrual Period (or, if determining the First Reset Rate of Interest or a Subsequent Reset Rate of Interest in respect of Reset Notes, the Interest Amount for each Interest Accrual Period falling within the relevant Reset Period), calculate the Redemption Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of each Interest Rate, Interest Amount and Redemption Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) **Determination or Calculation by Trustee**

If the Calculation Agent does not at any time for any reason determine or calculate the Interest Rate for an Interest Accrual Period or Reset Period or any Interest Amount or Redemption Amount, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In

doing so, the Trustee shall apply the foregoing provisions of this Condition, 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) **Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[any reference to “**administration**” in respect of the Issuer shall be deemed to include a bank administration of the Issuer pursuant to the Banking Act 2009 or the Investment Bank Special Administration Regulations 2011 SI 2011/245 and any reference to an “**administrator**” shall be deemed to include a bank administrator appointed pursuant to the Banking Act 2009 or an administrator appointed pursuant to the Investment Bank Special Administration Regulations 2011 SI 2011/245;]<sup>1</sup>

“**Amortised Face Amount**” means an amount calculated in accordance with Condition 5(b);

“**Applicable Maturity**” means the period of time designated in the Relevant Rate;

“**Benchmark**” means the benchmark specified hereon.

“**Benchmark Event**” means:

- (i) the Original Reference Rate ceasing to be published for at least five consecutive Business Days or ceasing to exist;
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing such rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such rate);
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that such rate has been or will be permanently or indefinitely discontinued;
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that such rate will be prohibited from being used, either generally or in respect of the Notes, or that such use will be subject to restrictions or adverse consequences;
- (v) an official announcement by the regulatory supervisor of the administrator of the Original Reference Rate that such rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has or will prior to the next Interest Determination Date or Reset Determination Date, as applicable, become unlawful for any Paying Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate,

provided that in the case of (ii), (iii), (iv) or (v) above the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, the prohibition of use of the Original Reference Rate or the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public announcement and, in each case, not the date of the relevant public statement or official announcement;

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<sup>1</sup> Include for Notes issued by SCB.

“**BRRD**” means Directive 2014/59/EU establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms, as may be amended or replaced from time to time (including, without limitation, by Directive (EU) 2019/879), as it forms part of the domestic law of the UK by virtue of the EUWA;

“**Business Day**” means:

- (i) in the case of a specified currency other than euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency; or
- (ii) in the case of euro, a day on which the TARGET System is operating (a “**TARGET Business Day**”); or
- (iii) in the case of 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
- (iv) in the case of a specified currency and one or more specified financial centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the specified currency in the specified financial centre(s) or, if no currency is specified, generally in each of the financial centres so specified;

“**Call Option Redemption Amount**” means:

- (i) the Call Option Redemption Amount specified hereon or, if not specified hereon, the principal amount of the relevant Note or Notes, subject to any maximum or minimum specified hereon; or
- (ii) in relation to any Notes to be redeemed pursuant to Condition 5(d) and only where Make Whole Redemption Amount has been specified hereon, the Make Whole Redemption Amount.

“**Capital Regulations**” means at any time the laws, regulations, requirements, standards, guidelines and policies (including, without limitation, any delegated or implementing acts such as regulatory technical standards) relating to capital adequacy (including, without limitation, as to leverage) and/or minimum requirement for own funds and eligible liabilities, in each case for credit institutions, of or otherwise applied by either (i) the Relevant Regulator, or (ii) any other national authority, in each case then in effect in the United Kingdom (or in such other jurisdiction in which the Issuer may be organised or domiciled) and applicable to the Issuer or the Group, including, as at the date hereof, CRD IV, BRRD and related regulatory technical standards (where applicable);

“**Capital Resources**” means capital instruments qualifying as Tier 2 instruments within the meaning of the applicable Capital Regulations;

“**CRD IV**” means the legislative package consisting of Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and 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, each as may be amended or replaced from time to time including, without limitation, by Directive (EU) 2019/878 and by Regulation (EU) 2019/876 (respectively) in each case as they form part of the domestic law of the UK by virtue of the EUWA;

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “Calculation Period”):

- (i) if “Actual/Actual” or “Actual/Actual – ISDA” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified hereon, the actual number of days in the Calculation Period divided by 365;
- (iii) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (iv) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30; and

- (v) if “30E/360”, “30/360 (ISMA)” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;



“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30.

- (vi) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30; and

- (vii) if “Actual/Actual – ICMA” is specified hereon:

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

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

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

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

where:

**“Determination 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 hereon or, if none is so specified, the Interest Payment Date;

**“Determination Period”** means the period from and including a Determination Date in any year 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);

**“Early Redemption Amount”** means:

- (i) in respect of any Note that does not bear interest prior to the Maturity Date, the amount calculated in accordance with Condition 5(b); and
- (ii) in respect of any other Note, the Early Redemption Amount specified hereon or, if not specified hereon, the principal amount of the relevant Note or Notes;

**“Effective Date”** means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such hereon or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates;

**“Eurozone”** means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty on the Functioning of the European Union;

**“Final Redemption Amount”** means the Final Redemption Amount specified hereon or, if not specified hereon, the principal amount of the relevant Note or Notes;

**“Gross Redemption Yield”** means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom 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 the 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 Independent Adviser (which, for the avoidance of doubt, could be the Determination Agent);

**“Group”** means SCPLC and its Subsidiaries;

**“Holding Company”** means a holding company within the meaning of s1159 of the Companies Act 2006;

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

**“Interest Accrual Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

**“Interest Amount”** means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes and Reset Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

**“Interest Commencement Date”** means the Issue Date or such other date as may be specified hereon;

**“Interest Determination Date”** means, with respect to an Interest Rate and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Relevant Currency is Hong Kong dollars, Renminbi or (only if the relevant Benchmark referenced is not SONIA) Sterling or (ii) (only if the relevant Benchmark referenced is SONIA) the second London Banking Day prior to the last day of each Interest Period if the Relevant Currency is Sterling or (iii) the day falling one Singapore Business Day after the end of each SORA Observation Period if the Benchmark referenced is SORA or (iv) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Relevant Currency is euro or (v) the day falling two Business Days in London prior to the first day of such Interest Accrual Period if the Relevant Currency is not Sterling, euro, Hong Kong dollars or Renminbi and if the Benchmark referenced is not SONIA or SORA;

**“Interest Payment Date”** means each of the dates specified hereon on which interest is payable;

**“Interest Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified hereon;

**“Interest Rate”** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon;

**“ISDA”** means the International Swaps and Derivatives Association, Inc.;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by ISDA 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;

**“Loss Absorption Disqualification Event”** shall be deemed to have occurred in relation to any Series of Senior Notes if as a result of any:

- (i) Loss Absorption Regulation becoming effective on or after the date on which agreement is reached to issue the most recently issued Tranche of such Series of Senior Notes; or
- (ii) amendment to, or change in, any Loss Absorption Regulation, or any change in the application or official interpretation thereof, in any such case becoming effective on or after the date on which agreement is reached to issue the most recently issued Tranche of such Series of Senior Notes,

the outstanding principal amount of such Series of Senior Notes is or (in the opinion of the Issuer or the Relevant Regulator) is likely to become fully or partially ineligible to count towards the Issuer’s or the Group’s minimum requirements for own funds and eligible liabilities, in each case as determined in accordance with and pursuant to the relevant Loss Absorption Regulations (save where such failure to be so eligible is solely (A) a result of any applicable limitation on the amount

of such own funds and eligible liabilities, or (B) in accordance with any requirement that recognition of such Series of Senior Notes as eligible to count towards the Issuer's or the Group's minimum requirements for own funds and eligible liabilities be amortised, in either (A) or (B) in accordance with applicable Loss Absorption Regulations in force as at the date on which agreement is reached to issue the most recently issued Tranche of such Series of Senior Notes);

**"Loss Absorption Regulation"** means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies from time to time relating to minimum requirements for own funds and eligible liabilities in effect in the United Kingdom and 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 Company or Subsidiary of the Issuer or any Subsidiary of any such Holding Company);

**"Make Whole Redemption Amount"** means, in respect of any Notes to be redeemed pursuant to Condition 5(d):

- (i) if **"Sterling Make Whole Redemption Amount"** is specified hereon, an amount equal to the higher of (A) 100 per cent. of the principal amount outstanding of such Notes, and (B) the principal amount outstanding of such Notes multiplied by the price (expressed as a percentage), as reported in writing to the Issuer and the Trustee by the Determination Agent, at which the Gross Redemption Yield on such Notes on the Reference Date (assuming for this purpose that the Notes are redeemed on the Maturity Date (or, if a Par Redemption Date is specified hereon, on the Par Redemption Date) at their principal amount (or such other redemption amount as may be specified hereon as being applicable to such redemption 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 Make Whole Reference Bond, plus the Redemption Margin, all as determined by the Determination Agent; or
- (ii) if **"Non-Sterling Make Whole Redemption Amount"** is specified hereon as being applicable, an amount equal to the higher of (A) 100 per cent. of the principal amount outstanding of such Notes, and (B) the principal amount outstanding of such Notes multiplied by the price (expressed as a percentage), as reported in writing to the Issuer and the Trustee by the Determination Agent, at which the yield to maturity (or, if a Par Redemption Date is specified hereon, yield to the Par Redemption Date) on such Notes on the Reference Date (calculated on the same basis as the Make Whole Reference Bond Rate) is equal to the Make Whole Reference Bond Rate at the Quotation Time on the Reference Date, plus the Redemption Margin, all as determined by the Determination Agent;

**"Make Whole Reference Bond"** the security or securities specified hereon or, if none is so specified or to the extent that any such Make Whole Reference Bond specified hereon is no longer appropriate for reasons of illiquidity or otherwise or is no longer outstanding on the relevant Reference Date, the selected government security or securities agreed between the Issuer and an Independent Adviser (which, for the avoidance of doubt, could be the Determination Agent) as having an actual or interpolated maturity comparable with the remaining term of the Notes (assuming, if a Par Redemption Date is specified hereon, redemption on 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 Relevant Currency and of comparable maturity to the remaining term of the Notes;

**"Make Whole Reference Bond Dealer"** means each of five banks which are primary government securities dealers or market makers in pricing corporate bond issuances, as selected by an Independent Adviser in its discretion after consultation with the Issuer;

**"Make Whole Reference Bond Dealer Quotations"** means, with respect to each Make Whole Reference Bond Dealer and each Reference Date, the arithmetic mean, as determined by the Determination Agent, of the bid and offered prices for the Make Whole Reference Bond

(expressed in each case as a percentage of its nominal amount) as at the Quotation Time on the Reference Date and quoted in writing to the Determination Agent by such Make Whole Reference Bond Dealer;

**“Make Whole Reference Bond Price”** means, with respect to any Reference Date (i) the arithmetic average of the Make Whole Reference Bond Dealer Quotations for such Reference Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, (ii) if fewer than five, but more than one, such Make Whole Reference Bond Dealer Quotations are received, the arithmetic average of all such quotations, or (iii) if only one such Make Whole Reference Bond Dealer Quotation is received, such quotation;

**“Make Whole Reference Bond Rate”** means, with respect to any Reference Date, the rate per annum equal to the yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Make Whole Reference Bond, assuming a price for the Make Whole Reference Bond (expressed as a percentage of its principal amount) equal to the Make Whole Reference Bond Price for such Reference Date;

**“Original Reference Rate”** means the originally-specified Benchmark or screen rate (as applicable) used to determine the Interest Rate (or any component part thereof) (including, but not limited to, the Relevant Rate, the Mid-Swap Rate, the Mid-Swap Floating Leg Benchmark Rate and the Swap Rate) or, if applicable, any other SOFR Benchmark Replacement, Successor Relevant Rate or Alternative Relevant Rate (or any component part thereof) determined and applicable pursuant to the operation of Condition 4(f)(i) or Condition 4(f)(ii);

**“Page”** means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters Markets 3000 (**“Reuters”**)) as may be specified hereon for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate;

**“Par Redemption Rate”** means the date specified hereon;

**“PRA”** means the Bank of England, in its capacity as the Prudential Regulation Authority, and/or any governmental authority in the United Kingdom or elsewhere (i) (in the case of Dated Subordinated Notes) having primary bank supervisory authority with respect to Standard Chartered Bank or the Group, as the case may be, or (ii) (in the case of Senior Notes) tasked with matters relating to the qualification of securities of the Issuer or the Group, as the case may be, under the Loss Absorption Regulations;

**“Put Option Redemption Amount”** means the Put Option Redemption Amount specified hereon or, if not specified hereon, the principal amount of the relevant Note or Notes;

**“Quotation Time”** means such time as specified hereon;

**“Redemption Amount”** means the applicable Early Redemption Amount, Final Redemption Amount, Call Option Redemption Amount, Put Option Redemption Amount or Amortised Face Amount payable in respect of the Notes, as the context may require;

**“Redemption Margin”** means the margin specified hereon;

**“Reference Banks”** means the institutions specified as such hereon or, if none, four (or, if the Relevant Financial Centre is Helsinki, five) major banks selected by the Issuer acting in good faith in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark which, if EURIBOR is the relevant Benchmark, shall be the Eurozone;

**“Reference Date”** means the date specified hereon, or if no such date is specified, the date which is two Business Days prior to the despatch of the notice of redemption under Condition 5(d);

**“Regulatory Capital Event”** shall be deemed to have occurred in relation to any Series of Dated Subordinated Notes if, as a result of a change in law or regulation, or official interpretation thereof, applicable to such Series of Dated Subordinated Notes occurring on or after the date on which agreement is reached to issue the most recently issued Tranche of such Series of Dated Subordinated Notes, the whole or any part of the outstanding principal amount of such Series of Dated Subordinated Notes would not be eligible to form part of the Capital Resources of the Issuer or the Group under applicable Capital Regulations (save where such failure to be so eligible is solely (A) a result of any applicable limitation on the amount of such capital, or (B) in accordance with any requirement that recognition of such Series of Dated Subordinated Notes as part of the Issuer’s Capital Resources be amortised in the five years prior to maturity of such Notes, in either (A) or (B) in accordance with applicable Capital Regulations in force as at the date on which agreement is reached to issue the most recently issued Tranche of such Series of Dated Subordinated Notes);

**“Relevant Currency”** means the currency specified hereon or, if none is specified, the currency in which the Notes are denominated;

**“Relevant Date”** has the meaning given to such term in Condition 7;

**“Relevant Financial Centre”** means, with respect to any Floating Rate, First Reset Rate of Interest or Subsequent Reset Rate of Interest to be determined on an Interest Determination Date or Reset Determination Date, the financial centre as may be specified as such hereon or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR shall be the Eurozone) or, if none is so connected, London;

**“Relevant Governmental Body”** means the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve, or any successor;

**“Relevant Rate”** means the Benchmark for a Representative Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date;

**“Relevant Regulator”** means the Resolution Authority, in the case of the Senior Notes, or the PRA and/or the Resolution Authority, in the case of the Dated Subordinated Notes;

**“Relevant Time”** means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified hereon or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre or, if no such customary local time exists, 11.00 hours in the Relevant Financial Centre and, for the purpose of this definition “local time” means, with respect to the Eurozone as a Relevant Financial Centre, Central European Time;

**“Representative Amount”** means, with respect to any Floating Rate to be determined on an Interest Determination Date, the amount specified as such hereon or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

**“Resolution Authority”** means the Bank of England or any successor or replacement thereto and/or such other authority in the United Kingdom with the ability to exercise the UK Bail-in Power;

**“Specified Duration”** means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified hereon or, if none is specified, a period of time equal to the relevant Interest Accrual Period, ignoring any adjustment pursuant to Condition 4(b);

**“Swap Rate”** means the Singapore dollar swap offer rate for a maturity of five years appearing on the Screen Page under the caption “Tullett Prebon – Rates – Interest Rate Swaps – Asia Pac – SGD” and the column headed “Ask”.

**“Subsidiary”** means a subsidiary within the meaning of s1159 of the Companies Act 2006;

**“TARGET System”** means, the Trans-European Automated Real-Time Gross Settlement Express Transfer System (known as TARGET2) which was launched on 19 November 2007 or any successor thereto; and

**“UK Bail-in Power”** means any write-down, conversion, transfer, modification and/or suspension power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms incorporated in the United Kingdom in effect and applicable in the United Kingdom to the Issuer or other members of the Group, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a resolution regime in the United Kingdom under the Banking Act 2009, as the same has been or may be amended from time to time (whether pursuant to the Financial Services (Banking Reform) Act 2013, secondary legislation or otherwise), pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, amended, transferred and/or converted into shares or other securities or obligations of the obligor or any other person.

(l) ***Calculation Agent and Reference Banks***

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall (with the prior approval of the Trustee) appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for an Interest Accrual Period or a Reset Period or to calculate any Interest Amount or the Redemption Amount or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

**5. Redemption, Purchase and Options**

(a) ***Final Redemption***

Unless previously redeemed or purchased and cancelled (with the permission of, or waiver from, the PRA if required), each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount.

(b) ***Early Redemption of Zero Coupon Notes***

- (i) The Early Redemption Amount payable in respect of any Note that does not bear interest prior to the Maturity Date shall be the Amortised Face Amount (calculated as provided below) of such Note.

- (ii) Subject to the provisions of paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield specified hereon (or, if not specified hereon, such rate as would produce an Amortised Face Amount equal to the issue price of such Notes if they were discounted back to their issue price on the Issue Date) compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified hereon.
- (iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c), 5(e) or 5(f) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in paragraph (ii) above, except that such paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(d).

(c) ***Redemption for Taxation Reasons***

- (i) Subject to paragraph (iii) below, the Issuer may (with the permission of, or waiver from, the PRA if required), on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable), redeem the Notes in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time at the Early Redemption Amount (together with any interest accrued to the date fixed for redemption) if:
  - (A) the Issuer satisfies the Trustee immediately before the giving of such notice that it has or will become obliged to pay additional amounts as described under Condition 7 and/or any undertaking given in addition thereto or in substitution thereof under the terms of the Trust Deed as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax, or any taxing authority of any taxing jurisdiction to which the Issuer is or has become subject and in respect of which it has given such undertaking as referred to above in this Condition 5(c), including any treaty to which the United Kingdom is a party, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the most recently issued Tranche of the applicable Series of Notes, and
  - (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.
- (ii) Before the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer stating that (a) the obligation referred to in sub-paragraph (i)(A) above cannot be avoided by the Issuer taking reasonable measures



available to it and (b) in the case of Dated Subordinated Notes, the conditions set out in (iii) below have been satisfied, and the Trustee shall accept such certificate as sufficient evidence of the satisfaction of the conditions set out in (i) above and (iii) below and such certificate shall be conclusive and binding on the Trustee, Noteholders and Couponholders.

- (iii) In the case of Dated Subordinated Notes, the Issuer may only redeem such Notes pursuant to this Condition 5(c) if (and to the extent then required under the Capital Regulations) the Issuer demonstrates to the satisfaction of the PRA that the circumstance that entitles it to redeem such Notes pursuant to this Condition 5(c) is a material change to the tax treatment of such Notes and was not reasonably foreseeable to it on the date on which agreement is reached to issue the most recently issued Tranche of the applicable Series of Notes and to the extent that such redemption is not prohibited by CRD IV.

(d) ***Redemption at the Option of the Issuer and Exercise of Issuer's Options***

- (i) If Issuer Call is provided hereon, the Issuer may (with the permission of, or waiver from, the PRA if required), on giving not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable), redeem, or exercise any Issuer's option in relation to, all or, if so provided, some of the Notes in the principal amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Call Option Redemption Amount (together with any interest accrued to the date fixed for redemption).
- (ii) All Notes in respect of which any notice of redemption pursuant to this Condition 5(d) is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.
- (iii) In the case of a partial redemption or a partial exercise of an Issuer's option pursuant to this Condition 5(d), the notice referred to in (i) above shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place as the Trustee may approve and in such manner as the Trustee deems appropriate, subject to compliance with any applicable laws and stock exchange requirements.
- (iv) Notwithstanding the foregoing, in the case of Notes where a Make Whole Redemption Amount is specified hereon, if the Issuer determines, in its sole discretion (and without any requirement for the consent or approval of the Noteholders or the Trustee), that the Make Whole Redemption Amount applying to the relevant call option date(s) could reasonably be expected to prejudice the qualification of the Notes as regulatory capital for the purposes of the Capital Regulations or eligible liabilities or loss-absorbing capacity instruments for the purposes of the Loss Absorption Regulations, as applicable, the Issuer shall cease to have the right to redeem the notes on such call option date(s). The Issuer shall promptly following any such determination give notice thereof to the Trustee and the Noteholders (in accordance with Condition 13), provided that any 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 Notes on such call option date(s).

(e) ***Redemption at the Option of the Issuer due to Regulatory Capital Event***

- (i) If Regulatory Capital Call is provided hereon and immediately prior to the giving of the notice referred to below a Regulatory Capital Event has occurred, then the

Issuer may (with the permission of, or waiver from, the PRA if required) redeem the Dated Subordinated Notes in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable), at their Early Redemption Amount (together with any interest accrued to the date fixed for redemption).

- (ii) Before the publication of any notice of redemption pursuant to this Condition 5(e) the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer stating that (a) a Regulatory Capital Event has occurred and (b) the conditions set out in (iii) below have been satisfied, and the Trustee shall accept such certificate as sufficient evidence of the occurrence of a Regulatory Capital Event and of the satisfaction of the conditions set out in (iii) below and such certificate shall be conclusive and binding on the Trustee, Noteholders and Couponholders.
- (iii) Upon expiry of such notice the Issuer shall redeem the Dated Subordinated Notes, provided that the Issuer may only redeem Dated Subordinated Notes pursuant to this Condition 5(e) if (and to the extent then required under the Capital Regulations) the Issuer demonstrates to the satisfaction of the PRA that the circumstance that entitles it to redeem the Dated Subordinated Notes pursuant to this Condition 5(e) was not reasonably foreseeable to it on the date on which agreement is reached to issue the most recently issued Tranche of the applicable Series of Dated Subordinated Notes and to the extent that such redemption of the Dated Subordinated Notes is not prohibited by CRD IV.

(f) ***Redemption of Senior Notes at the option of the Issuer due to Loss Absorption Disqualification Event***

- (i) If Loss Absorption Disqualification Event Call is provided hereon and immediately prior to the giving of the notice referred to below a Loss Absorption Disqualification Event has occurred and is continuing, then the Issuer may (with the permission of, or waiver from, the PRA if required) redeem the Senior Notes in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable), at their Early Redemption Amount (together with any interest accrued to the date fixed for redemption).
- (ii) Before the publication of any notice of redemption pursuant to this Condition 5(f) the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer stating that such a Loss Absorption Disqualification Event has occurred and is continuing, and the Trustee shall accept such certificate as sufficient evidence of such a Loss Absorption Disqualification Event having occurred and continuing, in which event it shall be conclusive and binding on the Trustee, Noteholders and Couponholders.
- (iii) Upon expiry of such notice the Issuer shall redeem the Senior Notes.

(g) ***Redemption at the Option of Noteholders other than holders of Dated Subordinated Notes and Exercise of Noteholders' Options***

If so provided hereon, the Issuer shall, at the option of the holder of any Senior Note, redeem such Note on the date or dates so provided at its Put Option Redemption Amount (together with any interest accrued to the date fixed for redemption).

To exercise such option or any other Noteholders' option that may be set out hereon the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and

unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(h) ***Clean-up redemption at the option of the Issuer***

If Clean-up Call is specified hereon and if the Clean-up Call Threshold or more of the aggregate principal amount of the Notes originally issued (and, for these purposes, any further securities issued pursuant to Condition 12 will be deemed to have been originally issued) has been redeemed and/or purchased and cancelled, then the Issuer may (with the permission of, or waiver from, the PRA if required), at its option (without any requirement for the consent or approval of the Noteholders), and having given not less than 30 nor more than 60 days' notice to the Trustee, the Paying Agent, the Registrar and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all (but not only some) of the Notes on, or at any time after, the Clean-up Call Optional Redemption Date specified hereon. Any such redemption of Notes shall be at their Call Option Redemption Amount (together with any interest accrued to the date fixed for redemption).

(i) ***Purchases***

The Issuer or any of its Subsidiaries or any Holding Company of the Issuer or any other Subsidiary of such Holding Company (with the permission of, or waiver from, the PRA if required and to the extent that such purchase is not prohibited by CRD IV) may purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price, subject to the requirements (if any) of any stock exchange on which any Note is listed.

The rules under CRD IV provide that the PRA may permit the Issuer to repurchase the Dated Subordinated Notes during the five years following the date of issuance of the relevant Dated Subordinated Notes if:

- (i) before or at the same time as such repurchase of the relevant Dated Subordinated Notes, the Issuer replaces the Dated Subordinated Notes with own funds instruments of an equal or higher quality at terms that are sustainable for its income capacity and the PRA has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
- (ii) the Dated Subordinated Notes are repurchased for market making purposes.

The rules under the CRD IV may be modified from time to time after the date of this Base Prospectus.

(j) ***Cancellation***

All Notes purchased by or on behalf of the Issuer may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

## 6. Payments and Talons

### (a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 6(f)(v)) or Coupons (in the case of interest, save as specified in Condition 6(f)(ii)), as the case may be: (i) in the case of a currency other than Renminbi and euro, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on; or (ii) in the case of a currency other than Renminbi and euro, at the option of the holder, by transfer to an account denominated in that currency with, a bank in the principal financial centre for that currency; or (iii) in the case of euro, at the option of the holder, by transfer to or cheque drawn on a euro account (or any other account to which euro may be transferred) specified by the holder; or (iv) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong.

### (b) *Registered Notes*

- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on (in the case of Renminbi) the fifth day and (in the case of a currency other than Renminbi) the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made (a) in the case of a currency other than Renminbi and euro, in the currency in which such payments are due by cheque drawn on a bank in the principal financial centre of the country of the currency concerned, or (b) if euro is the currency concerned, by cheque drawn on a euro account and mailed (uninsured and at the risk of the holder) to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register, or (c) if Renminbi is the currency concerned, by transfer to the registered account of the holder. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency or, if euro is the relevant currency, to a euro account (or any other account to which euro may be transferred) specified by the holder.

For the purposes of this Condition 6(b), "registered account" means the Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong, details of which appear in the Register at the close of business on the fifth business day before the due date for payment.

### (c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) ***Payments subject to Fiscal Laws***

All payments will be subject in all cases to: (i) any fiscal or other laws, regulations and directives applicable thereto in any jurisdiction, but without prejudice to the provisions of Condition 7; and (ii) any withholding or deduction required pursuant to an agreement described in or entered into pursuant to Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (a “**FATCA Withholding Tax**”), and the Issuer will not be required to pay any additional amounts on account of any FATCA Withholding Tax. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

Without prejudice to the provisions of Condition 7, if any payment made by the Issuer is subject to any deduction or withholding in any jurisdiction, the Issuer shall not be required to pay any additional amount in respect of such deduction or withholding and, accordingly, the Issuer shall be acquitted and discharged of so much money as is represented by any such deduction or withholding as if such sum had been actually paid.

(e) ***Appointment of Agents***

The Issuing and Paying Agent, the Paying Agents, the CMU Lodging Agent, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of this document. The Issuing and Paying Agent, the CMU Lodging Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent, to appoint additional or other Paying Agents or Transfer Agents and to approve any change in the specified office through which any Paying Agent acts, provided that the Issuer shall at all times maintain, in each case as approved by the Trustee, (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging Agent in relation to Notes accepted for clearance through the CMU, (v) one or more Calculation Agent(s) where the Conditions so require, and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 6(c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) ***Unmatured Coupons and unexchanged Talons:***

- (i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unexpired Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Redemption Amount due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

- (ii) If the Notes so provide, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(h) **Non-Business Days**

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 9(h), "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation and in such other jurisdictions as shall be specified as "**Business Day Jurisdictions**" hereon (if any) and:

- (i) (in the case of a payment in a currency other than euro or Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
- (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

(i) **Inconvertibility, Non-transferability or Illiquidity**

Notwithstanding any other provision in these Conditions, if by reason of Inconvertibility, Non-transferability or Illiquidity, the relevant Issuer is not able, or it would be impracticable for it, to satisfy any payment due under the Notes or the Coupons in Renminbi, the relevant Issuer shall,

on giving not less than five and not more than 30 days' irrevocable notice to the Noteholders prior to the due date for the relevant payment, settle such payment in the Relevant Currency on the due date at the Relevant Currency Equivalent of the relevant Renminbi denominated amount.

In such event, payment of the Relevant Currency Equivalent of the relevant amounts due under the Notes or the Coupons shall be made in accordance with Condition 6(a) or 6(b)(ii), as applicable.

In this Condition 6(i):

**“Governmental Authority”** means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Hong Kong (including the HKMA);

**“Illiquidity”** means the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the relevant Issuer cannot obtain a sufficient amount of Renminbi in order to satisfy in full its obligation to make any payment due under the Notes or the Coupons;

**“Inconvertibility”** means the occurrence of any event that makes it impossible for the relevant Issuer to convert any amount due in respect of the Notes or the Coupons in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the relevant Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted on or after the date on which agreement is reached to issue the most recently issued Tranche of the applicable Series of Notes and it is impossible for the relevant Issuer due to an event beyond its control, to comply with such law, rule or regulation);

**“Non-transferability”** means the occurrence of any event that makes it impossible for the relevant Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the relevant Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted on or after the date on which agreement is reached to issue the most recently issued Tranche of the applicable Series of Notes and it is impossible for the relevant Issuer due to an event beyond its control, to comply with such law, rule or regulation);

**“Rate Calculation Business Day”** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and the principal financial centre of the Relevant Currency;

**“Rate Calculation Date”** means the day which is two Rate Calculation Business Days before the due date of the relevant amount under these Conditions;

**“Relevant Currency”** means United States dollars or such other currency as may be specified hereon;

**“Relevant Currency Equivalent”** means the Renminbi amount converted into the Relevant Currency using the Spot Rate for the relevant Rate Calculation Date; and

**“Spot Rate”**, for a Rate Calculation Date, means the spot rate between Renminbi and the Relevant Currency as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on such date in good faith and in a reasonable commercial manner; and if a spot rate is not readily available, the Calculation Agent may determine the rate taking into consideration all available information which the Calculation Agent deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Hong Kong or elsewhere and the People's Republic of China domestic foreign exchange market.

## 7. Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event (save in respect of the payment of principal on the Dated Subordinated Notes or any Series of Senior Notes for which Restrictive Events of Default are specified hereon), the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders (after the withholding or deduction) of such an amount as would have been received by them in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no such additional amounts shall be payable with respect of any Note or Coupon:

- (a) to, or to a third party on behalf of, a holder of such Note or Coupon who is liable to such taxes, duties, assessments or governmental charges by reason of his having some connection with the United Kingdom other than the mere holding of the Note or Coupon; or
- (b) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amounts on presenting their Note or Coupon for payment on the thirtieth day after the Relevant Date; or
- (c) if such withholding or deduction may be avoided by the holder complying with any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to any authority of or in the United Kingdom, unless such holder proves that he is not entitled so to comply or to make such declaration or claim.

In addition, any amounts to be paid on the Notes or the Coupons will be paid net of any deduction or withholding imposed or required pursuant to any FATCA Withholding Tax, and no additional amounts will be required to be paid by the Issuer on account of any FATCA Withholding Tax.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment first becomes due or if any amount is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "interest" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "principal" and/or "interest" (other than such interest as is referred to in Condition 9(d)) shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

## 8. Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them save in respect of Withheld Amounts (as defined in Condition 9). Claims in respect of principal comprised in a Withheld Amount and claims in respect of interest comprised in, or accrued on, a Withheld Amount will, in the case of such principal, become void 10 years and, in the case of such interest, become void five years after the due date for payment



as specified in Condition 9 or, if the full amount of the moneys payable has not been duly received by the Issuing and Paying Agent, another Paying Agent, the Registrar, a Transfer Agent or the Trustee, as the case may be, on or prior to such date, the date on which notice is given in accordance with Condition 9 that the relevant part of such moneys has been so received.

## 9. Events of Default

### (a) *Non-Restrictive Events of Default in respect of Senior Notes*

In the case of any Series of Senior Notes for which Non-Restrictive Events of Default are specified hereon, if any of the following events occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least one-fifth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount plus any accrued interest as provided in the Trust Deed:

- (i) **Non-Payment:** default is made for more than 14 days in the payment on the due date of interest or principal in respect of any of the Notes. The Issuer shall not be in default, however, if during the 14 days' grace period, it satisfies the Trustee that such sums ("**Withheld Amounts**") were not paid (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, the Issuer, the relevant Paying Agent, Transfer Agent, or the holder of any Note or Coupon or (B) (subject as provided in the Trust Deed) in case of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice as to such validity or applicability given at any time during the said period of 14 days by independent legal advisers acceptable to the Trustee; or
- (ii) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under the Notes or the Trust Deed, which default has not been remedied within 30 days after notice of such default shall have been given to the Issuer by the Trustee (except where such default is not, in the reasonable opinion of the Trustee after consultation with the Issuer, capable of remedy, in which case no such notice as is mentioned above will be required); or
- (iii) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or a material (in the opinion of the Trustee) part of the property, assets or revenues of the Issuer and is not discharged or stayed within 90 days; or
- (iv) **Insolvency:** the Issuer is (or is deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts (within the meaning of section 123(1) or (2) of the Insolvency Act 1986) as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material (in the opinion of the Trustee) part of its debts, makes a general assignment or an arrangement or composition with or for the benefit of all its creditors or a moratorium is agreed or declared in respect of all or a material (in the opinion of the Trustee) part of the debts of the Issuer; or
- (v) **Winding-up:** an administrator is appointed in relation to the Issuer, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, or the Issuer shall apply or petition for a winding-up or administration order in respect of itself or ceases or threatens through an official action of its board of directors to cease to carry on all or a substantial (in the opinion of the Trustee) part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Trustee in writing or by an Extraordinary Resolution of the Noteholders,

provided that in the case of any of the events referred to in paragraph (ii) above the Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Noteholders.

(b) ***Events of Default in respect of Dated Subordinated Notes and Restrictive Events of Default in respect of Senior Notes***

In the case of Dated Subordinated Notes or any Series of Senior Notes for which Restrictive Events of Default are specified hereon:

- (i) if, otherwise than for the purposes of a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Trustee or by an Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding-up of the Issuer, the Trustee may, subject as provided below, at its discretion, give notice to the Issuer that such Notes are, and they shall accordingly thereby forthwith become, immediately due and repayable at their Early Redemption Amount, plus any accrued interest as provided in the Trust Deed; and
- (ii) if default is made in the payment of principal or interest due in respect of such Notes and such default continues for a period of 14 days, the Trustee may, subject as provided below, at its discretion and without further notice, institute proceedings in England (but not elsewhere) for the winding-up of the Issuer provided that the Issuer shall not be in default if during the 14 days' grace period, it satisfies the Trustee that Withheld Amounts were not paid (A) in order to comply with any fiscal or other law, regulation or order of any court or competent jurisdiction, in each case applicable to such payment, the Issuer, the relevant Paying Agent, Transfer Agent or the holder of any Note or Coupon or (B) (subject as provided in the Trust Deed) in case of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice as to such validity or applicability given at any time during the said 14 days' grace period by independent legal advisers acceptable to the Trustee.

(c) ***Remedies***

- (i) In the case of Dated Subordinated Notes or any Series of Senior Notes for which Restrictive Events of Default are specified hereon, without prejudice to Condition 9(b), if the Issuer fails to perform, observe or comply with any obligation, condition or provision relating to such Notes binding on it under these Conditions (other than any payment obligations of the Issuer arising from the Notes, the Coupons or the Trust Deed including, without limitation, payment of principal, premium or interest in respect of the Notes or the Coupons and any damages awarded for breach of obligations) the Trustee may, subject as provided below, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce such obligation, condition or provision provided that the Issuer shall not as a consequence of such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.
- (ii) In the case of Dated Subordinated Notes or any Series of Senior Notes for which Restrictive Events of Default are specified hereon, subject to applicable laws, no remedy (including the exercise of any right of set-off or analogous event) other than those provided for in Condition 9(b) and paragraph (i) above or submitting a claim in the winding-up of the Issuer will be available to the Trustee or the holders of Notes and/or Coupons.

(d) **Enforcement**

The Trustee need not take any such action or proceedings as referred to in Condition 9(a), Condition 9(b), and/or Condition 9(c)(i) above unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth in principal amount of the Notes then outstanding and (ii) it shall have been indemnified to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer or submit a claim in the winding-up of the Issuer unless the Trustee having become bound so to proceed or being able to submit such a claim, fails to do so in each case within a reasonable time and such failure is continuing. In such a case the relevant Noteholder or Couponholder may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), himself institute proceedings against the Issuer and/or submit a claim in the winding-up of the Issuer, but only to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so in respect of his Notes and/or Coupons.

(e) **Withheld Amounts**

If lawful, Withheld Amounts or sums equal to Withheld Amounts shall be placed promptly on interest-bearing deposit all as more particularly described in the Trust Deed. If subsequently it shall be or become lawful to pay any Withheld Amount to the relevant Noteholders or Couponholders or if such payment is possible as soon as any doubt as to the validity or applicability of any such law, regulation or order as is mentioned in Condition 9(a)(i) or 9(b)(ii) (as the case may be) above is resolved, notice shall be given in accordance with Condition 9. The notice shall specify the date (which shall be no later than seven days after the earliest date thereafter upon which such interest-bearing deposit falls or may (without penalty) be called due for repayment) on and after which payment in full of such Withheld Amounts shall be made. On such date, the Issuer shall be bound to pay such Withheld Amount together with interest accrued on it. For the purposes of Conditions 9(a)(i) or 9(b)(ii), as the case may be, this date shall be the Relevant Date for such sums. The obligations of the Issuer under this Condition 9(e) shall be in lieu of any other remedy against it in respect of Withheld Amounts. Payment will be made subject to applicable laws, regulations or court orders, but, in the case of any payment of any Withheld Amounts, without prejudice to Condition 7. Interest accrued on any Withheld Amount shall be paid net of any taxes required by applicable law to be withheld or deducted and the Issuer shall not be obliged to pay any additional amount in respect of any such withholding or deduction.

**10. Meetings of Noteholders, Modification, Waiver and Substitution**

(a) **Meetings of Noteholders**

The Trust Deed contains provisions for convening meetings of Noteholders (including by way of conference call or other virtual means) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed subject to Condition 10(e).

Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum Interest Rate, Maximum Interest Rate, Minimum Call Option Redemption Amount or Maximum Call Option Redemption Amount is specified hereon, to reduce any such minimum and/or maximum, (v) to vary any method of, or basis for, calculating any Redemption Amount, including

the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or Denomination of the Notes, (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, or (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders. The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) ***Modification of the Trust Deed***

Subject to Condition 10(e), the Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of these Conditions or any of the provisions of the Trust Deed that is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions or any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable in accordance with Condition 9.

(c) ***Substitution***

Subject to Condition 10(e), the Trustee (if it is satisfied that to do so would not be materially prejudicial to the interests of Noteholders or Couponholders) may agree, if requested by the Issuer and subject to such amendment of the Trust Deed and such other conditions as the Trustee may reasonably require, but without the consent of the Noteholders or the Couponholders, to the substitution of a Subsidiary of the Issuer or a Holding Company of the Issuer or another Subsidiary of any such Holding Company in place of the Issuer as principal debtor under the Trust Deed, the Notes, the Coupons and the Talons and as a party to the Agency Agreement and so that, in the case of the Dated Subordinated Notes, the claims of the Noteholders or the Couponholders may, in the case of the substitution of a Holding Company of the Issuer in the place of the Issuer, also be subordinated to the rights of Senior Creditors of that Holding Company but not further or otherwise.

In the case of a substitution under this Condition 10, the Trustee may agree, without the consent of the Noteholders or Couponholders, to a change of law governing the Notes, and/or Coupons and/or the Trust Deed insofar as it relates to such Notes provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of holders of the Notes.

(d) ***Entitlement of the Trustee***

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder 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 Noteholders or Couponholders.

(e) ***Relevant Regulator notice or consent***

The provisions in these Conditions and the Trust Deed shall only be capable of modification or waiver and the Issuer may only be substituted in accordance with Condition 10(c) if the Issuer has notified the Relevant Regulator of such modification, waiver or substitution and/or obtained the prior consent of the Relevant Regulator, as the case may be (if such notice and/or consent is then required by the Capital Regulations).

#### **11. Replacement of Notes, Certificates, Coupons and Talons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent (in the case of Registered Notes), as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

#### **12. Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

#### **13. Notices**

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice (other than to holders of Registered Notes as specified above) shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

#### **14. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including provisions relieving it from taking proceedings unless indemnified to its

satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

#### **15. Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Notes or the Trust Deed by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

#### **16. Governing Law and Jurisdiction**

- (a) The Trust Deed, the Notes, the Coupons and the Talons, 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.
- (b) The Courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Notes, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes, Coupons or Talons may be brought in such courts.

#### **17. Recognition of UK Bail-in Power**

##### **(a) *Agreement and acknowledgement with respect to the exercise***

Notwithstanding and to the exclusion of any other term of any Series of Notes or any other agreements, arrangements or understandings between the Issuer and any Noteholder (or the Trustee on behalf of the Noteholders), by its acquisition of the Notes, each Noteholder acknowledges and accepts that the Amounts Due arising under the Notes may be subject to the exercise of the UK Bail-in Power by the Resolution Authority, and acknowledges, accepts, consents, and agrees to be bound by:

- (i) the effect of the exercise of the UK Bail-in Power by the Resolution Authority, that may include and result in any of the following, or some combination thereof:
  - (A) the reduction of all, or a portion, of the Amounts Due;
  - (B) the conversion of all, or a portion, of the Amounts Due in respect of the Notes into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes;
  - (C) the cancellation of the Notes; or
  - (D) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;
- (ii) the variation of the terms of the Notes, as determined by the Resolution Authority, to give effect to the exercise of the UK Bail-in Power by the Resolution Authority.

##### **(b) *Definitions***

For the purposes of this Condition 17:

**"Amounts Due"** means the principal amount of, and any accrued but unpaid interest on, the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the UK Bail-in Power by the Resolution Authority.

(c) ***Payments of interest and other outstanding Amounts Due***

No repayment or payment of Amounts Due in relation to the Notes will become due and payable or be paid after the exercise of any UK Bail-in Power by the Resolution Authority if and to the extent such amounts have been reduced, converted, written-down, cancelled, amended or altered as a result of such exercise.

(d) ***Event of Default***

Neither a reduction or cancellation, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the UK Bail-in Power by the Resolution Authority with respect to the Issuer, nor the exercise of the UK Bail-in Power by the Resolution Authority with respect to the Notes will constitute an event of default under Condition 9.

(e) ***Notice***

Upon the exercise of the UK Bail-in Power by the Resolution Authority with respect to any Notes, the Issuer shall immediately notify the Trustee and the Issuing and Paying Agent in writing of such exercise and give notice of the same to Holders in accordance with Condition 9. Any delay or failure by the Issuer in delivering any notice referred to in this Condition 17(e) shall not affect the validity and enforceability of the UK Bail-in Power.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

If the Global Notes or the Global Certificates are stated in the applicable Final Terms to be issued in NGN form or to be held under the NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. The relevant Issuer will notify the Common Safekeeper, on or before the relevant issue date, if Global Notes or Global Certificates are issued in a form which is intended to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations.

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depository, lodged with a sub-custodian for the CMU Service or deposited with a custodian for DTC.

In the case of a Global Note which is a CGN or a Global Certificate which is not held under the NSS, upon the initial deposit of a Global Note with a Common Depository or deposit of a Global Note with a sub-custodian for the CMU Service or registration of Registered Notes in the name of any nominee for Euroclear, Clearstream, Luxembourg, the Hong Kong Monetary Authority (“**HKMA**”) or DTC and delivery of the relevant Global Certificate to the Common Depository, the sub-custodian for the CMU Service or a custodian for DTC (as the case may be), Euroclear, Clearstream, Luxembourg, the CMU Service or DTC (as the case may be) will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depository or Common Safekeeper may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and/or Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date will be made against presentation of the Temporary Global Note if in CGN form only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and/or the CMU Lodging Agent and (in the case of a Temporary Global Note delivered to a Common Depository or Common Safekeeper for Euroclear and Clearstream, Luxembourg) Euroclear and/or Clearstream, Luxembourg, as applicable, have/has given a like certification (based on the certifications it has received) to the Issuing and Paying Agent.

### **Relationship of Accountholders with Clearing Systems**

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC or any other permitted clearing system (“**Alternative Clearing System**”) as the holder of a Note



represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, DTC or any such Alternative Clearing System (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of such Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or a Global Certificate is lodged with a sub-custodian for or registered with the CMU Service, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU Service in accordance with the CMU Rules shall be the only person(s) entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and the relevant Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU Service in respect of each amount so paid. Each of the persons shown in the records of the CMU Service, as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to the CMU Service for his share of each payment so made by the relevant Issuer in respect of such Global Note or Global Certificate.

## **Exchange**

### **1. Temporary Global Notes**

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (a) if the relevant Final Terms indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "*Overview of the Programme - Selling Restrictions*"), in whole, but not in part, for the Definitive Notes defined and described below; and
- (b) otherwise, in whole or in part, upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes, provided that the CMU Service may require that any such exchange for interests in a Permanent Global Note is made in whole and not in part and, in such event, no such exchange will be effected until all relevant accountholders (as set out in a CMU Issue Position Report or any other relevant notification supplied to the CMU Issue by the CMU Service) have so certified.

Each Temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any Permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

If the relevant Final Terms indicates that the Temporary Global Note may be exchanged for Definitive Notes, trading of such Notes in Euroclear and Clearstream, Luxembourg will only be permitted in amounts which are an integral multiple of the minimum Denomination.

### **2. Permanent Global Notes**

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under "Partial Exchange of Permanent Global Notes", in part for Definitive Notes or, in the case of 2(c) below, Registered Notes:

- (a) unless principal in respect of any Notes is not paid when due, by the relevant Issuer giving notice to the Noteholders and the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU Service ("**CMU Notes**"), the CMU Lodging Agent) of its intention to effect such exchange (save that no such exchange shall be possible where the Notes have a minimum Denomination plus a higher integral multiple of a smaller amount);
- (b) if the Permanent Global Note was issued in respect of a D Rules Note or if the relevant Final Terms provides that such Global Note is exchangeable at the request of the holder, by the holder giving notice to the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent) of its election for such exchange (save that no such exchange shall be possible where the Notes have a minimum Denomination plus a higher integral multiple of a smaller amount);
- (c) if the Permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Issuing and Paying Agent of its election to exchange the whole or a part of such Global Note for Registered Notes; and
- (d) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or the CMU Service or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, by the holder giving notice to the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent) of its election for such exchange.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg or the CMU Service, as the case may be.

In the event that a Permanent Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in the Denomination(s) only.

### **3. Permanent Global Certificates**

If the Final Terms state that the Notes are to be represented by a permanent Global Certificate on issue, transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (a) if in the case of Notes held in DTC, DTC notifies the relevant Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the Restricted Global Certificate or the Unrestricted Global Certificate, as the case may be, or ceases to be a "clearing agency" registered under the Exchange Act, or is at any time no longer eligible to act as such and such Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (b) if in the case of Notes held in Euroclear or Clearstream, Luxembourg or the CMU Service, Euroclear or Clearstream, Luxembourg or the CMU Service is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (c) if principal in respect of any Notes is not paid when due; or
- (d) with the consent of the relevant Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to 3(a) or 3(b) or 3(c) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

#### **4. Partial Exchange of Permanent Global Notes**

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Registered Notes if the Permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes.

#### **5. Delivery of Notes**

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent). In exchange for any Global Note, or the part thereof to be exchanged, the relevant Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be or, if the Global Note is an NGN, the relevant Issuer will procure that details of such exchange be entered pro rata in the records of the relevant clearing system. In this Prospectus, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that has not already been paid on the Global Note and, if applicable, a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

#### **6. Exchange Date**

"**Exchange Date**" means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

#### **Amendment to Conditions**

The Temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Prospectus. The following is a summary of certain of those provisions:

##### **1. Payments**

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of CGNs represented by a Global Note (except in respect of a Global Note held through the CMU service) will be made, if in CGN form, against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified

to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes.

In respect of a Global Note or Global Certificate representing Notes held through the CMU Service, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note or Global Certificate are credited (as set out in the records of the CMU Service) at the close of business on the Clearing System Business Day immediately prior to the date for payment and, save in the case of final payment, no presentation of the relevant Global Note shall be required for such purpose. For the purposes of this paragraph, Clearing System Business Day means a day on which the CMU Service is operating and open for business.

If the Global Note is a NGN or if the Global Certificate is held under the NSS, the relevant Issuer shall procure that details of each such payment shall be entered pro rata in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the relevant Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 6(h) (Non-Business Days).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment (the "**Record Date**"), where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

## **2. Prescription**

Claims against the relevant Issuer in respect of Notes that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date.

## **3. Meetings**

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such Permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each minimum integral currency unit of the specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

## **4. Cancellation**

Cancellation of any Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Note.

## **5. Purchase**

Notes represented by a Permanent Global Note may only be purchased by the relevant Issuer or any of its subsidiaries or any holding company (within the meaning of section 1159 of the Companies Act 2006) or any other subsidiary of such holding company if they are purchased together with the rights to receive all future payments of interest thereon.

## **6. Issuer's Option**

Any option of the relevant Issuer provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by the relevant Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the certificate numbers of Bearer Notes drawn, or in the case of Registered Notes shall not be required to specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Note, in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), DTC, the CMU Service or any other clearing system (as the case may be).

## **7. Noteholders' Options**

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note may be exercised by the holder of the Permanent Global Note giving notice to the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent) within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall not be required to specify the nominal amount of Registered Notes and the holder(s) of such Registered Notes, in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time where the Permanent Global Note is a CGN presenting the Permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent), for notation. Where the Global Note is a NGN or when the Global Certificate is held under the NSS, the relevant Issuer shall procure that details of such exercise shall be entered pro rata in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

## **8. NGN Nominal Amount**

Where the Global Note is a NGN, the relevant Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, the nominal amount of the Notes represented by such Global Note shall, in respect of payments of principal, be adjusted accordingly.

## **9. Trustee's Powers**

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

## **10. Notices**

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of (i) Euroclear and/or Clearstream, Luxembourg or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication

by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate or (ii) the CMU Service, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the CMU Service in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate, and any such notice shall be deemed to have been given to the Noteholders on the day on which such notice is delivered to the CMU Service.

## **11. Eurosystem eligibility**

Where the Global Notes issued in respect of any Tranche are in NGN form or are intended to be held under the NSS, the relevant Issuer will also indicate whether or not such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon the European Central Bank (the "**ECB**") being satisfied that the Eurosystem eligibility criteria have been met. Furthermore, any indication that the Global Notes are not intended to be so held may be the case at the date of the applicable Final Terms. However, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper and, in the case of Registered Notes, registered in the name of a nominee of one of the ICSDs acting as common safekeeper. Similarly, this would not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

## **12. Electronic Consent and Written Resolution**

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

- 12.1 approval of a resolution proposed by the relevant Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an "Electronic Consent" as defined in the Trust Deed) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution (as defined in the Trust Deed) to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons and Talons whether or not they participated in such Electronic Consent; and
- 12.2 where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the relevant Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuers and/or the Trustee, as the case may be, by (a) accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, where (b) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the relevant Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any Alternative Clearing System (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and

Couponholders, even if the relevant consent or instruction proves to be defective. 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 accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuers 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.

## USE OF PROCEEDS

Unless (i) otherwise specified in the relevant Final Terms or (ii) the relevant Final Terms specifies the relevant Series of Notes as being "Sustainability Bonds", "Green Bonds" or "Social Bonds" (together, "**ESG Bonds**"), the net proceeds of the issuance of each Series of Notes will be applied by the Issuer for general corporate purposes.

### ESG Bonds

If the relevant Final Terms specifies that a Series of Notes are "Sustainability Bonds", "Green Bonds", or "Social Bonds", then, unless otherwise specified in the relevant Final Terms, the relevant Issuer will use an amount equal to the net proceeds of the issuance of the Notes to fund eligible projects in eligible sustainable, green, or social sectors, respectively (as further described within the Group's sustainability bond framework, which may be amended from time to time at the sole discretion of the Group (the "**Framework**")). As at the date of this Prospectus, the Framework is available on the following webpage: <https://av.sc.com/corp-en/content/docs/sustainability-bond-framework.pdf>.

Within the current Framework, the Group has set out its intention to track the use of such proceeds via its internal information systems, and provide a progress report on at least an annual basis. In addition, the Group sets out within the current Framework its intention to obtain a pre-issuance verification report in respect of any relevant Series of Notes, and make such report available on its website. The Group also intends to engage an independent reviewer to independently review each progress report and opine on its continued conformity with the Framework. The Group intends to make each progress report and the related opinions available on its website.

In connection with the Framework, the Group appointed Sustainalytics UK Limited, a provider of environmental, social and governance research and analysis, to evaluate the Framework and the alignment thereof with relevant market standards and to provide its views on how impactful and credible the Framework is (the "**Second Party Opinion**"). As at the date of this Prospectus, the Second Party Opinion (which is dated 4 January 2021) is available on the following webpage: <https://av.sc.com/corp-en/content/docs/sustainability-bond-framework-second-opinion.pdf>.

For the avoidance of doubt, none of the Framework, the Second Party Opinion, any progress reports, any pre-issuance verification reports or any related opinions are, nor shall they be deemed to be, incorporated in, and/or form part of, this Prospectus.



## STANDARD CHARTERED PLC

SCPLC is a public limited company and the ultimate holding company of the Group and was incorporated and registered in England and Wales on 18 November 1969 as a private limited company. Its ordinary shares and preference shares are listed on the Official List and traded on the London Stock Exchange. SCPLC's ordinary shares are also listed on the Hong Kong Stock Exchange. SCPLC operates under the Companies Act 2006 and its registered number is 966425. SCPLC's registered office and principal place of business in the UK is at 1 Basinghall Avenue, London EC2V 5DD. SCPLC's telephone number is +44 (0)20 7885 8888.

### The Group

The Group is an international banking and financial services group particularly focused on the markets of Asia, Africa and the Middle East. As at 31 December 2021, the Group had more than 81,000 employees across 59 markets.

Further information relating to SCPLC and the Group may be found in the 2021 Annual Report, throughout the strategic reporting on pages 1 to 87, including the financial information contained in the Group Chief Financial Officer's review on pages 32 to 40, the risk exposures on pages 196 to 257 and the financial statements from pages 308 to 437. Further financial information may be found in of the Q1 2022 Results.

### Subsidiaries

As at 31 December 2021, the principal subsidiary undertakings of SCPLC principally engaged in the business of banking and provision of other financial services, were as follows: SCB, England and Wales, Standard Chartered Bank (Hong Kong) Limited, Hong Kong, Standard Chartered Bank (Singapore) Limited, Singapore, Standard Chartered Bank Korea Limited, Korea, Standard Chartered Bank (China) Limited, China, Standard Chartered Bank (Taiwan) Limited, Taiwan, Standard Chartered Bank AG, Germany, Standard Chartered Bank Malaysia Berhad, Malaysia, Standard Chartered Bank (Thai) Public Company Limited, Thailand, Standard Chartered Bank (Pakistan) Limited, Pakistan, Standard Chartered Bank Botswana Limited, Botswana, Standard Chartered Bank Kenya Limited, Kenya, Standard Chartered Bank Nepal Limited, Nepal, Standard Chartered Bank Ghana PLC, Ghana and Mox Bank Limited, Hong Kong.

As at 31 December 2021, all the above were directly or indirectly wholly owned subsidiaries of SCPLC, except Standard Chartered Bank (Thai) Public Company Limited, which was 99.87 per cent. indirectly owned by SCPLC, Standard Chartered Bank (Pakistan) Limited, which was 98.99 per cent. indirectly owned by SCPLC, Standard Chartered Bank Kenya Limited, which was 74.32 per cent. indirectly owned by SCPLC, Standard Chartered Bank Botswana Limited, which was 75.83 per cent. indirectly owned by SCPLC, Standard Chartered Bank Nepal Limited, which was 70.21 per cent. indirectly owned by SCPLC, Standard Chartered Bank Ghana PLC, which was 69.42 per cent. indirectly owned by SCPLC and Mox Bank Limited, which was 65.10 per cent. indirectly owned by SCPLC.

### Directors

The current directors of SCPLC and their respective principal outside activities, where significant to SCPLC, are as follows:

#### **Dr J M I Viñals** *Group Chairman*<sup>1</sup>

*Co-Chair of the United Nation's Alliance of Global Investors for Sustainable Development (GISD) and a board member of the Institute of International Finance (IIF). He is also a member of the board of directors of the Bretton Woods Committee and a board member of the Social Progress Imperative.*

#### **W T Winters, CBE** *Group Chief Executive*<sup>1</sup>

*Non-executive director of Novartis International AG.*

#### **A N Halford** *Group Chief Financial Officer*<sup>1</sup>

*Senior independent director of Marks and Spencer Group plc.*

#### **D P Conner** *Independent Non-Executive Director*<sup>1</sup>

*Trustee of Washington University in St Louis. Chair of the Barnard Cancer Institute.*

#### **C M Hodgson, CBE** *Senior Independent Director*<sup>1</sup>

*Chair of Severn Trent plc, Chair of The Careers & Enterprise Company Limited, Senior Pro Chancellor and Chair of the Council of Loughborough University. External board advisor to Spencer Stuart Management Consultants NV.*

**J Whitbread** *Independent Non-Executive Director*<sup>1</sup>

*Non-executive director of WPP Plc and Compagnie Financière Richemont SA., Chair of Travis Perkins plc.*

**G Huey Evans, CBE** *Independent Non-Executive Director*<sup>1</sup>

*Non-executive director of ConocoPhillips and S&P Global, non-executive member of the UK HM Treasury Board, Chair of the London Metal Exchange, member of the Benjamin Franklin House Board and the panel of Senior Advisors of Chatham House.*

**Dr B E Grote** *Independent Non-Executive Director*<sup>1</sup>

*Senior independent director of Tesco plc, Deputy Chairman of the Supervisory Board at Akzo Nobel NV and a member of the European Audit Committee Leadership Network.*

**P Rivett** *Independent Non-Executive Director*<sup>1</sup>

*Independent non-executive director of Nationwide Building Society.*

**C Tong** *Independent Non-Executive Director*<sup>1</sup>

*Independent Non-Executive Director of MTR Corporation Limited. Member of various Hong Kong SAR government bodies, including as Chair of the University Grants Committee and a member of the Hong Kong Human Resource Planning Commission. Observer on behalf of the Hong Kong Government for Cathay Pacific Airways Limited. Honorary Advisor to the Advisory Board of Tencent Finance Academy (Hong Kong), a Member of the Advisory Panel of Hong Kong Cyberport Management Company Limited and a Member of the Hong Kong Academy of Finance.*

**D Tang** *Independent Non-Executive Director*<sup>1</sup>

*Independent non-executive director of Kingsoft Corporation Limited (listed on the Hong Kong Stock Exchange), non-executive director of JOYY Inc. (listed on the Nasdaq Stock Market) and Chief Value Officer of Kaiyun Motors.*

**M Ramos** *Independent Non-Executive Director*<sup>1</sup>

*Chair of AngloGold Ashanti Limited and non-executive director of Compagnie Financière Richemont SA.*

**S Apte** *Independent Non-Executive Director*

*Independent non-executive director at the Commonwealth Bank of Australia. Independent non-executive director at Singapore Life Pte Ltd. Independent non-executive director of Keppel Corporation Limited.*

The above appointments have received the necessary regulatory approval.

Notes:

1. The business address should be regarded for the purposes of this Prospectus as:  
1 Basinghall Avenue  
London EC2V 5DD

There are no existing or potential conflicts of interest between any duties of the directors named above owed to SCPLC and their private interests and/or other duties which would require disclosure in this Prospectus. The Group has a control process in place for the purposes of avoiding potential conflicts of interest, as and when they may arise, between any duties of the directors named above to SCPLC and their private interests and/or other duties. There are no such potential conflicts of interest which would require disclosure in this Prospectus.

At the annual general meeting of SCPLC held on 4 May 2022, SCPLC elected Robin Lawther as an independent non-executive director effective 1 July 2022. In an announcement published on 2 March 2022, SCPLC confirmed that Christine Hodgson is intending to retire from the Board in September 2022.

## STANDARD CHARTERED BANK

SCB was incorporated in England with limited liability by Royal Charter on 29 December 1853. SCB's issued share capital comprises ordinary shares, all of which are owned by Standard Chartered Holdings Limited, a company incorporated in England and Wales and a wholly-owned subsidiary of SCPLC, non-cumulative irredeemable preference shares of U.S.\$0.01 each, all of which are owned by Standard Chartered Holdings Limited, and non-cumulative redeemable preference shares of U.S.\$5.00 each, all of which are owned by SCPLC. SCB's principal office and principal place of business in the United Kingdom is at 1 Basinghall Avenue, London EC2V 5DD. SCB's reference number is ZC18.

Further information relating to SCB may be found on pages 1 to 19 and 280 to 283 of the SCB 2021 Accounts.

### Subsidiaries

As at 31 December 2021, the principal subsidiary undertakings of SCB, all indirectly held except for Standard Chartered Bank AG, Standard Chartered Bank (Pakistan) Limited, Standard Chartered Bank (Mauritius) Limited and 13.6 per cent of Standard Chartered Bank (Singapore) Limited, and principally engaged in the business of banking and provision of other financial services, were as follows: Standard Chartered Bank (Singapore) Limited; Standard Chartered Bank AG; Standard Chartered Bank Malaysia Berhad; Standard Chartered Bank Nigeria Limited; Standard Chartered Bank (Vietnam) Limited; Standard Chartered Bank (Mauritius) Limited; Standard Chartered Bank (Thai) Public Company Limited; Standard Chartered Bank (Pakistan) Limited; Standard Chartered Bank Zambia PLC; Standard Chartered Bank (Botswana) Limited; Standard Chartered Bank Kenya Limited; Standard Chartered Bank Ghana PLC.

As at 31 December 2021 all the above are indirectly wholly owned subsidiaries of SCB, except Standard Chartered Bank (Thai) Public Company Limited, which was 99.87 per cent indirectly owned by SCB, Standard Chartered Bank (Pakistan) Limited, which was 98.99 per cent directly owned by SCB, Standard Chartered Bank Zambia PLC, which was 90.00 per cent indirectly owned by SCB, Standard Chartered Bank (Botswana) Limited, which was 75.83 per cent indirectly owned by SCB, Standard Chartered Bank Kenya Limited, which was 74.32 per cent indirectly owned by SCB, and Standard Chartered Bank Ghana PLC, which was 69.42 per cent indirectly owned by SCB.

### Directors

The current directors of SCB and their respective principal outside activities, where significant to SCB, are as follows:

**Dr J M I Viñals** *Chairman of SCB<sup>1</sup>*

*Co-Chair of the United Nation's Alliance of Global Investors for Sustainable Development (GISD) and a board member of the Institute of International Finance (IIF). He is also a member of the board of directors of the Bretton Woods Committee and a board member of the Social Progress Imperative.*

**W T Winters, CBE** *Chief Executive of SCB<sup>1</sup>*

*Non-executive director of Novartis International AG.*

**A N Halford** *Chief Financial Officer of SCB<sup>1</sup>*

*Senior independent director of Marks and Spencer Group plc.*

**D P Conner** *Independent Non-Executive Director of SCB<sup>1</sup>*

*Trustee of Washington University in St Louis. Chair of the Barnard Cancer Institute.*

**J Whitbread** *Independent Non-Executive Director of SCB<sup>1</sup>*

*Non-executive director of WPP Plc and Compagnie Financière Richemont SA., Chair of Travis Perkins plc.*

**G Huey Evans, CBE** *Independent Non-Executive Director of SCB<sup>1</sup>*

*Non-executive director of ConocoPhillips and S&P Global, non-executive member of the UK HM Treasury Board, Chair of the London Metal Exchange, member of the Benjamin Franklin House Board and the panel of Senior Advisors of Chatham House.*

**P Rivett** *Independent Non-Executive Director of SCB<sup>1</sup>*

*Independent non-executive director of Nationwide Building Society.*

**C Tong** *Independent Non-Executive Director of SCB<sup>1</sup>*

*Independent Non-Executive Director of MTR Corporation Limited. Member of various Hong Kong SAR government bodies, including as Chair of the University Grants Committee and a member of the Hong Kong Human Resource Planning Commission. Observer on behalf of the Hong Kong Government for Cathay Pacific Airways Limited. Honorary Advisor to the Advisory Board of Tencent Finance Academy (Hong Kong), a Member of the Advisory Panel of Hong Kong Cyberport Management Company Limited and a Member of the Hong Kong Academy of Finance.*

**D Tang** *Independent Non-Executive Director of SCB<sup>1</sup>*

*Independent non-executive director of Kingsoft Corporation Limited (listed on the Hong Kong Stock Exchange), non-executive director of JOYY Inc. (listed on the Nasdaq Stock Exchange) and Chief Value Officer at Kaiyun Motors.*

**M Ramos** *Independent Non-Executive Director of SCB<sup>1</sup>*

*Chair of AngloGold Ashanti Limited and non-executive director of Compagnie Financière Richemont SA.*

**M Smith** *Director of SCB<sup>1</sup>*

*Member of the Foundation Board of International Financial Risk Institute.*

**A C McFadyen** *Non-Executive Director of SCB<sup>1</sup>*

*Director of the Orchestra of the Age of Enlightenment Trust, Director of Kali Theatre Company Limited.*

The above appointments have received the necessary regulatory approval.

Notes:

1. The business address should be regarded for the purposes of this Prospectus as:  
1 Basinghall Avenue  
London EC2V 5DD

There are no existing or potential conflicts of interest between any duties of the directors named above owed to SCB and their private interests and/or other duties which would require disclosure in this Prospectus. The Group has a control process in place for the purposes of avoiding potential conflicts of interest, as and when they may arise, between any duties of the directors named above to SCB and their private interests and/or other duties. There are no such potential conflicts of interest which would require disclosure in this Prospectus.

## SUPERVISION AND REGULATION

As financial institutions, the Issuers, together with the Group, are subject to extensive financial services laws, regulations, administrative actions and policies in the UK, Hong Kong and each other location in which the Group operates. These factors impose constraints on business operations, impact financial returns and include (but are not limited to) capital, leverage and liquidity requirements, authorisation, registration and reporting requirements, restrictions on certain activities and conduct of business regulations.

Regulatory developments impact the Group globally. Its operations across the world are regulated and supervised by a large number of different regulatory authorities, central banks and other bodies in those jurisdictions where the Group has offices, branches or subsidiaries and, in some cases, clients. These authorities impose a variety of requirements and controls designed to provide financial stability, transparency in financial markets and a contribution to economic growth. Requirements to which the Group's operations must adhere include those relating to capital and liquidity, disclosure standards and restrictions on certain types of products or transaction structures, recovery and resolution, governance standards, conduct of business and financial crime.

The summary of the Issuers' and the Group's supervision and regulation provided in this section focuses particularly on UK and Hong Kong regulation, as the Issuers consider these to be the principal regulatory landscapes relevant to an investment in the Notes. However, potential investors should note that regulations elsewhere may also have a significant impact on the Group due to the location of its operations and, in some cases, clients.

### Supervision and regulation in the UK

Regulation and supervision of the Group's activities in the UK is handled by the PRA (a division of the Bank of England ("**BoE**")) and the FCA. The PRA is the UK statutory body responsible for the prudential supervision of banks, building societies, credit unions, insurers and a small number of significant investments firms. The FCA regulates the conduct of financial firms and, for certain firms, prudential standards in the UK. It has a strategic objective to ensure that the relevant markets function well. In addition, the Financial Policy Committee ("**FPC**") of the BoE has influence on the prudential requirements that may be imposed on the banking system through its powers of direction and recommendation. The Issuers are authorised credit institutions and subject to prudential supervision by the PRA and conduct regulation and supervision by the FCA. The Group is also subject to prudential supervision by the PRA on a group consolidated basis.

The PRA's group consolidated supervision of the Group is conducted through a variety of regulatory tools, including (but not limited to) the collection of information by way of prudential returns or cross-firm reviews, reports obtained from skilled persons, regular supervisory visits and regular meetings with management and Directors to discuss issues such as strategy, governance, financial and operational resilience, risk management, and recovery and resolution. Both the PRA and the FCA apply standards that either align, anticipate or go beyond requirements established by global or EU standards, whether in relation to capital, leverage and liquidity, resolvability or matters of conduct. The FCA's supervision of the Group's UK firms is carried out through, among other tools, proactive engagement, regular thematic work and project work based on the FCA's sector assessments, which analyse the different areas of the market and potential future risks. The FCA and the PRA also apply the 'Senior Managers and Certification Regime' which imposes a regulatory approval, individual accountability and fitness and propriety framework in respect of senior individuals within relevant firms. FCA supervision of UK banks has focused on conduct risk and client outcomes, including market operations, anti-money laundering, and fair pricing. PRA supervision has focused on financial resilience, credit risk management, board effectiveness, operational resilience, climate risk and resolvability, where resolvability is reviewed in conjunction with the Resolution Directorate (a separate division of the BoE). Both the PRA and the FCA have assessed the impact of the COVID-19 pandemic and Brexit on UK financial markets and customers as well as the orderly transition away from LIBOR.

## **Brexit**

The UK and EU Commission announced on 24 December 2020 that they had reached agreement on a draft EU-UK Trade and Cooperation Agreement (“**TCA**”) (which has since been ratified by the UK and EU), providing a new economic and social partnership between the EU and UK. The TCA covers a number of topics, including trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation, and participation in EU programmes. However, the TCA does not cover financial services (other than through a general undertaking to ensure the implementation and application of internally agreed standards in the financial services sector for regulation and supervision), leaving decisions of “equivalence” and “adequacy” to be determined by each side unilaterally in due course. As a result, the Issuers are no longer able to rely on the EU passporting framework for the provision of financial services to EU clients.

The TCA was accompanied by a Joint Declaration on Financial Services Regulatory Cooperation (the “**Joint Declaration**”), pursuant to which the EU and UK have agreed to establish structured regulatory cooperation on financial services, with the aim of establishing a durable and stable relationship, based on a shared commitment to preserve financial stability, market integrity, and the protection of investors and consumers. While technical discussions on the text of a memorandum of understanding to establish the Joint EU-UK Financial Regulatory Forum (the “**Forum**”) were concluded in March 2021, progress has stalled and the memorandum of understanding remains unsigned as at the date of this Prospectus. Once the memorandum of understanding has been signed, it is expected that consideration will be given to equivalence determinations, *inter alia*, in future Forum meetings.

UK firms in the Group are currently subject to many of the same rules and regulations as before Brexit. However, the UK is in the process of recasting onshored EU legislation into PRA and FCA rules and intends to complete UK implementation of the remaining Basel III reforms. The regulatory regimes for EU and UK financial services may therefore change further and temporary permissions and equivalence decisions may expire and not be replaced, which would result in further adjustments to the UK regulatory landscape. The House of Commons Treasury Committee published a report on 6 July 2021 as part of the Future Regulatory Framework Review for financial services. The review, which is ongoing, was primarily launched to determine what adaptations to UK financial services regulation would be necessary following Brexit. The report has, among others things, provided recommendations on the changes required, including adapting the role of the regulators in the UK and the process for drafting and scrutinising future policy.

## **Prudential regulation**

The Issuers and the Group are subject to certain standards of the Basel III prudential framework implemented through the PRA rules, CRR and CRD IV, CRR II and CRD V, in each case to the extent that they form part of the domestic law of the UK by virtue of the EUWA.

As financial institutions, and amongst other things, these standards require the Issuers to maintain certain levels of regulatory capital including CET1 Capital, additional Tier 1 capital and Tier 2 capital.

The Group remains a G-SIB with a 1.0 per cent. G-SIB CET1 Capital buffer which was fully implemented on 1 January 2019. G-SIBs, such as the Group, are subject to a number of additional prudential requirements, including the requirement to hold additional loss-absorbing capacity and additional capital buffers above the level required by Basel III. The level of the G-SIB buffer is set by the FSB according to a bank’s systemic importance and can range from 1 per cent. to 3.5 per cent. of RWAs. The G-SIB buffer must be met with CET1 capital. The Group is also subject to a ‘combined buffer requirement’ consisting of (i) a capital conservation buffer, and (ii) a countercyclical capital buffer (“**CCyB**”). The CCyB is based on rates determined by the regulatory authorities in each jurisdiction in which the Group maintains exposures. In March 2020, the FPC cut the UK CCyB rate to 0 per cent. with immediate effect in order to support the supply of credit

expected as a result of the COVID-19 pandemic. At its meeting in December 2021, the FPC agreed that it would raise the UK CCyB rate to 1 per cent. with effect from 13 December 2022.

The PRA also requires UK firms to hold additional capital to cover risks which the PRA determines are not fully captured by the Pillar 1 capital requirement. The PRA sets this additional capital requirement (Pillar 2A) at least annually, derived from each firm's individual capital guidance. It is understood that to set this additional capital requirement, the PRA considers results from various stress tests as well as other relevant information. Under current PRA rules, the Pillar 2A must be met with at least 56.25 per cent. CET1 capital, no more than 43.75 per cent. additional Tier 1 capital and no more than 25 per cent. Tier 2 capital. In addition, the capital that firms use to meet their minimum requirements (Pillar 1 and Pillar 2A) cannot be counted towards meeting the combined buffer requirement.

UK banks, including SCB, are also subject to a minimum leverage ratio of 3.25 per cent., and in certain cases a supplementary leverage ratio buffer is applicable. In the future, the Group is also likely to be required to ensure that the amount of stable sources of funding to which it has access meets a ratio prescribed by the net stable funding requirements under Basel III (as detailed below).

The PRA may also impose a 'PRA buffer' to cover risks over a forward-looking planning horizon, including with regard to firm-specific stresses or management and governance weaknesses. If the PRA buffer is imposed on a specific firm, it must be met separately to the combined buffer requirement, and must be met fully with CET1 capital.

Following a consultation paper in June 2021, the FPC and PRA in October 2021 published a policy statement setting out changes to the UK leverage ratio framework, including (i) extending the scope of the UK leverage ratio framework to other types of firms (including, for example, investment firms), (ii) applying the leverage ratio requirement on an individual basis to any firm that is not a CRR consolidation entity or a ring-fenced body that is the ultimate parent within a ring-fenced sub-group, (iii) making sub-consolidation available as an alternative to individual application where a firm has subsidiaries that can be consolidated, (iv) updates to the leverage exposure measure to reflect updated international standards, (v) amending the leverage ratio model requirements, and (vi) updating other leverage reporting and disclosure requirements. Certain of the changes (particularly those summarised in items (iv), (v) and (vi)) were implemented in January 2022. The resulting UK leverage ratio framework is stronger, compared to international standards, in that the requirement and supervisory expectation are to be met with at least 75 per cent. CET1 instead of 100 per cent. Tier 1 capital, with any AT1 instruments to have a minimum 7 per cent. conversion trigger in order to count towards the minimum leverage ratio requirement.

In July 2021 and October 2021, the PRA published a policy statement and confirmation (respectively), setting out its planned implementation of certain Basel III standards, including the net stable funding ratio, the new counterparty credit risk standard and rules on large exposures. As part of this policy statement, the PRA also confirmed that it would maintain its approach of requiring the deduction of software assets from capital. The policy statement, and implementation of the relevant Basel III standards, came into effect on 1 January 2022. In March 2022, the PRA indicated its intention to release a consultation paper in Q4 2022 outlining its steps to implement remaining Basel III standards, which include a revised standardised approach for credit risk, the elimination of modelled approaches for certain credit risk exposure categories, a new standardised approach for operational risk, a new market risk approach and a phased-in implementation of an output floor requiring reported RWAs calculated under standardised and modelled approaches to be a minimum of 72.5 per cent. of fully standardised calculations. The PRA stated that its intention is to consult on a proposal that such changes become effective on 1 January 2025.

As at 31 March 2022, the Group's CET1 requirement was 10.14 per cent., comprising various capital buffers and additional capital requirements.

For more information on how changes in prudential standards have or may have an impact on the Issuers and/or the Group, see the risk factor entitled “*Treasury risks - The Group is exposed to the risk of regulators imposing new prudential standards, including increased capital, leverage, loss-absorbing capacity and liquidity requirements*” on pages 33 to 35 of this Prospectus.

### **Stress testing**

The Group and certain of its members are subject to supervisory stress testing exercises in a number of jurisdictions. The tests are designed to assess the resilience of banks to adverse economic or financial developments and ensure that they have robust, forward-looking capital planning processes that account for the risks associated with their business profile. Assessment by regulators is on both a quantitative and qualitative basis, the latter focusing on such elements as data provision, stress testing capability including model risk management and internal management processes and controls.

### **Recovery and resolution stabilisation and resolution framework**

The Group is subject to the recovery and resolution stabilisation frameworks developed by its regulators, including (i) those introduced in accordance with UK BRRD, and (ii) the Banking Act 2009.

The BoE, as the UK resolution authority, has the power to resolve a UK financial institution that is failing or likely to fail by exercising several stabilisation options, including transferring such institution’s business or securities to a commercial purchaser or a ‘bridge bank’ owned by the BoE, transferring the institution into temporary public ownership or exercising bail-in powers. When exercising any of its stabilisation powers, the BoE must generally provide that shareholders bear first losses, followed by creditors in accordance with the priority of their claims in insolvency. In order to enable the exercise of its stabilisation powers, the BoE may impose a temporary stay on the rights of creditors to terminate, accelerate or close out contracts, or override events of default or termination rights that might otherwise be invoked as a result of a resolution action and modify contractual arrangements in certain circumstances (including a variation of the terms of any securities). HM Treasury may also amend the law for the purpose of enabling it to use its powers under this regime effectively, potentially with retrospective effect.

The BoE is also able to exercise bail-in powers to write-down certain unsecured liabilities of institutions that meet the conditions for resolution (which include a determination that a point of non-viability has been reached or is likely to be reached) or to convert such unsecured liabilities into equity, either to recapitalise the relevant institution (subject to appropriate restructuring of that institution’s business) or to provide capital for any bridge institution that the BoE establishes in connection with resolution of the institution. Subject to certain exemptions set out in the UK BRRD (including secured liabilities, bank deposits guaranteed under a Member State’s deposit guarantee scheme, liabilities arising by virtue of the holding of client money, liabilities to other non-group banks or investments firms that have an original maturity of fewer than seven days and certain other exceptions), it is intended that all liabilities of institutions should potentially be ‘bail-in-able’ (“**Eligible Liabilities**”). The BoE will apply the bail-in powers to the shares and other Eligible Liabilities of a failing institution and/or its holding company in accordance with a hierarchy prescribed by the UK BRRD, pursuant to which, for example, subordinated debt instruments are to be written-down or converted ahead of senior unsecured debt. The bail-in powers that have been given to the BoE (as the UK resolution authority) include the ability to write-down or convert certain unsecured debt instruments into shares of the institution or other instruments of ownership, to reduce the outstanding amount due under such debt instruments (including reducing such amounts to zero), to cancel such debt instruments or to vary the terms of such debt instruments (e.g. the variation of maturity of a debt instrument). Any financial public support available to support institutions is only to be used as a last resort, after the resolution tools (including the bail-in powers) have been exploited to the maximum extent practicable.

The BoE’s preferred approach for the resolution of the Group is a bail-in strategy with a single point of entry at SCPLC. Under such a strategy, SCPLC’s subsidiaries would remain operational



while SCPLC's capital instruments and eligible liabilities would be written down or converted to equity in order to recapitalise the Group and allow for the continued provision of services and operations throughout the resolution. The order in which the bail-in tool is applied reflects the hierarchy of capital instruments under CRD V and otherwise respects the hierarchy of claims in an ordinary insolvency. Accordingly, the more subordinated the claim, the more likely losses will be suffered by owners of the claim.

In addition, the BoE has the power (and is obliged when specified conditions are determined by it to have been met) to permanently write-down, or convert into CET1 capital, Tier 1 capital instruments and Tier 2 capital instruments issued by institutions (including the Group) in certain specific cases, including before determining that the relevant institution and/or the group has reached a point of non-viability. Upon such determination, the BoE may take any form of resolution action or apply any resolution power set out in the UK BRRD. This power also extends to include external eligible liabilities (such as the Senior Notes) if used in combination with a resolution power, and internal eligible liabilities (in which case, it may be used independently of, or in combination with, a resolution power).

The PRA has made rules that require authorised firms to draw up recovery plans and resolution packs, as required by the UK BRRD. Recovery plans are designed to outline credible actions that authorised firms could implement in the event of severe stress in order to restore their business to a stable and sustainable condition. Removal of potential impediments to an orderly resolution of a banking group or one or more of its subsidiaries is considered as part of the BoE's and PRA's supervisory strategy for each firm, and the PRA can require firms to make significant changes in order to enhance resolvability. The Group currently provides the PRA with a recovery plan annually and with resolution planning information annually.

Under the Resolvability Assessment Framework, firms are required to have capabilities covering three resolvability outcomes: (i) adequate financial resources; (ii) being able to continue to do business through resolution and restructuring; and (iii) being able to communicate and co-ordinate within the firm and with authorities and markets so resolution and subsequent restructuring are orderly. The first self-assessment report on these capabilities was submitted by the Group to the PRA in October 2021 and February 2022. The Group published public disclosures as required by the BoE on 10 June 2022, which will be refreshed every two years.

The UK BRRD also requires regulators to be empowered to intervene at an appropriately early stage to facilitate the recovery of viable institutions, including powers to direct an institution to remove identified impediments to resolvability, remove and replace board members, implement measures identified in the institution's recovery plan or require changes to the legal or operational structure of the institution.

The PRA requires UK banks (such as SCB) to ensure that contracts which are governed by the law of a territory or country other than the UK contain a term whereby the creditor or party to the agreement creating the liability recognises that the liability may be subject to the BoE's write-down and conversion powers, and agrees to be bound by any reduction of the principal or outstanding amount due, conversion or cancellation that is effected by the exercise of those powers. Failure to include such a contractual term will not prevent the BoE from exercising such powers in respect of the relevant liability. Moreover, the Banking Act 2009 and secondary legislation made thereunder provides certain limited safeguards for creditors in specific circumstances. For example, a holder of debt securities issued by the Issuers should not suffer a worse outcome than it would in insolvency proceedings. However, this "no creditor worse off" safeguard may not apply in relation to an application of the write-down and conversion power in circumstances where a stabilisation power (such as the bail-in power) is not also used; holders of debt instruments which are subject to the power may, however, have ordinary shares transferred to or issued to them by way of compensation. The exercise of mandatory write-down and conversion power under the Banking Act or any suggestion of such exercise could, therefore, materially adversely affect the rights of the holders of equity and debt securities and the price or value of their investment and/or the ability of the Issuers to satisfy its obligations under such debt securities.

## ***TLAC and MREL***

The Group is subject to an MREL requirement, which includes a component reflecting the FSB's standards on total loss absorbency capacity ("**TLAC**"). MREL is intended to ensure that there is sufficient equity and specific types of liabilities to facilitate an orderly resolution that minimises any impact on financial stability and ensuring the continuity of critical functions and avoids exposing taxpayers to loss.

The MREL requirements were, except in the case of mid-tier banks, fully implemented by 1 January 2022 and, as a result, G-SIBs with resolution entities incorporated in the UK are required to meet an external MREL equivalent to the higher of: (i) two times the sum of their Pillar 1 and Pillar 2A requirements; or (ii) the higher of two times their leverage ratio or 6.75 per cent. of leverage exposures. Internal MREL for material subsidiaries is subject to a scalar in the 75-90 per cent. range of the external requirement that would apply to the subsidiary if it were a resolution entity. From 1 January 2022, non-CET1 own funds instruments issued from non-resolution entity UK subsidiaries to holders outside the group is not eligible to count towards external or internal MREL.

## ***Resolution Funding and FSCS***

The BRRD established a requirement for EU member states to set up a pre-funded resolution financing arrangement with funding equal to 1 per cent. of covered deposits by 31 December 2024 to cover the costs of bank resolutions and ensure the effective application of resolution powers. Where this funding is insufficient to cover the losses, costs or other expenses involved in resolution of an institution or institutions, EU member states were also required to ensure that subsequent contributions were raised. The UK satisfied its obligations under the BRRD through its existing levy on banks' balance sheet liabilities. In addition, the UK has a statutory compensation fund called the Financial Services Compensation Scheme ("**FSCS**"), which is funded by way of annual levies on most authorised financial services firms.

## ***Market infrastructure regulation***

In recent years, regulators as well as global standard setting bodies such as the International Organisation of Securities Commissions ("**IOSCO**") have focused on improving transparency and reducing risk in markets, particularly risks related to OTC transactions. This focus has resulted in a variety of new regulations across the G20 countries and beyond that require or encourage on-venue trading, clearing, posting of margin and disclosure of pre-trade and post-trade information. Both EMIR and UKMIR, impose requirements to report all derivative transactions to authorised or recognised trade repositories. They also impose an obligation to clear through authorised or recognised central clearing counterparties certain OTC derivative transactions executed with financial counterparties and non-financial counterparties who exceed certain clearing thresholds.

EMIR and UKMIR have potential operational and financial impacts on the Group, including by imposing a stringent risk mitigation regime for uncleared OTC derivative transactions comprising a requirement to exchange collateral or margin. The EU's equivalence decision for UK Central Clearing Counterparties has been extended until 30 June 2025; however, if the exemption for certain intragroup transactions from EMIR derivatives clearing and margin obligations (due to expire at the end of June 2022) is not similarly extended, this could have operational and financial impacts on the Group.

Over the coming months, alterations to the existing derivative margin rules in the UK are expected to be finalised.

Directive 2014/65/EU (as amended "**MIFID II**") regulates the provision of investment services and activities in relation to a range of customer-related areas, including customer classification, conflicts of interest, client order handling, investment research and financial analysis, suitability and appropriateness, transparency obligations and transaction reporting. The changes made by MiFID II include expanded supervisory powers, including the ability to ban specific products,

services or practices. MiFID II has affected many of the markets in which the Group operates, the instruments in which it trades and the way it transacts with market counterparties and other customers. The MiFID II requirements were onshored into UK law before the end of the Brexit transition period by the Markets in Financial Instruments (Amendment) (EU Exit) Regulation 2018, and then amended to reflect the UK's exit from the EU.

### ***Culture and diversity and inclusion***

The Issuers' UK regulators have enhanced their focus on the promotion of cultural values as a key area for banks, although they generally view the responsibility for reforming culture as primarily sitting with the industry. For example, in March 2020, the FCA published a discussion paper aimed at highlighting the importance of purposeful cultures. The discussion paper included essays from industry leaders, professional bodies and culture experts exploring the role of purpose in driving a healthy, sustainable culture. In addition, UK regulators have also begun focusing on diversity and inclusion in financial services firms, with the BoE, PRA and FCA having published a joint discussion paper on this topic in July 2021. The FCA also published a policy statement on diversity and inclusion in April 2022, which includes measures to improve transparency on the diversity of company boards and their executive management for investors and other market participants.

### ***Climate-related regulatory environment***

The Issuers' UK regulators have recently focused on sustainable finance. The PRA, together with the FCA, has established a Climate Financial Risk Forum ("**CFRF**") to build intellectual capacity and share best practice. The CFRF brings together senior representatives from across the financial sector, including banks, insurers and asset managers. It established a number of working groups to develop guides on best practice and recommendations for industry, the first of which was published in June 2020 and was followed by a second round of guides in October 2021 ("**CFRF Guides**"). The "Disclosures" chapter of the first CFRF Guide sets out guidance on different approaches for banks, asset managers and insurers, as well as gaps and barriers. It recommended firms aim to complete high level, mainly qualitative, disclosures by mid-2021 and quantitative disclosures by the end of 2022. The CFRF is expected to develop further recommendations on climate-related data, methodologies and metrics through to mid-2022.

In its 2019 supervisory statement on climate financial risk, the PRA made clear it expects firms to integrate climate related financial risk into their existing risk management frameworks, including requirements to identify, measure, monitor, manage and report on their exposures to such risks. Firms are expected to use both short-term and long-term horizons to assess climate financial risks and to use scenario analysis where proportionate to inform their response to exposures. Firms will also need to include all material exposures relating to climate financial risk in their internal capital adequacy assessment process. As a complement to the new expectations, the CFRF published chapters on risk management and scenario analysis setting out practical guidance on the topics for financial institutions.

The Group has set out a climate risk workplan, with oversight from the Group Risk Committee, to meet the expectations of PRA's 2019 supervisory statement. This includes developing tools and methodologies for climate risk assessments and integrating these into risk management practices. The Group's central Enterprise Risk Management Framework recognises climate risk as a material integrated risk type, manifesting through other principal risks and the SCPLC Board has approved a Risk Appetite Statement for climate risk. The PRA announced, in its 2021 Climate Change Adaptation Report, that it will undertake firm-specific work from the beginning of 2022 to determine continued progress against the expectations set out in its 2019 supervisory statement.

The BoE is utilising its stress testing framework to assess the impact of climate-related risks on the UK financial system. The BoE announced plans to test the UK financial system's resilience to the financial risks from climate change as part of the 2021 Biennial Exploratory Scenario (the 'Climate Biennial Exploratory Scenario or "**CBES**"). In December 2019, the BoE published a discussion paper setting out the proposal for the 2021 BES on climate-related risk. The objective

of the CBES is to test the resilience of the largest banks, insurers and the financial system to different possible climate pathways and provide a comprehensive assessment of the UK financial system's exposure to climate-related risks. In June 2020, the Network for Greening the Financial System published a set of climate scenarios that served as the basis for the scenarios in the 2021 BES. In June 2021, the BoE published details explaining the objectives and features of the CBES and expects to publish the results of the CBES in 2022. In February 2022, the BoE launched a second round of the CBES exercise, which it expects to publish the results of in May 2022.

On 21 December 2020, the FCA also published a policy statement on proposals intended to enhance climate-related disclosures by listed issuers and clarify existing disclosure obligations. The changes, applying to accounting periods beginning 1 January 2021, broadly require companies to include a statement in their annual financial reports setting out whether their disclosures are consistent with the recommendations of the FSB's Taskforce on Climate-related Financial Disclosures or explain if they have not done so. The FCA published two additional policy statements in December 2021 in respect of enhancing climate-related disclosures by standard listed companies, asset managers, life insurers and FCA-regulated pension providers.

Compliance with climate-related policies and guidelines is expected to result in incremental costs, particularly where there is fragmentation in policies and guidelines among different regulators focused on local requirements, as well as an increased risk of penalties or sanctions for non-compliance with such policies and guidelines.

### ***Cyber security and operational resilience***

Regulators in the UK, the EU and the U.S. continue to focus on cyber security risk management, organisational operational resilience and overall soundness across all financial services firms, with customer and market expectations of continuous access to financial services remaining at an all-time high.

In July 2018, the BoE, PRA and FCA published a joint discussion paper on their intended approach to improve the operational resilience of firms and financial market infrastructures ("FMIIs"). The discussion paper introduces a number of important concepts which are relevant to all firms and FMIIs including "impact tolerances". Firms and FMIIs should set impact tolerances which quantify the amount of disruption that could be tolerated in the event of an incident. The discussion paper encourages firms to ensure key business services are sufficiently resilient to a wide range of threats.

In March 2021, the BoE, PRA and FCA published a series of papers and supervisory statements in line with the concepts introduced in the July 2018 discussion paper and their 2019 consultation papers. The published measures include expectations for firms and FMIIs to identify their important business services that, if disrupted could cause harm to consumers or market integrity, threaten the viability of firms or cause instability in the financial system. Impact tolerances are to be set for each important business service and firms and FMIIs should take action to remain within their impact tolerances through a range of severe but plausible disruption scenarios. Firms and FMIIs will also be expected to identify and document the people, processes, technology, facilities and information that support their important business services. Such mapping will enable firms to identify vulnerabilities and test their ability to remain within impact tolerances. These measures came into effect on 31 March 2022 with a fixed three-year implementation timeline for firms to remain within their impact tolerances. In March 2022, the PRA published a policy statement on operational resilience and operational continuity in resolution in line with a November 2021 consultation paper. The policy statement provides, among other things, that certain group obligations relating to operational resilience requirements relevant to CRR firms should apply directly to the CRR consolidation entity, rather than just the individual firms in their group. CRR consolidation entities are required to comply with the requirements within a reasonable time and by no later than 30 June 2022. Other changes relating to operational resilience came into force on 31 March 2022 while changes relating to operational continuity will come into force on 1 January 2023. After March 2025, the UK regulators expect that maintaining operational resilience will be a dynamic activity, with firms and FMIIs having sound, effective and comprehensive

strategies, processes and systems to enable them to address risks for important business services in the event of severe disruptions.

The PRA also published an additional supervisory statement in March 2021 setting out their expectations for firms in respect of outsourcing and third party risk management. The statement aimed to complement the requirements and expectations on operational resilience, facilitate the adoption of the cloud and other new technologies, and implement the European Banking Authority's '*Guidelines on outsourcing arrangements*' (which includes guidelines on data security, access, audit and information rights, sub-outsourcing and business continuity). The supervisory statement became effective as of 31 March 2022.

The FPC has also undertaken work in this area, with a particular focus on cyber risk. On 26 March 2021, the FPC announced a robust cyber security stress test set to take place in 2022 and designed to test banks' abilities to withstand co-ordinated global cyber-attacks. In March 2022, FCA stressed the need for increased cyber security vigilance amongst firms in light of Russian's invasion of Ukraine.

At an institutional level, the BCBS has established the Operational Resilience Working Group, which published a report on cyber resilience in December 2018 identifying areas where further policy work is likely to be undertaken. In light of the COVID-19 pandemic, the Bank for International Settlements published a brief on 16 April 2020 entitled "*Covid-19 and operational resilience: addressing financial institutions' operational challenges in a pandemic*", which states that financial institutions' cyber resilience processes should remain vigilant in order to identify and protect vulnerable systems. These processes should also be able to detect and respond to cyber-attacks, as well as assist with recovery from them. In March 2021, the BCBS issued 'Principles for operational resilience', along with a revised version of its 'Principles for the sound management of operational risk', following a consultation on both documents in August 2020. These principles cover (among other categories): governance; business continuity planning and testing; operational risk management; resilient information and communication technology; as well as the risk management environment and the role of disclosure and of supervisors in relation to operational risk management. The UK regulators consider that they are aligned with the BCBS on core principles and expect firms and their supervisors to be able to work effectively across borders.

For more information on how risks relating to cyber security and operational resilience have or may have an impact on the Issuers and/or the Group, see the risk factor section entitled "*Operational and technology, reputational and sustainability, compliance (including legal) and conduct risks*" on pages 36 to 44 of this Prospectus and the risk factor entitled "*The Group is exposed to information and cyber security ("ICS") risk*" on pages 44 and 45 of this Prospectus.

### **Payment services**

From 14 March 2022, banks and other payment services providers in the UK are required to implement strong customer authentication ("**SCA**") under the Payment Services Directive. SCA affects the way such entities check that a person requesting access to an account or trying to make a payment is permitted to do so.

### **Supervision and regulation in Hong Kong**

#### **Banking Ordinance (Cap. 155)**

The banking industry in Hong Kong is regulated by and subject to the provisions of the Banking Ordinance and to the powers and functions ascribed by the Banking Ordinance to the HKMA, whose principal function is to promote the general stability and effective working of the banking system in Hong Kong. The HKMA seeks to establish a regulatory framework in line with international standards, in particular those issued by the BCBS and the FSB.

The HKMA imposes capital requirements on licensed banks (referred to as “authorised institutions”) including certain members of the Group through the Banking (Capital) Rules, liquidity requirements through the Banking (Liquidity) Rules and large exposure limits through the Banking (Exposure Limits) Rules, taking into account the latest standards set by the BCBS.

The HKMA adopts a risk-based supervisory approach for authorised institutions based on a policy of ‘continuous supervision’ through on-site examinations, off-site reviews, prudential meetings, cooperation with external auditors and sharing information with other supervisors. The HKMA requires all authorised institutions to have adequate systems of internal control and requires the institutions’ external auditors, upon request, to report on those systems and other matters, such as the accuracy of information provided to the HKMA.

The HKMA aims to ensure that the standards for regulatory disclosure in Hong Kong remain in line with those of other leading financial centres. The Banking (Disclosure) Rules take into account the latest disclosure standards released by the BCBS, which prescribe quarterly, semi-annual and annual disclosure of specified items.

The HKMA has the power to collect prudential data from authorised institutions on a routine or ad hoc basis, as well as to require any holding company or subsidiary or sister company of an authorised institution to submit such information as may be required for the exercise of the HKMA’s functions under the Banking Ordinance.

The HKMA may revoke authorisation in the event of an institution’s non-compliance with the provisions of the Banking Ordinance. The HKMA also has the power to serve a notice of objection on persons if they are no longer deemed to be ‘fit and proper’ to be controllers of an authorised institution.

#### ***Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615)***

The HKMA is also the relevant authority under the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (“**AMLO**”) for supervising authorised institutions’ compliance with the legal and supervisory requirements set out in the AMLO and the Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (for Authorised Institutions). The HKMA requires all authorised institutions in Hong Kong to establish effective systems and controls to prevent and detect money laundering and terrorist financing, and Hong Kong incorporated authorised institutions to ensure these requirements extend to their overseas branches and subsidiaries.

#### ***Securities and Futures Ordinance (Cap. 571)***

The Securities and Futures Ordinance (“**SFO**”) regulates (amongst other things) the marketing of, dealing in and provision of advice and asset management services in relation to securities and futures in Hong Kong. Persons engaging in activities regulated by the SFO are required to be licensed by or registered with the Securities and Futures Commission (“**SFC**”). The HKMA is the frontline regulator for authorised institutions engaging in SFC regulated activities.

The SFO vests the SFC with powers to set and enforce market regulations, including investigating breaches of rules and market misconduct and taking appropriate enforcement action. The SFC is responsible for licensing and supervising intermediaries conducting SFC regulated activities, such as investment advisers, fund managers and brokers. Additionally, the SFC sets standards for the authorisation and regulation of investment products, and reviews and authorises offering documents of retail investment products to be marketed to the public.

#### ***Insurance Ordinance (Cap. 41)***

Pursuant to the statutory regulatory regime for insurance intermediaries under the Insurance Ordinance, the Insurance Authority has delegated its inspection and investigation powers to the HKMA in relation to insurance related businesses of authorised institutions in Hong Kong, which aims to improve efficiency and minimise regulatory overlap.

### ***Financial Institutions (Resolution) Ordinance (Cap. 628)***

The Financial Institutions (Resolution) Ordinance (“**FIRO**”) established the legal basis for a cross-sector resolution regime in Hong Kong, under which the HKMA is the resolution authority for banking sector entities (including all authorised institutions). The HKMA is also designated as the lead resolution authority for cross-sectoral groups in Hong Kong that include banking sector entities within the scope of the FIRO.

### **Sanctions and financial crime**

The Group operates in many countries around the world, and is subject to financial crime regulations across the markets and jurisdictions in which it operates.

The Group takes a comprehensive, risk-based approach to compliance with applicable financial crime-related laws and regulations, including anti-money laundering, sanctions, anti-bribery and corruption, and fraud laws and regulations. The Group’s Conduct, Financial Crime and Compliance team is responsible for the establishment and maintenance of effective systems and controls to meet the legal and regulatory obligations in respect of financial crime. In particular, the Group has adopted four policies to support its management of financial crime risk, including (i) the Group Anti-Bribery and Corruption Policy, (ii) the Group Anti-Money Laundering and Counter Terrorist Financing Policy, (iii) the Group Sanctions Policy, and (iv) the Group Fraud Risk Management Policy.

The Group’s Sanctions Policy and Anti-Money Laundering and Counter Terrorist Financing Policy are based on a comprehensive assessment of financial crime risk and are informed by UK, EU and U.S. sanctions and UK anti-money laundering laws and regulations.

Sanctions and anti-money laundering laws and regulations often have extraterritorial effect. For example, in May 2018, the Sanctions and Anti-Money Laundering Act became law in the UK. The Act allows for the adoption of an autonomous UK sanctions regime, as well as a more flexible licensing regime post-Brexit. On 6 July 2020, the UK Government announced the first sanctions that have been implemented independently by the UK outside the auspices of the UN and EU. The autonomous UK sanctions regime came into force at 11 p.m. on 31 December 2020 and sanctions enacted under it apply within the UK and in relation to the conduct of all UK persons wherever they are in the world; they also apply to overseas branches of UK companies. The UK also announced a new sanctions regime in April 2021 specifically targeting corruption - the Global Anti-Corruption Sanctions Regulations 2021, through which the UK has targeted 27 people so far that it has reasonable grounds to suspect have been involved in serious international corruption. U.S. state and federal regulations addressing sanctions may also impact entities, persons or activities located or undertaken outside the U.S.. The external sanctions environment remains dynamic, and sanctions regimes are increasingly complex and less predictable, in particular in light of Russia’s invasion of Ukraine, with extensive financial, trade, transport, and immigration sanctions being put in place by the UK, the EU, and U.S., among others, against Russian individuals and companies. Increasing tension between the U.S. and China may further contribute to the dynamism of the sanctions environment. Allegations of non-compliance with sanctions or anti-money laundering laws and regulations may result in significant investigation, defence, settlement and other costs. Violations of sanctions or anti-money laundering laws and regulations may result in significant fines and penalties, as well as other significant restrictions on operations, including, among other things, restrictions on the ability to clear U.S. dollar denominated transactions.

The Group’s Anti-Bribery and Corruption Policy requires compliance with all applicable anti-bribery and corruption laws in all markets and jurisdictions in which the Group operates. These laws include (but are not limited to), the UK Bribery Act and the U.S. Foreign Corrupt Practices Act.

The UK Bribery Act 2010 introduced a new form of corporate criminal liability focused broadly on a company’s failure to prevent bribery on its behalf. The Criminal Finances Act 2017 introduced

new corporate criminal offences of failing to prevent the facilitation of UK and overseas tax evasion. Both pieces of legislation have broad application and in certain circumstances may have extraterritorial impact on entities, persons or activities located outside the UK, including the Group's non-UK members. The UK Bribery Act requires the Group to have adequate procedures to prevent bribery and the Criminal Finances Act requires the Group to have reasonable prevention procedures in place to prevent the criminal facilitation of tax evasion by persons acting for, or on behalf of, the Group.

The U.S. Foreign Corrupt Practices Act, which prohibits, among other things, corrupt payments to foreign government officials, also has extraterritorial effect and so may impact the Group's non-U.S. operations.

For more information on how risks relating to financial crime and sanctions laws and regulations have or may have an impact on the Issuers and/or the Group, see the risk factor section entitled "*The Group is exposed to penalties or loss through a failure to comply with laws or regulations*" on pages 38 to 41 of this Prospectus.

### **Data protection**

Most countries in which the Group operates have comprehensive laws requiring fairness, openness and transparency about the collection and use of personal information, and protection against loss and unauthorised or improper access or use. Regulations regarding data protection are increasing in number, as well as levels of enforcement, as manifested in increased amounts of fines and the severity of other penalties. It is expected that personal privacy and data protection will continue to receive attention and focus from regulators, as well as public scrutiny and attention.

The data protection framework in the UK is primarily governed by (i) GDPR to the extent it forms part of the domestic law of the UK by virtue of the EUWA, the Data Protection, Privacy and Electronic Communication (Amendments etc.) (EU Exit) Regulations 2019 ("**UK GDPR**"), and (ii) the Data Protection Act 2018, as they may be amended or replaced by the laws of England and Wales from time to time.

The GDPR created a broadly harmonised privacy regime across EU member states, introducing mandatory breach notifications, enhanced individual rights, a need to openly demonstrate compliance, and significant penalties for breaches. The extraterritorial effect of the GDPR means entities established outside the EU may fall within the Regulation's ambit when offering goods or services to (or monitoring the behaviour of) European based customers or clients. Following the UK's withdrawal from the EU, the UK continues to apply the GDPR framework through the UK GDPR.

The GDPR has become a model for similar data privacy laws in a number of other countries around the world. Similar data privacy laws have been passed, proposed or taken effect in Brazil, the Dubai International Financial Centre, Japan, India, China, Thailand, South Africa, certain states in the U.S. (including California), Australia and Vietnam.

Data protection in Hong Kong is regulated primarily under the Personal Data (Privacy) Ordinance (Cap. 486) of Hong Kong (the "**PDPO**"). The PDPO is regulated by the office of the Privacy Commissioner for Personal Data. It regulates personal data controlled by a data user by reference to specified data protection principles which data users must observe.



## TAXATION

The comments below are of a general nature based on the Issuers' understanding of current United Kingdom tax law as applied in England and Wales and HM Revenue & Customs practice (which may not be binding on HM Revenue & Customs) in each case, as at the latest practicable date before the date of this Prospectus and may be subject to change, possibly with retroactive effect. They are not exhaustive. They do not address United States tax consequences because (i) in the event of any offer in reliance upon Rule 144A, an applicable final terms will discuss United States tax consequences to United States holders and (ii) except to the extent described below, non-United States holders generally will not be subject to United States tax consequences in respect of the Notes. However, a non-United States holder who is (i) engaged in a United States trade or business, (ii) present in the United States for 183 or more days during the taxable year, or (iii) otherwise subject to United States taxation generally, should consult its own tax adviser regarding United States tax consequences. The comments below do not necessarily apply where the income is deemed for tax purposes to be the income of any other person. They relate only to the position of persons who are the absolute beneficial owners of their Notes and Coupons and may not apply to certain classes of persons such as dealers and persons connected with the Issuer, to whom special rules may apply. They relate to the deduction from payments of interest on the Notes for or on the account of tax in the United Kingdom. Prospective Noteholders who may be unsure of their tax position or who may be subject to tax in any other jurisdiction should consult their own professional advisers. In particular, Noteholders should be aware that the tax legislation of any jurisdiction where a Noteholder is resident or otherwise subject to taxation (as well as the jurisdictions discussed below) may have an impact on the tax consequences of an investment in the Notes including in respect of any income received from the Notes.

### United Kingdom

#### Withholding of tax on interest

Interest paid by SCPLC or SCB on Notes which have a maturity date of less than one year from the date of issue (and are not issued with the intention, or under arrangements the effect of which is, to render such Notes part of a borrowing with a total term of a year or more) may be paid without withholding or deduction for or on account of United Kingdom income tax.

Yearly interest paid by SCB (but not SCPLC) on Notes may be paid without withholding or deduction for or on account of United Kingdom income tax provided that SCB continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 ("ITA") and provided that the interest on the Notes is paid in the ordinary course of business within the meaning of section 878 of ITA.

Interest on the Notes may also be paid without deduction or withholding for or on account of United Kingdom tax where the Issuer reasonably believes at the time the payment is made that it is an "excepted payment" under section 930 of ITA. A payment is an excepted payment where (a) the person beneficially entitled to the income in respect of which payment is made is (i) a UK resident company; or (ii) a non-UK resident company that carries on a trade in the UK through a permanent establishment and the payment is one that is required to be brought into account for calculating the profits chargeable to corporation tax of the non-UK resident company; or (b) the person to whom payment is made is one of the further classes of bodies or persons, and meets any relevant conditions, set out in sections 935 to 937 of ITA, provided that HM Revenue & Customs has not given a direction that the interest should be paid under deduction of tax in circumstances where it has reasonable grounds to believe that the payment will not be an excepted payment of interest at the time the payment is made.

Irrespective of whether interest may be paid by SCPLC or SCB without withholding or deduction for or on account of United Kingdom tax in accordance with the previous paragraphs, while Notes are listed on a "recognised stock exchange" within the meaning of section 1005 of ITA (for the

purposes of section 987 of ITA), or are admitted to trading on a "multilateral trading facility" operated by a "regulated recognised stock exchange" (within the meaning of section 987 of ITA) payments of interest on such Notes may be made without withholding or deduction for or on account of United Kingdom income tax. The Main Market of the London Stock Exchange is a "recognised stock exchange" and the Notes will be treated as listed on the Main Market of the London Stock Exchange if they are included in the Official List by the FCA and are admitted to trading on the Main Market of the London Stock Exchange.

In all other cases yearly interest on Notes will generally be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, the Noteholder can apply to HM Revenue & Customs to issue a notice to the Issuer to pay interest to the Noteholder without any withholding or deduction for or on account of tax (or for interest to be paid with tax withheld or deducted at the rate provided for in the relevant double tax treaty).

If Notes are issued at a discount to their principal amount the discount element on any such Notes will not be subject to any withholding or deduction for or on account of United Kingdom tax pursuant to the provisions mentioned above, provided that any payments on redemption in respect of the discount do not constitute payments in respect of interest.

Where Notes are issued with a redemption premium, as opposed to being issued at a discount, then any such element of premium when the Notes are redeemed may constitute a payment of interest for United Kingdom tax purposes. Payments of interest are subject to United Kingdom withholding tax unless an exemption or relief applies as outlined above.

The references to "interest" and "principal" above mean "interest" and "principal" as understood in United Kingdom tax law. The statements above do not take account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

## **United States**

### **Withholding tax under Foreign Account Tax Compliance Act ("FATCA")**

A 30 per cent. withholding tax will be imposed on certain payments made to certain non-U.S. financial institutions that fail to comply with the requirements of FATCA, including the registration, information reporting and certification requirements in respect of their direct and indirect U.S. security holders and/or U.S. accountholders. Based on regulations released by the U.S. Treasury Department, as well as an agreement entered into between the United States government and the United Kingdom government and guidance issued by HM Revenue and Customs regarding the implementation of that agreement, the Issuers generally will not be required to identify or report information with respect to the holders of the Notes, although other non-U.S. financial institutions (such as banks, brokers or custodians) through which a holder holds the Notes may be required to do so. In addition, in the case of holders who (i) are non-U.S. financial institutions that have not agreed to comply with the requirements of FATCA such as information reporting in respect of their direct and indirect U.S. security holders and/or U.S. accountholders or (ii) hold Notes directly or indirectly through such non-compliant non-U.S. financial institutions or have otherwise failed to establish an exemption from this withholding, the Issuers may be required to withhold on a portion of payments on the Notes that are treated as "foreign passthru payments", a term that has not been defined in FATCA regulations. Accordingly, such a Noteholder could be subject to withholding if, for example, its bank, broker or custodian is subject to withholding because it fails to comply with these requirements even though the holder itself might not otherwise have been subject to withholding. However, such withholding should generally only apply to Notes issued or materially modified more than six months after the date on which final regulations defining the term "foreign passthru payments" are filed with the Federal Register, subject to certain exceptions, and such withholding will not apply to payments made before the date that is two years after the date on which such final regulations are so filed. Therefore, since

the rules for implementing withholding on the Notes have not yet been written, including rules about how such withholding would be applied pursuant to an intergovernmental agreement, it is unclear at this time what the impact of any such withholding would be on holders of the Notes. You should consult your own tax advisers regarding the relevant U.S. law and other official guidance on FATCA withholding.

The Issuers will not pay any additional amounts in respect of FATCA withholding, so if this withholding applies, you will receive significantly less than the amount that you would have otherwise received with respect to your Notes. Depending on your circumstances, you may be entitled to a refund or credit in respect of some or all of this withholding. However, even if you are entitled to have such withholding refunded, the required procedures could be cumbersome and significantly delay your receipt of any amounts withheld.

## SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an Amended and Restated Programme Agreement dated 15 June 2022 (as further amended and/or supplemented, the "**Programme Agreement**"), between, inter alios, the Issuers, the Permanent Dealers and the Arrangers, the Notes will be offered on a continuous basis by each Issuer to the Permanent Dealers. However, each Issuer has reserved the right to issue Notes directly on its own behalf to Dealers that are not Permanent Dealers and who agree to be bound by the restrictions below. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold outside the United States by each Issuer through the Dealers, acting as agents of such Issuer. The Programme Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

Each Issuer will pay each relevant Dealer a commission as agreed between such Issuer and the Dealer in respect of Notes subscribed by it. The Issuers have agreed to reimburse the Arrangers for certain of their expenses incurred in connection with the establishment and update of the Programme, and the Dealers for certain of their activities in connection with the Programme.

Each Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer.

### United States

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S ("**Regulation S Notes**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, except as permitted by the Programme Agreement, that it will not offer, sell or, in the case of Notes in bearer form, deliver the Notes of any identifiable Tranche (other than Registered Notes offered or sold in accordance with Rule 144A), (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of an identifiable tranche of which such Notes are a part (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons and, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer, or person receiving a selling concession, fee or other remuneration to which it sells Notes during the Distribution Compliance Period (other than resales of Registered Notes pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for, the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. The Programme Agreement provides that the Dealers may directly or through their respective agents or affiliates which are U.S. registered broker-dealers arrange for the offer and resale of Registered Notes in the United States only to QIBs in accordance with Rule 144A.

In addition, until 40 days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering of such Tranche of Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

This Prospectus has been prepared by the Issuers for use in connection with the offer and sale of the Notes outside the United States to non-U.S. persons, the offer, sale and resale of Registered Notes in the United States to QIBs in reliance upon Rule 144A and for the admission of Notes to the Official List and to trading on the London Stock Exchange. The relevant Issuer and the Dealers reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the number of Notes which may be offered. This Prospectus does not constitute an offer to any person in the United States or to any U.S. person other than any QIB to whom an offer has been made directly by one of the Dealers or a U.S. broker-dealer affiliate of one of the Dealers. Distribution of this Prospectus by any non-U.S. person outside the United States or by any QIB in the United States to any U.S. person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the relevant Issuer of any of its contents to any such U.S. person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB, is prohibited.

#### **Prohibition of Sales to EEA Retail Investors**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended "**MiFID II**"); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 as amended or superseded (the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"); and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

#### **Prohibition of Sales to United Kingdom Retail Investors**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms (or Pricing Supplement as the case may be) in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

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

- (i) a retail client as defined in point (8) of Article 2 of the Prospectus Regulation as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (the “**UK Prospectus Regulation**”); or
  - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement the IDD, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

### **United Kingdom**

Each Dealer has further represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) in relation to any Notes to be issued by SCPLC which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by SCPLC;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not or, in the case of SCB would not, if it was not an authorised person, apply to the Issuers; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### **Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”)) other than (a) to “professional investors” as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**CWUMPO**”) or which do not constitute an offer to the public within the meaning of the CWUMPO; and (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to

Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

## **PRC**

In relation to each Tranche of Notes issued by an Issuer, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Notes in the People's Republic of China (for this purpose, excluding Hong Kong, Macau and Taiwan) as part of the initial distribution of the Notes.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "**Financial Instruments and Exchange Act**"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other applicable laws, regulations and ministerial guidelines of Japan.

## **France**

Each of the Dealers and the relevant Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that: it has only offered or sold and will only offer or sell, directly or indirectly, any Notes in France and it has only distributed or caused to be distributed and will only distribute or cause to be distributed in France, this Prospectus, the relevant Final Terms or any other offering material relating to the Notes to qualified investors (*investisseurs qualifiés*) as defined in Article L.411-2 1° of the French *Code monétaire et financier*.

This Prospectus, prepared in connection with the Notes to be issued under the Programme, has not been submitted to the clearance procedures of the French financial markets authority (*Autorité des marchés financiers*).

## **Italy**

The offering of the Notes has not been registered with the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer, sale or delivery of the Notes or distribution in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Any such offer, sale or delivery of the Notes, or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time) and any other applicable laws and regulations;

- (b) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016); and
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

### **The Netherlands**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not make an offer of Notes in The Netherlands unless such offer is made exclusively to persons who or legal entities which are qualified investors (gekwalificeerde beleggers) as defined in section 1:1 of the Financial Supervision Act (Wet op het financieel toezicht) of The Netherlands.

Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. in accordance with the Dutch Savings Certificates Act (Wet inzakespaarbewijzen) of 21 May 1985 (as amended) and its implementing regulations (which include registration requirements). Such restrictions do not apply (a) to the initial issue of Zero Coupon Notes to the first holders thereof, (b) to a transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (c) to a transfer and acceptance of Zero Coupon Notes in definitive form within, from or into The Netherlands if all Zero Coupon Notes of any particular series are issued outside The Netherlands and are not distributed within The Netherlands in the course of their initial distribution or immediately thereafter. For the purposes of this paragraph, "Zero Coupon Notes" are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

### **Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or



- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) pursuant to Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Unless otherwise stated in the applicable Final Terms (or Pricing Supplement, in the case of PR Exempt Notes), all Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## **General**

These selling restrictions may be modified by the agreement of any Issuer and the Dealers, following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Prospectus.

No action has been taken in any jurisdiction by the Dealers or the Issuers that would permit a public offering of any of the Notes, or possession or distribution of this Prospectus or any other offering or publicity material (including any Final Terms) relating to any Notes in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree, that it will, to the best of its knowledge and belief, comply with all relevant securities laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Prospectus or any other offering material, in all cases at its own expense.

[FORM OF FINAL TERMS]

**STANDARD CHARTERED PLC**  
and  
**STANDARD CHARTERED BANK**

**U.S.\$77,500,000,000**

**Debt Issuance Programme**

[Brief Description and Amount of Notes] (the “Notes”)

Issued by

**[Standard Chartered PLC/  
Standard Chartered Bank]**

[Publicity Name(s) of Dealer(s)/Manager(s)]

The date of the Final Terms is [●].

**PART A – CONTRACTUAL TERMS**

**[THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT 1933 (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE NOTES ARE ISSUED IN [BEARER FORM (“BEARER NOTES”)/BEARER FORM EXCHANGEABLE FOR NOTES IN REGISTERED FORM (“EXCHANGEABLE BEARER NOTES”)] THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S (“REGULATION S”) UNDER THE SECURITIES ACT.]**

**[THE NOTES ARE ISSUED IN REGISTERED FORM (“REGISTERED NOTES”) AND MAY BE OFFERED AND SOLD [(I) IN THE UNITED STATES OR TO U.S. PERSONS IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) ONLY TO QUALIFIED INSTITUTIONAL BUYERS (“QIBS”), AS DEFINED IN RULE 144A AND (II)] OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.]**

**[THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, OR ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.]**

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 as amended or superseded (the “IDD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (the “EU Prospectus

**Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement [Directive (EU) 2016/97 as amended or superseded]/[the IDD], where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the EUWA ("**UK MiFIR**"); or (iii) not a qualified investor as defined in Article 2 of [Regulation (EU) 2017/1129]/[the EU Prospectus Regulation] as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently, no key information document required by [Regulation (EU) No 1286/2014 as amended]/[the EU PRIIPs Regulation] as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

**[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended "**MiFID II**")]/[MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Details of any negative target market to be included if applicable]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer[s/s]' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[s/s]' target market assessment) and determining appropriate distribution channels.]

**[UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in [Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") ("**UK MiFIR**")]/[UK MiFIR]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a "**distributor**")]/[distributor] should take into consideration the manufacturer[s]/[s]' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[s]/[s]' target market assessment) and determining appropriate distribution channels.]

**[NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA") AND THE SECURITIES AND FUTURES (CAPITAL MARKETS PRODUCTS) REGULATIONS 2018 OF SINGAPORE (THE "CMP REGULATIONS 2018")** – In connection with Section 309(B) of the SFA and the CMP Regulations 2018, the Issuer has determined, and hereby notifies all persons (including all relevant persons as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 15 June 2022 which [together with the supplementary Prospectus(es) dated [●] [and [●]],] constitute[s] (with the exception of certain sections) a base prospectus (the "**Base Prospectus**") for the purposes of [Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK Prospectus Regulation**")]/[the UK Prospectus Regulation]. This document constitutes the Final Terms of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus is available for viewing at [address] [and] [website] and copies may be obtained from [address].]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") contained in the Trust Deed dated [original date] and set forth in the Prospectus dated [original date]. This document constitutes the Final Terms of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Prospectus dated 15 June 2022 [and the supplementary Prospectus(es) dated [●] [and [●]], which [together] constitute[s] (with the exception of certain sections) a base prospectus (the "**Base Prospectus**") for the purposes of the UK Prospectus Regulation, in order to obtain all the relevant information. [The Base Prospectus [and the supplemental prospectus(es)] [is/are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]

- |    |  |   |
|----|--|---|
| 1. | Issuer:  | [Standard Chartered PLC/Standard Chartered Bank]  |
| 2. | (i) Series Number:   | [●]   |
|    | [(ii) Tranche Number:  | [●]]  |
|    | (iii) Date on which the Notes will be consolidated and form a single Series: | [The Notes will be consolidated and form a single Series with [●] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [●] below, which is expected to occur on or about [●]]] / [Not Applicable] |
| 3. | Currency or Currencies:  | [●]   |
| 4. | Aggregate Nominal Amount:  |   |
|    | (i) Series:  | [●]   |
|    | [(ii) Tranche:   | [●]]  |
| 5. | Issue Price:   | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]  |
| 6. | Denominations:   | [●]   |

7. Calculation Amount: [●]
8. (i) Issue Date: [●]  
(ii) Interest Commencement Date: [●]
9. Maturity Date: [●]
10. Interest Basis: [[●] per cent. Fixed Rate]  
[[●] per cent. Floating Rate]  
[Reset Notes]  
[Zero Coupon]  
  
(see paragraph [●] below)
11. Redemption/Payment Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [99][100][101] per cent. of their nominal amount]
12. Change of Interest: [●]
13. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Regulatory Capital Call]  
[Loss Absorption Disqualification Event Call]  
[Clean-up Call]  
[Not Applicable]
14. (i) Status of the Notes: [Senior/Dated Subordinated]  
(ii) [Date [Court/Board] approval for issuance of Notes obtained: [●] [and [●], respectively]]  
(iii) [Events of Default: [Restrictive Events of Default/Non-Restrictive Events of Default]]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (i) Rate[(s)] of Interest: [●] per cent. per annum payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [●]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [Not Applicable]/[[●] per Calculation Amount]
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]

- (v) Day Count Fraction (Condition 4(k)): [Actual/Actual][Actual/Actual – ISDA]  
[Actual/365 (Fixed)]  
[Actual/360]  
[30/360][360/360][Bond Basis]  
[30E/360][30/360 (ISMA)][Eurobond Basis]  
[30E/360 (ISDA)]  
[Actual/Actual – ICMA]
- (vi) Determination Dates: [●] in each year
- (vii) Relevant Currency: [Not Applicable/[●]]
- 16.** Floating Rate Note Provisions [Applicable/Not Applicable]
- (i) Interest Period(s): [●]
- (ii) Interest Payment Dates: [●]
- (iii) First Interest Payment Date: [●]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/●]
- (v) Relevant Financial Centre(s) (Condition 4(k)): [●]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Page]/[Reference Bank: ●]
- (vii) Interest Period Date(s): [Not Applicable/●]
- (viii) Calculation Agent: [The Bank of New York Mellon, London Branch One Canada Square, London E14 5AL, United Kingdom/The Bank of New York Mellon, 240 Greenwich Street, New York, NY 10286, U.S.]
- (ix) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]
- (x) Page (Condition 4(c)):
- Relevant Time: [●]
  - Interest Determination Date: [●] *[[TARGET] Business Day(s) in [specify city] for [specify currency]]/[U.S. Government Securities Business Day(s) (if SOFR)] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]*

- Primary Source for Floating Rate: [•]
- Reference Banks (if Primary Source is "Reference Banks"): [•]
- Relevant Financial Centre: [•]
- Benchmark: [LIBID/LIMEAN/EURIBOR/HIBOR/SIBOR/SOFR/SONIA/€STR/SORA]
- Effective Date: [•]
- Specified Duration: [•]
- SOFR Rate Cut-Off Date: [[Not Applicable]/[The day that is the [second/[•]] U.S. Government Securities Business Day prior to the Interest Payment Date in relation to the relevant Interest] (*Only applicable in the case of SOFR Arithmetic Mean or SOFR Compound with Payment Delay*)
- Lookback Days: [[Not Applicable]/[•] U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Compound with Lookback*)
- SOFR Benchmark: [Not Applicable/SOFR Arithmetic Mean/SOFR Compound/SOFR Index Average] (*Only applicable in the case of SOFR*)
- SOFR Compound: [Not Applicable/SOFR Compound with Lookback/SOFR Compound with Payment Delay/SOFR Compound with SOFR Observation Period Shift]
- SOFR Observation Shift Days: [Not Applicable/[•] U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Compound with SOFR Observation Period Shift or in the case of SOFR Index Average*)
- Interest Accrual Period End Dates: [Not Applicable/U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Compound with Payment Delay or SOFR Compound with Lookback*)
- Interest Payment Delay: [Not Applicable/U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Compound with Payment Delay*)
- SOFR Index Start: [Not Applicable/U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Index Average*)

- SOFR Index End: [Not Applicable/U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Index Average*)
- SONIA Benchmark: [Not Applicable/Compounded Daily SONIA/SONIA Compounded Index Rate] (*Only applicable in the case of SONIA*)
- SONIA Observation Method: [Lag/SONIA Observation Shift/Not Applicable] (*Only applicable in the case of SONIA*)
- SONIA Observation Look-Back Period: [5/[•] London Banking Days]/[Not Applicable] (*Only applicable in the case of SONIA*)
- SONIA Observation Shift Period: [5/[•] London Banking Days]/[Not Applicable] (*Only applicable in the case of SONIA*)
- Fallback Page: [[Bloomberg Screen Page: SONIO/N Index] / [•]/ Not Applicable] (*Only applicable in the case of SONIA*)
- €STR Observation Method: [Lag/€STR Observation Shift/Not Applicable] (*Only applicable in the case of €STR*)
- €STR Observation Look-Back Period: [5/[•] TARGET Business Days]/[Not Applicable] (*Only applicable in the case of €STR*)
- €STR Observation Shift Period: [5/[•] TARGET Business Days]/[Not Applicable] (*Only applicable in the case of €STR*)
- D: [360]/[•]/[Not Applicable] (*Only applicable in the case of €STR*)
- SORA Observation Period: [•] Singapore Business Days (*Only applicable in case of SORA*)
- (xi) Representative Amount: [[•]/Not Applicable]
- (xii) Linear Interpolation: [Not Applicable/Applicable – the Interest Rate for the [long/short] [first/last] Interest Accrual Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (xiii) Margin(s): [+/-][•] per cent. per annum
- (xiv) Minimum Interest Rate: [•] per cent. per annum



	(xv)	Maximum Interest Rate:	[●] per cent. per annum
	(xvi)	Day Count Fraction (Condition 4(k)):	[●]
	(xvii)	Rate Multiplier:	[●]
	(xviii)	Benchmark Discontinuation:	[Not Applicable/Benchmark Discontinuation (General)/Benchmark Discontinuation (SOFR)]
<b>17.</b>		<b>Reset Note Provisions</b>	[Applicable/Not Applicable]
	(i)	Initial Rate of Interest:	[●] per cent. per annum
	(ii)	First Margin:	[●] per cent. per annum
	(iii)	Subsequent Margin:	[[●] per cent. per annum/Not Applicable]
	(iv)	Interest Payment Dates:	[●]
	(v)	First Interest Payment Date:	[●]
	(vi)	Fixed Coupon Amount[(s)] up to (but excluding) the First Reset Date:	[●] per Calculation Amount
	(vii)	Broken Amount(s):	[[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
	(viii)	First Reset Date:	[●]
	(ix)	Second Reset Date:	[[●]/Not Applicable]
	(x)	Subsequent Reset Date[(s)]:	[[●]/Not Applicable]
	(xi)	Reset Rate:	[Mid-Swap Rate/Benchmark Gilt Rate/Reference Bond/U.S. Treasury Rate]
	(xii)	Relevant Screen Page:	[[●]/Not Applicable]
	(xiii)	Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate][Not Applicable]
	(xiv)	Mid-Swap Floating Leg Benchmark:	[LIBID/LIMEAN/EURIBOR/HIBOR/SIBOR/SOF R/SONIA/€STR/SORA]
	(xv)	Mid-Swap Maturity:	[[●]/Not Applicable]
	(xvi)	U.S. Treasury Rate Maturity:	[[●]/Not Applicable]
	(xvii)	Day Count Fraction (Condition 4(k)):	[Actual/Actual][Actual/Actual – ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis]

		[30E/360][30/360 (ISMA)][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual – ICMA]
(xviii)	Relevant Time:	[[●]/Not Applicable]
(xix)	Interest Determination Dates:	[[●] in each year][Not Applicable]
(xx)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/●][Not Applicable]
(xxi)	Relevant Currency:	[[●]/Not Applicable]
(xxii)	Relevant Financial Centre(s) (Condition 4(k)):	[●]
(xxiii)	Benchmark Discontinuation:	[Not Applicable/Benchmark Discontinuation (General)/Benchmark Discontinuation (SOFR)]
<b>18.</b>	<b>Zero Coupon Note Provisions</b>	[Applicable/Not Applicable]
(i)	Amortisation Yield (Condition 5(b)):	[●] per cent. per annum
(ii)	Day Count Fraction (Condition 4(k)):	[●]
(iii)	Relevant Currency:	[Not Applicable/[●]]

#### PROVISIONS RELATING TO REDEMPTION

<b>19.</b>	Issuer Call	[Applicable/Not Applicable]
(i)	Optional Redemption Date(s):	[●] <i>(No Issuer Call will be exercised in respect of any Dated Subordinated Notes forming part of the Capital Resources of the Issuer or of the Group prior to five years from the Issue Date without the permission of, or waiver from, the PRA (if such permission or waiver is required). No such restriction applies to the Senior Notes.)</i>
(ii)	Call Option Redemption Amount(s) and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]/[Make Whole Redemption Amount]/[Not Applicable]
(iii)	Make Whole Redemption Amount	[Sterling Make Whole Redemption Amount]/[Non-Sterling Make Whole Redemption Amount]/[Not Applicable]
	[(a) Redemption Margin	[●] per cent.]

	[(b) Make Whole Reference Bond	[•]]
	[(c) Reference Date	[•]]
	[(d) Quotation Time	[•]]
(iv)	If redeemable in part:	
	(a) Minimum Call Option Redemption Amount:	[[•] per Calculation Amount/Not Applicable]
	(b) Maximum Call Option Redemption Amount:	[[•] per Calculation Amount/Not Applicable]
(v)	Notice period:	[•]
[(vi)	Par Redemption Date:	[•]]
<b>20.</b>	<b>Regulatory Capital Call</b>	[Applicable/Not Applicable]
	Redeemable on days other than Interest Payment Dates (Condition 5(e)):	[Yes/No]
<b>21.</b>	<b>Loss Absorption Disqualification Event Call</b>	[Applicable/Not Applicable]
	Redeemable on days other than Interest Payment Dates (Condition 5(f)):	[Yes/No]
<b>22.</b>	<b>Clean-up Call</b>	[Applicable/Not Applicable]
[(i)	Clean-up Call Threshold:	[•] per cent.
(ii)	Clean-up Call Optional Redemption Date(s):	[•]] ( <i>No Clean-up Call will be exercised prior to five years from the Issue Date with respect to any Dated Subordinated Notes forming part of the Capital Resources of the Issuer or of the Group without the permission of, or waiver from, the PRA (if such permission or waiver is required). No such restriction applies to the Senior Notes.</i> )
[(iii)	Call Option Redemption Amount(s) and method, if any, of calculation of such amount(s):	[•] per Calculation Amount]
[(iv)	Notice period:	[•]]

- 23. Put Option** [Applicable/Not Applicable]
- [(i) Optional Redemption Date(s): [•]]
- [(ii) Put Option Redemption Amount(s) of each Note: [•] per Calculation Amount]
- [(iii) Option Exercise Date(s): [•]]
- [(iv) Description of any other Noteholders' option: [•]]
- [(v) Notice period: [•]]
- 24. Final Redemption Amount of each Note** [[•] per Calculation Amount/other]
- 25. Early Redemption Amount**
- [(i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default: [•]]
- [(ii) Redeemable on days other than Interest Payment Dates (Condition 5(c)): [Yes/No]
- [(iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only) (Condition 6(f)): [Yes/No/Not Applicable]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 26. Form of Notes:** [Bearer Notes/Exchangeable Bearer Notes/Registered Notes]
- [temporary Global Note/Certificate exchangeable for a permanent Global Note/Certificate which is exchangeable for Definitive Notes/Certificates on [•] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate]
- [temporary Global Note/Certificate exchangeable for Definitive Notes/Certificates on [•] days' notice]

[permanent Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate]

[[Registered Notes Unrestricted Global Certificate registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]] exchangeable for Definitive Certificates on [●] days' notice/at any time/in the limited circumstances specified in the Unrestricted Global Certificate]

[Restricted Global Certificate registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg] exchangeable for Definitive Certificates on [●] days' notice/at any time/in the limited circumstances specified in the Restricted Global Certificate]

27. **New Global Note:** [Yes]/[No]
28. **Business Day Jurisdiction(s) (Condition 6(h)) or other special provisions relating to Payment Dates:** [Not Applicable/●]
29. **Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):** [Yes (give details)/No.]

### [THIRD PARTY INFORMATION

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

Signed on behalf of the Issuer:

By: \_\_\_\_\_  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING:

- (i) Listing: [Official List of the FCA and trading on the London Stock Exchange]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].]  
[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].]
- (iii) Estimated total expenses of admission to trading: [●]

### 2. RATINGS

- Ratings: The Notes to be issued [have been/are expected to be] assigned the following ratings:
- [S&P: [●]]
- [Moody's: [●]]
- [Fitch: [●]]
- [Need to include a brief explanation of the meaning of the rating if this has previously been published by a ratings provider]*

### 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

### 4. [Fixed Rate Notes only – YIELD

- Indication of yield: See "General Information" on page [●] of the Base Prospectus.
- Calculated as [●] on the Issue Date [in respect of the period from (and including) the [●] to (but excluding) [●]].
- As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

**5. [Floating Rate Notes only – HISTORIC INTEREST RATES**

Details of historic [LIBID, LIMEAN, EURIBOR, HIBOR, SIBOR, SOFR, SONIA, €STR or SORA] rates can be obtained from [relevant screen page].]

**6. [REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS]**

- (i) Reasons for the offer: *[Use of proceeds if other than for general corporate purposes.]* [The Notes are specified as being ["Sustainability Bonds"/"Green Bonds"/"Social Bonds"] and an amount equal to the net proceeds from the issuance of the Notes will be used as described in "Use of Proceeds – ESG Bonds" in the Base Prospectus.] [•]
- (ii) Estimated net proceeds: [•]

**7. OPERATIONAL INFORMATION**

- (i) ISIN: [•]
- [(a) Unrestricted Global Registered Certificate: [•]]
- [(b) Restricted Global Registered Certificate: [•]]
- (ii) [Common Code: [•]]
- [(a) Unrestricted Global Registered Certificate: [•]]
- [(b) Restricted Global Registered Certificate: [•]]
- (iii) [CMU Instrument Number: [•]]
- [(a) Unrestricted Global Registered Certificate: [•]]
- [(b) Restricted Global Registered Certificate: [•]]
- (iii) [CUSIP Number: [•]]
- [(a) Unrestricted Global Registered Certificate: [•]]

	[(b) Restricted Global Registered Certificate:	[●]
(iv)	[FISN:	[●]
	[(a) Unrestricted Global Registered Certificate:	[●]
	[(b) Restricted Global Registered Certificate:	[●]
(v)	[CFI Code:	[●]
	[(a) Unrestricted Global Registered Certificate:	[●]
	[(b) Restricted Global Registered Certificate:	[●]
(vi)	Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, SA, the CMU Service, DTC and the relevant identification number(s):	[Not Applicable/●]
(vii)	Delivery:	Delivery [against/free of] payment [in respect of the Unrestricted Notes and delivery [against/free of] payment in respect of the Restricted Notes]
(viii)	Names and addresses of initial Paying Agent(s):	[The Bank of New York Mellon, London Branch One Canada Square, London E14 5AL, United Kingdom/The Bank of New York Mellon SA/NV Luxembourg Branch, Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg/The Bank of New York Mellon, 240 Greenwich Street, New York, NY 10286, U.S./The Bank of New York Mellon, Hong Kong Branch, Level 26, Three Pacific Place, 1 Queen's Road East, Hong Kong]
(ix)	Names and addresses of additional Paying Agent(s) (if any):	[●]
(x)	Legal Entity Identifier:	[●]
(xi)	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. <i>Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs</i>



*acting as common safekeeper] [include this text for Registered Notes which are to be held under the NSS] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]*

*/[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [include this text for Registered Notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]*

(xii) Relevant Benchmark[s]

[Amounts payable under the Notes will be calculated by reference to [*specify benchmark*] which is provided by [*legal name of the benchmark administrator*]. As at the date of these Final Terms, [*legal name of the benchmark administrator*] [*appears / does not appear*] on the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 of Regulation (EU) 2016/1011 as it forms part of the domestic law of the UK by virtue of the EUWA (the “**UK Benchmarks Regulation**”).

[As far as the Issuer is aware, [*specify benchmark*] [*does not fall within the scope of the UK Benchmarks Regulation*] / [*the transitional provisions in Article 51 of the UK Benchmarks Regulation apply*] such that [*legal name of the benchmark administrator*] is not currently required to obtain authorisation or registration (or, if located outside the UK, recognition, endorsement or equivalence).]/[Not Applicable]

## 8. DISTRIBUTION

(i) Method of distribution:

[Syndicated/Non-syndicated]

- (ii) If syndicated:
  - (a) Names of Managers: [Not Applicable/give names]
  - (b) Stabilisation Manager(s) (if any): [Not Applicable/give names]
- (iii) If non-syndicated, name of Dealer: [Not Applicable/give name]
- (iv) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA C/TEFRA D/TEFRA not applicable]  
[Rule 144A: Qualified Institutional Buyers only]  
[ ]

[FORM OF PRICING SUPPLEMENT FOR PR EXEMPT NOTES]

# STANDARD CHARTERED PLC

and

# STANDARD CHARTERED BANK

**U.S.\$77,500,000,000**

## Debt Issuance Programme

[Brief Description and Amount of Notes] (the “Notes”)

Issued by

**[Standard Chartered PLC/  
Standard Chartered Bank]**

[Publicity Name(s) of Dealer(s)/Manager(s)]

The date of this Pricing Supplement is [●].

No prospectus is required in accordance with Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of European Union (Withdrawal) Act 2018 (the “EUWA”) (the “UK Prospectus Regulation”), for this issue of Notes. The FCA has neither approved nor reviewed information contained in this Pricing Supplement.

### PART A – CONTRACTUAL TERMS

[THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT 1933 (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE NOTES ARE ISSUED IN [BEARER FORM (“BEARER NOTES”)/BEARER FORM EXCHANGEABLE FOR NOTES IN REGISTERED FORM (“EXCHANGEABLE BEARER NOTES”)] THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S (“REGULATION S”) UNDER THE SECURITIES ACT.]

[THE NOTES ARE ISSUED IN REGISTERED FORM (“REGISTERED NOTES”) AND MAY BE OFFERED AND SOLD [(I) IN THE UNITED STATES OR TO U.S. PERSONS IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) ONLY TO QUALIFIED INSTITUTIONAL BUYERS (“QIBS”), AS DEFINED IN RULE 144A AND (II)] OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.]

[THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, OR ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes,

a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended "**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 as amended or superseded (the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement [Directive (EU) 2016/97 as amended or superseded]/[the IDD], where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the EUWA ("**UK MiFIR**"); or (iii) not a qualified investor as defined in Article 2 of [Regulation (EU) 2017/1129]/[the EU Prospectus Regulation] as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently, no key information document required by [Regulation (EU) No 1286/2014 as amended]/[the EU PRIIPs Regulation] as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

**[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended "**MiFID II**")]/[MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Details of any negative target market to be included if applicable]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in [Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") ("**UK MiFIR**")]/[UK MiFIR]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a "**distributor**")]/[distributor] should take into consideration the manufacturer['s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and

Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s]/[‘s’] target market assessment) and determining appropriate distribution channels.]

**[NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA") AND THE SECURITIES AND FUTURES (CAPITAL MARKETS PRODUCTS) REGULATIONS 2018 OF SINGAPORE (THE "CMP REGULATIONS 2018")** – In connection with Section 309(B) of the SFA and the CMP Regulations 2018, the Issuer has determined, and hereby notifies all persons (including all relevant persons as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 15 June 2022 which [,together with the supplementary Prospectus[es] dated [●] [and [●]],] constitute[s] (with the exception of certain sections) a base prospectus (the "**Base Prospectus**") for the purposes of [Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK Prospectus Regulation**")]/[the UK Prospectus Regulation]. This document constitutes the Pricing Supplement of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus is available for viewing at [address] [and] [website] and copies may be obtained from [address].]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") contained in the Trust Deed dated [original date] and set forth in the Prospectus dated [original date]. This document constitutes the Pricing Supplement of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Prospectus dated 15 June 2022 [and the supplementary Prospectus[es] dated [●] [and [●]], which [together] constitute[s] (with the exception of certain sections) a base prospectus (the "**Base Prospectus**") for the purposes of the UK Prospectus Regulation, in order to obtain all the relevant information. [The Base Prospectus [and the supplemental prospectus[es]] [is/are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]

1. Issuer: [Standard Chartered PLC/Standard Chartered Bank]
  
2. (i) Series Number: [●]  
[(ii) Tranche Number: [●]]  
(iii) Date on which the Notes will be consolidated and form a single Series: [The Notes will be consolidated and form a single Series with [●] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [●] below, which is expected to occur on or about [●]]] / [Not Applicable]
  
3. Currency or Currencies: [●]
  
4. Aggregate Nominal Amount:  
(i) Series: [●]  
[(ii) Tranche: [●]]

5. Issue Price: [●] per cent. of the Aggregate Nominal Amount  
[plus accrued interest from [●]]
6. Denominations: [●]
7. Calculation Amount: [●]
8. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [●]
9. Maturity Date: [●]
10. Interest Basis: [[●] per cent. Fixed Rate]  
[[●] per cent. Floating Rate]  
[Reset Notes]  
[Zero Coupon]
- (see paragraph [●] below)
11. Redemption/Payment Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [99][100][101] per cent. of their nominal amount]
12. Change of Interest: [●]
13. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Regulatory Capital Call]  
[Loss Absorption Disqualification Event Call]  
[Clean-up Call]  
[Not Applicable]
14. (i) Status of the Notes: [Senior/Dated Subordinated]
- (ii) [Date [Court/Board] approval for issuance of Notes obtained: [●] [and [●], respectively]]
- (iii) [Events of Default: [Restrictive Events of Default/Non-Restrictive Events of Default]]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (i) Rate[(s)] of Interest: [●] per cent. per annum payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [●]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [Not Applicable]/[[●] per Calculation Amount]

- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
  - (v) Day Count Fraction (Condition 4(k)): [Actual/Actual][Actual/Actual – ISDA]  
[Actual/365 (Fixed)]  
[Actual/360]  
[30/360][360/360][Bond Basis]  
[30E/360][30/360 (ISMA)][Eurobond Basis]  
[30E/360 (ISDA)]  
[Actual/Actual – ICMA]
  - (vi) Determination Dates: [●] in each year
  - (vii) Relevant Currency: [Not Applicable/[●]]
- 16. Floating Rate Note Provisions** [Applicable/Not Applicable]
- (i) Interest Period(s): [●]
  - (ii) Interest Payment Dates: [●]
  - (iii) First Interest Payment Date: [●]
  - (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/●]
  - (v) Relevant Financial Centre(s) (Condition 4(k)): [●]
  - (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Page]/[Reference Bank: ●]
  - (vii) Interest Period Date(s): [Not Applicable/●]
  - (viii) Calculation Agent: [The Bank of New York Mellon, London Branch One Canada Square, London E14 5AL, United Kingdom/The Bank of New York Mellon, 240 Greenwich Street, New York, NY 10286, U.S.]
  - (ix) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]
  - (x) Page (Condition 4(c)):
    - Relevant Time: [●]
    - Interest Determination Date: [●] *[[TARGET] Business Day(s) in [specify city] for [specify currency]]/[U.S. Government Securities Business Day(s) (if SOFR)] prior to*

*[the first day in each Interest Accrual Period/each Interest Payment Date]*

- Primary Source for Floating Rate: [●]
- Reference Banks (if Primary Source is "Reference Banks"): [●]
- Relevant Financial Centre: [●]
- Benchmark: [LIBID/LIMEAN/EURIBOR/HIBOR/SIBOR/SOFR/SONIA/€STR/SORA]
- Effective Date: [●]
- Specified Duration: [●]
- SOFR Rate Cut-Off Date: [[Not Applicable]/[The day that is the [second/[●]] U.S. Government Securities Business Day prior to the Interest Payment Date in relation to the relevant Interest] (*Only applicable in the case of SOFR Arithmetic Mean or SOFR Compound with Payment Delay*)
- Lookback Days: [[Not Applicable]/[●] U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Compound with Lookback*)
- SOFR Benchmark: [Not Applicable/SOFR Arithmetic Mean/SOFR Compound/SOFR Index Average] (*Only applicable in the case of SOFR*)
- SOFR Compound: [Not Applicable/SOFR Compound with Lookback/SOFR Compound with Payment Delay/SOFR Compound with SOFR Observation Period Shift]
- SOFR Observation Shift Days: [Not Applicable/[●] U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Compound with SOFR Observation Period Shift or in the case of SOFR Index Average*)
- Interest Accrual Period End Dates: [Not Applicable/U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Compound with Payment Delay or SOFR Compound with Lookback*)
- Interest Payment Delay: [Not Applicable/U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Compound with Payment Delay*)



- SOFR Index Start: [Not Applicable/U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Index Average*)
  - SOFR Index End: [Not Applicable/U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Index Average*)
  - SONIA Benchmark: [Not Applicable/Compounded Daily SONIA/SONIA Compounded Index Rate] (*Only applicable in the case of SONIA*)
  - SONIA Observation Method: [Lag/SONIA Observation Shift/Not Applicable] (*Only applicable in the case of SONIA*)
  - SONIA Observation Look-Back Period: [5/[•] London Banking Days]/[Not Applicable] (*Only applicable in the case of SONIA*)
  - SONIA Observation Shift Period: [5/[•] London Banking Days]/[Not Applicable] (*Only applicable in the case of SONIA*)
  - Fallback Page: [[Bloomberg Screen Page: SONIO/N Index]/[•]/ Not Applicable] (*Only applicable in the case of SONIA*)
  - €STR Observation Method: [Lag/€STR Observation Shift/Not Applicable] (*Only applicable in the case of €STR*)
  - €STR Observation Look-Back Period: [5/[•] TARGET Business Days]/[Not Applicable] (*Only applicable in the case of €STR*)
  - €STR Observation Shift Period: [5/[•] TARGET Business Days]/[Not Applicable] (*Only applicable in the case of €STR*)
  - D: [360]/[•]/[Not Applicable] (*Only applicable in the case of €STR*)
  - SORA Observation Period: [•] Singapore Business Days (*Only applicable in case of SORA*)
- (xi) Representative Amount: [[•]/Not Applicable]
- (xii) Linear Interpolation: [Not Applicable/Applicable – the Interest Rate for the [long/short] [first/last] Interest Accrual Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (xiii) Margin(s): [+/-][•] per cent. per annum
- (xiv) Minimum Interest Rate: [•] per cent. per annum
- (xv) Maximum Interest Rate: [•] per cent. per annum

(xvi)	Day Count Fraction (Condition 4(k)):	[●]
(xvii)	Rate Multiplier:	[●]
(xviii)	Benchmark Discontinuation:	[Not Applicable/Benchmark Discontinuation (General)/Benchmark Discontinuation (SOFR)]
<b>17.</b>	<b>Reset Note Provisions</b>	[Applicable/Not Applicable]
(i)	Initial Rate of Interest:	[●] per cent. per annum
(ii)	First Margin:	[●] per cent. per annum
(iii)	Subsequent Margin:	[[●] per cent. per annum/Not Applicable]
(iv)	Interest Payment Dates:	[●]
(v)	First Interest Payment Date:	[●]
(vi)	Fixed Coupon Amount[(s)] up to (but excluding) the First Reset Date:	[●] per Calculation Amount
(vii)	Broken Amount(s):	[[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
(viii)	First Reset Date:	[●]
(ix)	Second Reset Date:	[[●]/Not Applicable]
(x)	Subsequent Reset Date[(s)]:	[[●]/Not Applicable]
(xi)	Reset Rate:	[Mid-Swap Rate/Benchmark Gilt Rate/Reference Bond/U.S. Treasury Rate]
(xii)	Relevant Screen Page:	[[●]/Not Applicable]
(xiii)	Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate][Not Applicable]
(xiv)	Mid-Swap Floating Leg Benchmark:	[LIBID/LIMEAN/EURIBOR/HIBOR/SIBOR/SO FR/SONIA/€STR/SORA]
(xv)	Mid-Swap Maturity:	[[●]/Not Applicable]
(xvi)	U.S. Treasury Rate Maturity:	[[●]/Not Applicable]
(xvii)	Day Count Fraction (Condition 4(k)):	[Actual/Actual][Actual/Actual – ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][30/360 (ISMA)][Eurobond Basis]

		[30E/360 (ISDA)] [Actual/Actual – ICMA]
(xviii)	Relevant Time:	[[●]/Not Applicable]
(xix)	Interest Determination Dates:	[[●] in each year][Not Applicable]
(xx)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/●][Not Applicable]
(xxi)	Relevant Currency:	[[●]/Not Applicable]
(xxii)	Relevant Financial Centre(s) (Condition 4(k)):	[●]
(xxiii)	Benchmark Discontinuation:	[Not Applicable/Benchmark Discontinuation (General)/Benchmark Discontinuation (SOFR)]

**18. Zero Coupon Note Provisions** [Applicable/Not Applicable]

(i)	Amortisation Yield (Condition 5(b)):	[●] per cent. per annum
(ii)	Day Count Fraction (Condition 4(k)):	[●]
(iii)	Relevant Currency:	[Not Applicable/[●]]

**PROVISIONS RELATING TO REDEMPTION**

<b>19.</b>	Issuer Call	[Applicable/Not Applicable]
(i)	Optional Redemption Date(s):	[●] <i>(No Issuer Call will be exercised in respect of any Dated Subordinated Notes forming part of the Capital Resources of the Issuer or of the Group prior to five years from the Issue Date without the permission of, or waiver from, the PRA (if such permission or waiver is required). No such restriction applies to the Senior Notes.)</i>
(ii)	Call Option Redemption Amount(s) and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]/[Make Whole Redemption Amount]/[Not Applicable]
(iii)	Make Whole Redemption Amount	[Sterling Make Whole Redemption Amount]/[Non-Sterling Make Whole Redemption Amount]/[Not Applicable]
	[(a) Redemption Margin	[●] per cent.]

	[(b) Make Whole Reference Bond	[•]]
	[(c) Reference Date	[•]]
	[(d) Quotation Time	[•]]
(iv)	If redeemable in part:	
	(a) Minimum Call Option Redemption Amount:	[[•] per Calculation Amount/Not Applicable]
	(b) Maximum Call Option Redemption Amount:	[[•] per Calculation Amount/Not Applicable]
(v)	Notice period:	[•]
[(vi)	Par Redemption Date:	[•]]
<b>20.</b>	<b>Regulatory Capital Call</b>	[Applicable/Not Applicable]
	Redeemable on days other than Interest Payment Dates (Condition 5(e)):	[Yes/No]
<b>21.</b>	<b>Loss Absorption Disqualification Event Call</b>	[Applicable/Not Applicable]
	Redeemable on days other than Interest Payment Dates (Condition 5(f)):	[Yes/No]
<b>22.</b>	<b>Clean-up Call</b>	[Applicable/Not Applicable]
[(i)	Clean-up Call Threshold:	[•] per cent.
(ii)	Clean-up Call Optional Redemption Date(s):	[•]] <i>(No Clean-up Call will be exercised prior to five years from the Issue Date with respect to any Dated Subordinated Notes forming part of the Capital Resources of the Issuer or of the Group without the permission of, or waiver from, the PRA (if such permission or waiver is required). No such restriction applies to the Senior Notes.)</i>
[(iii)	Call Option Redemption Amount(s) and method, if any, of calculation of such amount(s):	[•] per Calculation Amount]
[(iv)	Notice period:	[•]]

- 23. Put Option** [Applicable/Not Applicable]
- [(i) Optional Redemption Date(s): [•]]
- [(ii) Put Option Redemption Amount(s) of each Note: [•] per Calculation Amount]
- [(iii) Option Exercise Date(s): [•]]
- [(iv) Description of any other Noteholders' option: [•]]
- [(v) Notice period: [•]]
- 24. Final Redemption Amount of each Note** [[•] per Calculation Amount/other]
- 25. Early Redemption Amount**
- [(i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default: [•]]
- [(ii) Redeemable on days other than Interest Payment Dates (Condition 5(c)): [Yes/No]
- [(iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only) (Condition 6(f)): [Yes/No/Not Applicable]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 26. Form of Notes:** [Bearer Notes/Exchangeable Bearer Notes/Registered Notes]
- [temporary Global Note/Certificate exchangeable for a permanent Global Note/Certificate which is exchangeable for Definitive Notes/Certificates on [•] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate]
- [temporary Global Note/Certificate exchangeable for Definitive Notes/Certificates on [•] days' notice]

[permanent Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate]

[[Registered Notes Unrestricted Global Certificate registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]] exchangeable for Definitive Certificates on [●] days' notice/at any time/in the limited circumstances specified in the Unrestricted Global Certificate]

[Restricted Global Certificate registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg] exchangeable for Definitive Certificates on [●] days' notice/at any time/in the limited circumstances specified in the Restricted Global Certificate]

27. **New Global Note:** [Yes]/[No]
28. **Business Day Jurisdiction(s) (Condition 6(h)) or other special provisions relating to Payment Dates:** [Not Applicable/●]
29. **Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):** [Yes (give details)/No.]

### [THIRD PARTY INFORMATION

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

Signed on behalf of the Issuer:

By: \_\_\_\_\_  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING:

- (i) Listing: [Official List of the FCA and trading on the London Stock Exchange]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].]  
[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].]
- (iii) Estimated total expenses of admission to trading: [●]

### 2. RATINGS

- Ratings: The Notes to be issued [have been/are expected to be] assigned the following ratings:
- [S&P: [●]]
- [Moody's: [●]]
- [Fitch: [●]]
- [Need to include a brief explanation of the meaning of the rating if this has previously been published by a ratings provider]*

### 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

### 4. [Fixed Rate Notes only – YIELD

- Indication of yield: See "General Information" on page [●] of the Base Prospectus.
- Calculated as [●] on the Issue Date [in respect of the period from (and including) the [●] to (but excluding) [●]].
- As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

**5. [Floating Rate Notes only – HISTORIC INTEREST RATES**

Details of historic [LIBID, LIMEAN, EURIBOR, HIBOR, SIBOR, SOFR, SONIA, €STR or SORA] rates can be obtained from [relevant screen page].]

**6. [REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS]**

- (i) Reasons for the offer: *[Use of proceeds if other than for general corporate purposes.]* [The Notes are specified as being ["Sustainability Bonds"/"Green Bonds"/"Social Bonds"] and an amount equal to the net proceeds from the issuance of the Notes will be used as described in "*Use of Proceeds – ESG Bonds*" in the Base Prospectus.] [•]
- (ii) Estimated net proceeds: [•]

**7. OPERATIONAL INFORMATION**

- (i) ISIN: [•]
- [(a) Unrestricted Global Registered Certificate: [•]]
- [(b) Restricted Global Registered Certificate: [•]]
- (ii) [Common Code: [•]]
- [(a) Unrestricted Global Registered Certificate: [•]]
- [(b) Restricted Global Registered Certificate: [•]]
- (iii) [CMU Instrument Number: [•]]
- [(a) Unrestricted Global Registered Certificate: [•]]
- [(b) Restricted Global Registered Certificate: [•]]
- (iii) [CUSIP Number: [•]]
- [(a) Unrestricted Global Registered Certificate: [•]]



	[(b) Restricted Global Registered Certificate:	[●]
(iv)	[FISN:	[●]
	[(a) Unrestricted Global Registered Certificate:	[●]
	[(b) Restricted Global Registered Certificate:	[●]
(v)	[CFI Code:	[●]
	[(a) Unrestricted Global Registered Certificate:	[●]
	[(b) Restricted Global Registered Certificate:	[●]
(vi)	Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, SA, the CMU Service, DTC and the relevant identification number(s):	[Not Applicable/●]
(vii)	Delivery:	Delivery [against/free of] payment [in respect of the Unrestricted Notes and delivery [against/free of] payment in respect of the Restricted Notes]
(viii)	Names and addresses of initial Paying Agent(s):	[The Bank of New York Mellon, London Branch One Canada Square, London E14 5AL, United Kingdom/The Bank of New York Mellon SA/NV Luxembourg Branch, Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg/The Bank of New York Mellon, 240 Greenwich Street, New York, NY 10286, U.S./The Bank of New York Mellon, Hong Kong Branch, Level 26, Three Pacific Place, 1 Queen's Road East, Hong Kong]
(ix)	Names and addresses of additional Paying Agent(s) (if any):	[●]
(x)	Legal Entity Identifier:	[●]
(xi)	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. <i>Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs</i>

*acting as common safekeeper] [include this text for Registered Notes which are to be held under the NSS] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]*

*/[No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [include this text for Registered Notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]*

(xii) Relevant Benchmark[s]

[Amounts payable under the Notes will be calculated by reference to [specify benchmark] which is provided by [legal name of the benchmark administrator]. As at the date of this Pricing Supplement, [legal name of the benchmark administrator] [appears / does not appear] on the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 of Regulation (EU) 2016/1011 as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK Benchmarks Regulation**").

[As far as the Issuer is aware, [specify benchmark] [does not fall within the scope of the UK Benchmarks Regulation] / [the transitional provisions in Article 51 of the UK Benchmarks Regulation apply] such that [legal name of the benchmark administrator] is not currently required to obtain authorisation or registration (or, if located outside the UK, recognition, endorsement or equivalence).]/[Not Applicable]

**8. DISTRIBUTION**

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
  - (a) Names of Managers: [Not Applicable/give names]
  - (b) Stabilisation Manager(s) (if any): [Not Applicable/give names]
- (iii) If non-syndicated, name of Dealer: [Not Applicable/give name]
- (iv) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA C/TEFRA D/TEFRA not applicable]  
[Rule 144A: Qualified Institutional Buyers only]  
[ ]

## CLEARING AND SETTLEMENT

*The following is a summary of the rules and procedures of Euroclear, Clearstream, Luxembourg, the CMU Service and DTC, currently in effect, as they relate to clearing and settlement of transactions involving the Notes. The rules and procedures of these systems are subject to change at any time.*

### The Clearing Systems

#### ***Euroclear and Clearstream, Luxembourg***

Euroclear and Clearstream, Luxembourg each hold securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear and Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

#### ***CMU***

The CMU Service is a central depository service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service ("**CMU Members**") of Exchange Fund Bills and Notes Clearing and Settlement Service securities and capital markets instruments (together, "**CMU Instruments**") which are specified in the CMU Service Reference Manual as capable of being held within the CMU Service.

The CMU Service is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such person. Membership of the CMU Service is open to all financial institutions regulated by the Hong Kong Monetary Authority, Securities and Futures Commission, Insurance Authority or Mandatory Provident Fund Schemes Authority. For further details on the full range of the CMU Service's custodial services, please refer to the CMU Reference Manual.

The CMU Service has an income distribution service which is a service offered by the CMU Service to facilitate the distribution of interest, coupon or redemption proceeds by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU Service has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification. For further details, please refer to the CMU Reference Manual.

An investor holding an interest through an account with either Euroclear or Clearstream, Luxembourg in any Notes held in the CMU Service will hold that interest through the respective accounts which Euroclear and Clearstream, Luxembourg each have with the CMU Service.

#### ***DTC***

DTC is a limited purpose trust company organised under the laws of the State of New York, a "banking organisation" under the laws of the State of New York, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies that clear through, or maintain a custodial relationship with, a DTC direct participant, either directly or indirectly.

## **Book-Entry Ownership**

### ***Bearer Notes***

The relevant Issuer may make applications to Clearstream, Luxembourg and Euroclear for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The relevant Issuer may also apply to have Bearer Notes accepted for clearance through the CMU Service. In respect of Bearer Notes in CGN form, a Temporary Global Note and/or a Permanent Global Note in bearer form without coupons will be deposited with a common depository for Clearstream, Luxembourg and Euroclear and/or a sub-custodian for the CMU Service. In respect of Bearer Notes in NGN form, the Global Note in bearer form without coupons will be delivered with a common safekeeper for Euroclear and Clearstream, Luxembourg. Transfers of interests in a Temporary Global Note or a Permanent Global Note will be made in accordance with the normal Euromarket debt securities operating procedures of Clearstream, Luxembourg and Euroclear or the CMU Service.

### ***Registered Notes***

The relevant Issuer may make applications to Clearstream, Luxembourg and Euroclear and/or the CMU Service for acceptance in their respective book-entry systems in respect of the Unrestricted Notes to be represented by each Unrestricted Global Certificate. Each such Unrestricted Global Certificate will have an ISIN and a Common Code or a CMU Instrument Number, as the case may be.

The relevant Issuer and a relevant U.S. agent appointed for such purpose may make application to DTC for acceptance in its book-entry settlement system of the Restricted Notes represented by each Restricted Global Certificate or the Unrestricted Notes to be represented by each Unrestricted Global Certificate, as the case may be. Each such Restricted Global Certificate or Unrestricted Global Certificate, as the case may be, will have a CUSIP number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Restricted Certificate, as set out under "*Transfer Restrictions*". In certain circumstances, as described below in "*Transfers of Registered Notes*", transfers of interests in a Restricted Global Certificate may be made as a result of which such legend is no longer applicable.

The custodian with whom the Restricted Global Certificates or Unrestricted Global Certificates, as the case may be, are deposited (the "**Custodian**") and DTC will electronically record the principal amount of the Restricted Notes and/or the Unrestricted Notes held within the DTC system. Investors may hold their interests in a Restricted Global Certificate or Unrestricted Global Certificate, as the case may be, directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Restricted Global Certificate or Unrestricted Global Certificate, as the case may be, registered in the name of DTC's nominee will be to or to the order of its nominee as the registered owner of such Restricted Global Certificate or

Unrestricted Global Certificate, as the case may be. The relevant Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Restricted Global Certificate or Unrestricted Global Certificate, as the case may be, as shown on the records of DTC or the nominee. The relevant Issuer also expects that payments by DTC participants to owners of beneficial interests in such Restricted Global Certificate or Unrestricted Global Certificate, as the case may be, held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of the relevant Issuer nor any Paying Agent or any Transfer Agent (each an "**Agent**") will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Restricted Global Certificates or Unrestricted Global Certificate, as the case may be, or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of an Unrestricted Global Certificate and/or a Restricted Global Certificate. Individual definitive Registered Notes will only be available, in the case of Unrestricted Notes, in amounts specified in the applicable Final Terms, and, in the case of Restricted Notes, in amounts of U.S.\$200,000 (or its equivalent in another currency), or higher integral multiples of U.S.\$1,000 (or its equivalent in another currency), in certain limited circumstances described below.

#### ***Individual Definitive Registered Notes***

Registration of title to Registered Notes in a name other than a depository or its nominee for Clearstream, Luxembourg and Euroclear or for the CMU Service or for DTC will not be permitted unless (i) in the case of Notes held in DTC, DTC notifies the relevant Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the Restricted Global Certificate or Unrestricted Global Certificate, as the case may be, or ceases to be a "clearing agency" registered under the Exchange Act, or is at any time no longer eligible to act as such and the relevant Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC, (ii) in the case of Notes held in Euroclear or Clearstream, Luxembourg or the CMU Service, Clearstream, Luxembourg, Euroclear or the CMU Service is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does, in fact, do so, (iii) if principal in respect of any Notes is not paid when due or (iv) the relevant Issuer provides its consent. In such circumstances, the relevant Issuer will cause sufficient individual definitive Registered Notes to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with:

- (i) a written order containing instructions and such other information as the relevant Issuer and the Registrar may require to complete, execute and deliver such individual definitive Registered Notes; and
- (ii) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual definitive Registered Notes issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

### **Transfers of Registered Notes**

Transfers of interests in Global Certificates within DTC, Clearstream, Luxembourg, Euroclear and the CMU Service will be effected in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Restricted Global Certificate or Unrestricted Global Certificate, as the case may be, to such persons may be limited. Because DTC can only act on behalf of direct participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate or Unrestricted Global Certificate, as the case may be, to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in an Unrestricted Global Certificate may be held through Clearstream, Luxembourg or Euroclear or the CMU Service or DTC. Transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through the Restricted Global Certificate for the same Series of Notes provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period (as defined in "*Subscription and Sale*") relating to the Notes represented by such Unrestricted Global Certificate will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, Luxembourg or the CMU Service, as the case may be, or if an Unrestricted Global Certificate is held through DTC, upon receipt of a form of certificate provided by the transferor (based on a written certificate from the transferor of such interest), to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of the Notes represented by such Unrestricted Global Certificate will be made upon request through Clearstream, Luxembourg or Euroclear or the CMU Service or DTC by the holder of an interest in the Unrestricted Global Certificate to the Issuing and Paying Agent or the Registrar, as the case may be, and receipt by the Issuing and Paying Agent or the Registrar, as the case may be, of details of that account at DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to the Issuing and Paying Agent or the Registrar or any Transfer Agent, as the case may be, of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, Luxembourg or the CMU Service or DTC, as the case may be, and DTC to be credited and debited, respectively, with an interest in the relevant Global Certificates.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above and under "*Transfer Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear or the CMU Service accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the Issuing and Paying Agent.

On or after the Issue Date for any Series of Registered Notes, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg, Euroclear and the CMU Service and transfers of Notes of such Series between participants in DTC will generally have a settlement day two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear or the CMU Service and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg, Euroclear and the CMU Service, on the other, transfers of interests in the relevant Global Certificates will be effected through the Issuing and Paying Agent, the Custodian and the Registrar receiving instructions (and, where appropriate, certification) from the

transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the Issuing and Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg or the CMU Service accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see "*Transfer Restrictions*".

DTC will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Global Certificates are credited and only in respect of such portion of the aggregate principal amount of the relevant Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Global Certificates for exchange for individual definitive Registered Notes (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

Although DTC, Clearstream, Luxembourg, Euroclear and the CMU Service have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of DTC, Clearstream, Luxembourg, Euroclear and the CMU Service, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Trustee or any Agent will have any responsibility for the performance by DTC, Clearstream, Luxembourg, Euroclear or the CMU Service or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Global Certificate is lodged with DTC or the Custodian, such Notes represented by individual definitive Registered Notes will not be eligible for clearing or settlement through DTC, Clearstream, Luxembourg, Euroclear or the CMU Service.

#### ***Pre-issue Trades Settlement for Registered Notes***

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the United States secondary market generally are required to settle within two business days (T+2), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the United States on the date of pricing or the next succeeding business days until the relevant Issue Date will be required, by virtue of the fact that the Notes initially will settle beyond T+2, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant issue date should consult their own adviser.



## PRC CURRENCY CONTROLS

*The following is a general description of certain currency controls in the PRC and is based on the law and relevant interpretations thereof in effect as at the date of this Prospectus, all of which are subject to change, and does not constitute legal advice. It does not purport to be a complete analysis of all applicable currency controls in the PRC relating to the RMB Notes. Prospective holders of RMB Notes who are in any doubt as to PRC currency controls are advised to consult their own professional advisers.*

### Remittance of Renminbi into and outside the PRC

The Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

### Current Account Items

Under PRC foreign exchange control regulations, current account item payments include payments for imports and exports of goods and services, payments of income and current transfers into and outside the PRC.

Prior to July 2009, all current account items were required to be settled in foreign currencies. In July 2009 the PRC government promulgated Measures for the Administration of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (the "**Measures**") and its implementation rules, pursuant to which designated and eligible enterprises are allowed to settle their cross-border trade transactions in Renminbi. Since July 2009, subject to the Measures and its implementation rules, the PRC has commenced a scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated pilot cities in the PRC, being: Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai, and enterprises in designated offshore jurisdictions including Hong Kong and Macau. In June 2010, July 2011 and February 2012 respectively, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of RMB Settlement of Cross-border Trades, the Circular on the Expansion of the Regions of Renminbi Settlement of Cross-Border Trades, the Circular on the Relevant Issues Pertaining to Administration over Enterprises Engaging in RMB Settlement of Export of Goods and the Circulars with regard to the expansion of designated cities and offshore jurisdictions implementing the pilot RMB settlement scheme for cross-border trades (the "**Circulars**"). Pursuant to these Circulars (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts was expanded to cover all provinces in the PRC (as well as autonomous regions and municipalities directly under the Central Government), (iii) the restriction on designated offshore jurisdictions was lifted, and (iv) any enterprises qualified for the export and import business are permitted to use RMB as settlement currency for exports of goods, provided that the relevant provincial government has submitted to the PBOC and five other PRC authorities (the "**Six Authorities**") a list of key enterprises subject to supervision and the Six Authorities have verified and approved such list (the "**Supervision List**"). On 12 June 2012, the PBOC issued a notice stating that the Six Authorities had jointly verified and announced a Supervision List and as a result any enterprise qualified for the export and import business is permitted to use RMB as settlement currency for exports.

On 5 July 2013, PBOC promulgated the "Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures" (the "**2013 PBOC Circular**") with the intent to improve the efficiency of cross border Renminbi settlement and facilitate the use of RMB for the settlement of cross-border transactions under current accounts or capital accounts. In particular, the 2013 PBOC Circular simplifies the procedures for cross border Renminbi trade settlement under current account items. For example, PRC banks may conduct settlement for PRC enterprises (excluding those on the Supervision List) upon the PRC enterprises presenting the payment instruction, with certain exceptions. PRC banks may also allow PRC enterprises to make/receive payments under current account items prior to the relevant PRC bank's verification

of underlying transactions (noting that verification of underlying transactions is usually a precondition for cross border remittance).

On 1 November 2014, PBOC promulgated the Circular on Matters concerning Centralized Cross-Border Renminbi Fund Operation Conducted by Multinational Enterprise Groups (the "**2014 PBOC Circular**"). The 2014 PBOC Circular introduces a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group.

On 5 September 2015, PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (the "**2015 PBOC Circular**"), which, among others, has lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow. The 2015 PBOC Circular also provides that enterprises in the China (Shanghai) Free Trade Pilot Zone ("**Shanghai FTZ**") may establish an additional cash pool in the local scheme in the Shanghai FTZ, but each onshore company within the group may only elect to participate in one cash pool.

On 23 October 2019, the SAFE promulgated Notice by the State Administration of Foreign Exchange of Simplifying Foreign Exchange Accounts which became effective on 1 February 2020. SAFE has decided to review and integrate certain foreign exchange accounts and further reduce the types of accounts in order to further intensify the reform of foreign exchange administration, simplifying the relevant business operating procedures, and facilitate true and compliant foreign exchange transactions by banks, enterprises and other market participants, for example, "Current accounts – foreign currency cash account" and "current accounts – foreign exchange account under current accounts of overseas institutions" are included in "current accounts – foreign exchange settlement account".

On the same day, the SAFE issued Notice by the State Administration of Foreign Exchange of Further Facilitating Cross-border Trade and Investment, based on which, for the revenue obtained by an enterprise from trade in goods, the enterprise may, on its own, decide whether to open a to-be-inspected account for export revenue ("**to-be-inspected account**"). If an enterprise has not opened a to-be-inspected account, the examined revenue from trade in goods by the bank in accordance with the existing provisions may be directly deposited into the foreign exchange account under current accounts or used for foreign exchange settlement. Any enterprise that is required to submit a declaration document on its income in a to-be-verified account to the foreign exchange authorities pursuant to the prevailing provisions may be exempted from the submission.

The regulations referred to above will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying these regulations and impose conditions for settlement of current account items.

Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the use of Renminbi for payment of transactions categorised as current account items, then such settlement will need to be made subject to the specific requirements or restrictions set out in such rules.

### **Capital Account Items**

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of the relevant PRC authorities.

Settlements for capital account items are generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are generally required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or any other relevant PRC parties are

also generally required to make capital account item payments including proceeds from liquidation, transfer of shares, reduction of capital and principal repayment under foreign debt to foreign investors in a foreign currency. That said, the relevant PRC authorities may approve a foreign entity to make a capital contribution or shareholder's loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. The foreign invested enterprise may also be required to complete registration and verification process with the relevant PRC authorities before such RMB remittances.

On 25 February 2011, the Ministry of Commerce of the PRC ("**MOFCOM**") promulgated the Notice of MOFCOM in relation to administration on foreign investment (the "**MOFCOM Notice**"). The MOFCOM Notice states that if a foreign investor intends to make investments in the PRC with Renminbi that it has generated from cross-border trade settlement or that it has lawfully obtained outside the PRC, MOFCOM's prior written consent is required.

In April 2011, the State Administration of Foreign Exchange ("**SAFE**") promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (the "**SAFE Circular**"), which provides that borrowing by an onshore entity (including a financial institution) of Renminbi loans from an offshore entity shall in principle follow the current regulations on borrowing foreign debts and the provision by an onshore entity (including a financial institution) of external guarantees in Renminbi shall in principle follow the current regulations on the provision of external guarantees in foreign currencies.

In June 2011, PBOC issued the Notice on Clarification of Issues regarding Cross-border Renminbi Activities (the "**PBOC Notice**"), which provides that the pilot programme of foreign direct investment in Renminbi will be launched on a case by case basis, and approval by PBOC is required for foreign direct investment in Renminbi. For industries under restrictions or strictly regulated by the PRC government, foreign direct investment in Renminbi is prohibited.

On 13 October 2011, PBOC issued the Measures for the Administration on RMB Settlement in Foreign Direct Investment (the "**PBOC RMB FDI Measures**"), setting out operating procedures for PRC banks to handle RMB settlement relating to RMB FDI and borrowing by foreign invested enterprises of offshore RMB loans. Pursuant to the PBOC RMB FDI Measures, PBOC special approval for RMB FDI and shareholder loans previously required is no longer necessary. The PBOC RMB FDI Measures also provide, among others, that foreign invested enterprises, whether established or acquired by foreign investors, are required to conduct registrations with the local branch of PBOC within ten working days after obtaining the business licenses for the purpose of Renminbi settlement, and a foreign investor is allowed to open RMB special accounts for designated uses in relation to making equity investments in a PRC enterprise or receiving RMB proceeds from distribution (dividends or otherwise) by its PRC subsidiaries. The PBOC RMB FDI Measures further state that the foreign debt quota of a foreign invested enterprise constitutes its Renminbi debt and foreign currency debt from its offshore shareholders, offshore affiliates and offshore financial institutions, and a foreign invested enterprise may open a Renminbi account to receive its Renminbi proceeds borrowed offshore by submitting the loan contract denominated in Renminbi to the commercial bank and making repayments of principal and interest on such debt in Renminbi by submitting certain required documents to the commercial bank. On 14 June 2012, PBOC issued the implementing rules for the PBOC RMB FDI Measures. The PBOC RMB FDI Measures and its implementation rules were further amended on 29 May 2015.

On 19 November 2012, SAFE promulgated the Circular on Further Improving and Adjusting the Foreign Exchange Administration Policies on Direct Investment (the "**SAFE Circular on DI**"), which became effective on 17 December 2012 and was amended on 5 June 2015. According to the SAFE Circular on DI, SAFE has removed or adjusted certain administrative licensing items with regard to foreign exchange administration over direct investments to promote investment, including, but not limited to, the abrogation of SAFE approval for opening of and payment into foreign exchange accounts under direct investment accounts, the abrogation of SAFE approval for reinvestment with legal income generated within the PRC of foreign investors, the simplification of the administration of foreign exchange reinvestments by foreign investment

companies, and the abrogation of SAFE approval for purchase and external payment of foreign exchange under direct investment accounts.

On 3 December 2013, MOFCOM promulgated the Circular on Issues in relation to Cross-border RMB Foreign Direct Investment (the "**MOFCOM Circular**"), which became effective on 1 January 2014, to further facilitate FDI by simplifying and streamlining the applicable regulatory framework. The MOFCOM Circular replaced the Notice on Issues in relation to Cross-border RMB Foreign Direct Investment promulgated by MOFCOM on 12 October 2011 (the "**2011 MOFCOM Notice**"). Pursuant to the MOFCOM Circular, written approval from the appropriate office of MOFCOM and/or its local counterparts specifying "Renminbi Foreign Direct Investment" and the amount of capital contribution is required for each FDI. Compared with the 2011 MOFCOM Notice, the MOFCOM Circular no longer contains the requirements for central-level MOFCOM approvals for investments of RMB300 million or above, or in certain industries, such as financial guarantee, financial leasing, microcredit, auction, foreign invested investment companies, venture capital and equity investment vehicles, cement, iron and steel, electrolyse aluminium, ship building and other industries under the state macro regulation. Unlike the 2011 MOFCOM Notice, the MOFCOM Circular also removes the approval requirement for foreign investors who intend to change the currency of their existing capital contribution from a foreign currency to RMB. In addition, the MOFCOM Circular also clearly prohibits FDI funds from being used for any investments in securities and financial derivatives (except for investments in the PRC listed companies by strategic investors) or for entrustment loans in the PRC.

On 13 February 2015, SAFE promulgated the Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (the "**2015 SAFE Circular**"), which became effective on 1 June 2015. The 2015 SAFE Circular aims to deepen the reform of foreign exchange administration of capital accounts, promote and facilitate the capital operation of enterprises in making cross-border investments, regulate the direct investment-related foreign exchange administration business, improve the administration efficiency. The 2015 SAFE Circular sets forth the following reformation: (i) cancel the Administrative Examination and Approval Procedures relating to the Foreign Exchange Registration Approval under Domestic Direct Investment and the Foreign Exchange Registration Approval under Overseas Direct Investment; (ii) cancel the requirements to provide the confirmation, and apply for the registration, of foreign investors' non-monetary and provide the confirmation, and apply for the registration, of foreign investors' contribution to purchasing the equity held by the party incorporated in the PRC under domestic direct investment; (iii) the requirements to provide the confirmation, and apply for the registration, of foreign investors' monetary contribution has been replaced by the requirement to apply for a book-entry registration of domestic direct investment monetary contribution.

According to the 2015 PBOC Circular, qualified multinational enterprise groups can extend Renminbi-denominated loans to, or borrow Renminbi-denominated loans from, eligible offshore member entities within the same group by leveraging the cash pooling arrangements. The Renminbi funds will be placed in a special deposit account and may not be used to invest in stocks, financial derivatives, or non-self-use real estates, or purchase wealth management products or extend loans to enterprises outside the group. Enterprises within the Shanghai FTZ may establish another cash pool under the Shanghai FTZ rules to extend inter-company loans, although Renminbi funds obtained from financing activities may not be pooled under this arrangement. Enterprises within the Shanghai FTZ can borrow Renminbi from offshore lenders under a pilot account-based settlement scheme within the prescribed macro-prudential management limit. In addition, non-financial enterprises in the Shanghai FTZ are allowed to settle the foreign debt proceeds into Renminbi on a voluntary basis, provided that the proceeds should not be used beyond their business scope or in violation of relevant laws and regulations. Pilot schemes relating to cross-border Renminbi loans, bonds or equity investments have also been launched for, among others, enterprises in Shenzhen Qianhai, Jiangsu Kunshan and Jiangsu Suzhou Industrial Park.

On 26 January 2017, SAFE issued the Notice on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance to further advance the reform of foreign exchange administration, such as:

- settlement of domestic foreign exchange loans is allowed for export trade in goods. A domestic institution shall repay loans with the foreign exchange funds received from export trade in goods, rather than, in principle, purchased foreign exchange;
- a debtor may directly or indirectly repatriate the funds under guarantee and use them domestically by, among others, granting loans and making equity investment domestically. Where a bank performs its guarantee obligation under overseas loans with a domestic guarantee, the relevant foreign exchange settlement and sale shall be managed as the bank's own foreign exchange settlement and sale;
- the deposits absorbed by a domestic bank through its principal international foreign exchange account and allowed to be used domestically shall be no more than 100 per cent. of the average daily deposit balance in the previous six months as opposed to the former 50 per cent.; and the funds used domestically shall not be included in the bank's outstanding short-term external debt quota;
- allowing foreign exchange settlement in the domestic foreign exchange accounts of overseas institutions within pilot free trade zones: where funds are repatriated and used domestically after settlement, a domestic bank shall, under the relevant provisions on cross-border transactions, handle such funds by examining the valid commercial documents and vouchers of domestic institutions and domestic individuals; and
- where a domestic institution grants overseas loans, the total of the balance of overseas loans granted in domestic currency and the balance of overseas loans granted in foreign currency shall not exceed 30 per cent. of owner's equity in the audited financial statements of the previous year.

Since August 2015, qualified multinational enterprise groups can extend Renminbi-denominated loans to, or borrow Renminbi-denominated loans from, eligible offshore member entities within the same group by leveraging the cash pooling arrangements. The Renminbi funds will be placed in a special deposit account and may not be used to invest in stocks, financial derivatives, or non-self-use real estate assets, or purchase wealth management products or extend loans to enterprises outside the group.

The securities markets, specifically the Renminbi Qualified Foreign Institutional Investor (“**RQFII**”) regime and the China Interbank Bond Market (“**CIBM**”), have been further liberalised for foreign investors. PBOC has relaxed the quota control for RQFII, initiated a bond market mutual access scheme between mainland and Hong Kong to allow eligible investors to invest in CIBM and has also expanded the list of foreign investors eligible to directly invest in CIBM, removed quota restriction, and granted more flexibility for the settlement agents to provide the relevant institutions with more trading facilities (for example, in relation to derivatives for hedging foreign exchange risk).

Interbank foreign exchange market is also opening-up. In 2018, CFETS further relaxed qualifications, application materials and the procedures for foreign participating banks (which needs to have a relatively large scale of Renminbi purchase and sale business and international influence) to access the inter-bank foreign exchange market.

On 23 October 2019, the SAFE promulgated Notice by the State Administration of Foreign Exchange of Simplifying Foreign Exchange Accounts which became effective on 1 February 2020, according to which, several measures were taken to intensify the reform of foreign exchange administration, simplifying the relevant business operating procedures, and facilitate true and compliant foreign exchange transactions by banks, enterprises and other market participants, for example, “Capital accounts - special account for domestic reinvestment” is included in “capital accounts - foreign exchange capital account”.

On the same day, the SAFE issued Notice by the State Administration of Foreign Exchange of Further Facilitating Cross-border Trade and Investment in order to further promote the reform of “simplification of administrative procedures and decentralization of powers, combination of decentralization and appropriate control, and optimization of services”. It cancelled restrictions on the use of funds in domestic asset realization accounts for foreign exchange settlement and restrictions on the number of opened foreign exchange accounts under capital accounts. The relevant market players may open several foreign exchange capital accounts according to actual business needs, provided that the number of relevant accounts opened satisfied the prudential regulatory requirements.

The regulations referred to above will be subject to interpretation and application by the relevant PRC authorities.

There is no assurance that approval of such remittances, borrowing or provision of external guarantee in Renminbi will continue to be granted or will not be revoked in the future. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

## TRANSFER RESTRICTIONS

### Restricted Notes

Each purchaser of Restricted Notes within the United States pursuant to Rule 144A, by accepting delivery of this Prospectus, will be deemed to have represented, agreed and acknowledged that:

- (1) it is (a) a QIB, (b) acquiring such Restricted Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Restricted Notes to it is being made in reliance on Rule 144A;
- (2) it understands that such Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States;
- (3) it understands that such Restricted Notes, unless the relevant Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

**THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THIS NOTE. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A;**

- (4) it understands that the Restricted Notes offered in reliance on Rule 144A will be represented by a Restricted Global Certificate. Before any interest in the Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and
- (5) it acknowledges that the relevant Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Additional transfer restrictions may be set forth in the applicable Final Terms with respect to a particular Tranche of a Registered Series.

### **Unrestricted Notes**

Each purchaser of Unrestricted Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Unrestricted Notes in resales prior to the expiration of the Distribution Compliance Period (as defined in "*Subscription and Sale*"), by accepting delivery of this Prospectus and the Unrestricted Notes, will be deemed to have represented, agreed and acknowledged that:

- (1) it is, or at the time Unrestricted Notes are purchased will be, the beneficial owner of such Unrestricted Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the relevant Issuer or a person acting on behalf of such an affiliate;
- (2) it understands that such Unrestricted Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the Distribution Compliance Period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Notes except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States;
- (3) it understands that the Unrestricted Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

**THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT;**

- (4) it understands that the Unrestricted Notes offered in reliance on Regulation S may be represented by an Unrestricted Global Certificate. Prior to the expiration of the Distribution Compliance Period, before any interest in the Unrestricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and
- (5) the relevant Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Additional transfer restrictions may be set forth in the applicable Final Terms with respect to a particular Tranche of a Registered Series.



## GENERAL INFORMATION

1. The listing of the Notes on the Official List and admission to trading on the Market will be expressed as a percentage of their principal amount (exclusive of accrued interest). It is expected that acceptance of the Programme on the Official List will be granted on or around 17 June 2022. Each Tranche of Notes under the Programme will be listed separately, subject only to the issue of a Temporary or Permanent Global Note (or one or more Certificates) in respect of each Tranche. Prior to official listing, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. If a Series of Notes will be unlisted, or listed on another exchange, the specific terms relating to such Series of Notes will be contained in a pricing supplement. Any such pricing supplement will be based on the form of Final Terms set out in this Prospectus.
2. SCPLC has obtained all necessary consents, approvals and authorisations in the United Kingdom in connection with the issue and performance of the Notes to be issued by it. SCB has obtained all necessary consents, approvals and authorisations in the United Kingdom in connection with the issue and performance of the Notes to be issued by it. The establishment, update and amendment of the Programme and issues of Notes thereunder by SCPLC was authorised by resolutions of SCPLC's Board of Directors passed on 30 October 2007, 21 June 2017, 27 September 2017 and 6 and 7 November 2019, and of a duly authorised committee of SCPLC's Board of Directors passed on 3 November 2009, 31 August 2010, 8 November 2010, 7 November 2011, 26 September 2012, 1 October 2013, 2 October 2014, 7 October 2015, 7 October 2016, 9 June 2017, 15 June 2018, 18 June 2019, 12 June 2020, 14 June 2021 and 13 June 2022. The establishment, update and amendment of the Programme and issues of Notes thereunder by SCB was authorised by resolutions of SCB's Court of Directors passed on 4 October 2004, 11 September 2006, 28 July 2008 and 14 September 2009 and of a duly appointed Committee of the Court of Directors of SCB passed on 29 October 2004, 23 September 2005, 25 September 2006, 7 September 2007, 6 November 2007, 4 November 2008, 3 November 2009, 31 August 2010, 8 November 2010, 7 November 2011, 26 September 2012, 1 October 2013, 2 October 2014, 7 October 2015, 7 October 2016, 9 June 2017, 14 June 2018, 18 June 2019, 12 June 2020, 14 June 2021 and 13 June 2022.
3. There has been no significant change in the financial performance or financial position of SCPLC and its subsidiaries since 31 March 2022, being the end of the last financial period for which financial information of SCPLC and its subsidiaries has been published (as set out in the First Quarter 2022 Results). There has been no material adverse change in the prospects of SCPLC and its subsidiaries since 31 December 2021, being the date of its last published audited financial statements (as set out in the 2021 Annual Report).
4. There has been no significant change in the financial performance or financial position of SCB and its subsidiaries since 31 December 2021, being the end of the last financial period for which financial information of SCB and its subsidiaries has been published (as set out in the SCB 2021 Accounts). There has been no material adverse change in the prospects of SCB and its subsidiaries since 31 December 2021, being the date of its last published audited financial statements.
5. As discussed in the "*Legal and regulatory matters*" section on page 390 of the 2021 Annual Report (which is incorporated by reference herein), the Group receives legal claims against it in a number of jurisdictions and is subject to regulatory and enforcement investigations and proceedings from time to time. In recent years, the resolution of such matters has resulted in substantial monetary penalties, additional compliance and remediation requirements and additional business restrictions for the Group, including the

monetary penalties paid in April 2019 in connection with resolution of investigations by various U.S. authorities and the FCA of U.S.\$947 million and £102 million, respectively.

Apart from the matters described below, there are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which SCPLC is aware) during a period covering at least the previous twelve months which may have, or have had in the recent past, significant effects on the financial position or profitability of SCPLC and/or the Group.

- Since 2014, the Group has been named as a defendant in a series of lawsuits that have been filed in the United States District Courts for the Southern and Eastern Districts of New York against a number of banks (including SCB and its affiliates) on behalf of plaintiffs who are, or are relatives of, victims of various terrorist attacks in Iraq and Afghanistan. The most recent lawsuit was filed in April 2022 and concerns terrorist attacks that occurred in Afghanistan between 2013 and 2016. The plaintiffs in each of these lawsuits have alleged that the defendant banks aided and abetted the unlawful conduct of parties with connections to terrorist organisations in breach of the U.S. Anti-Terrorism Act. While the courts have ruled in favour of the banks' motions to dismiss in five of these lawsuits, plaintiffs' have appealed or are expected to appeal against certain of these judgments. The remaining cases are at an early procedural stage and, except for the lawsuit filed in April 2022 and a similar lawsuit filed in August 2021, have been stayed pending the outcomes of the appeals in the dismissed cases. None of these lawsuits have specified the amount of damages claimed.
- In January 2020, a shareholder derivative complaint was filed by the City of Philadelphia in the New York State Court against 45 current and former directors and senior officers of the Group. It is alleged that the individuals breached their duties to the Group and caused a waste of corporate assets by permitting the conduct that gave rise to the costs and losses to the Group related to legacy conduct and control issues. In March 2021, an amended complaint was served in which SCB and seven individuals were removed from the case. SCPLC and Standard Chartered Holdings Limited remained as named "nominal defendants" in the complaint. In May 2021, SCPLC filed a motion to dismiss the complaint. On 2 February 2022, the New York State Court ruled in favour of SCPLC's motion to dismiss the complaint. On 2 March 2022, the plaintiffs filed a notice of appeal against the 2 February 2022 ruling.
- Since October 2020, two lawsuits have been filed in the English High Court against SCPLC on behalf of more than 300 shareholders in relation to alleged untrue and/or misleading statements and/or omissions in information published by SCPLC in its rights issue prospectuses of 2008, 2010 and 2015 and/or public statements regarding the Group's historic sanctions, money laundering and financial crime compliance issues. These lawsuits have been brought under sections 90 and 90A of the FSMA. Section 90 permits shareholders to pursue a claim if they acquire shares, and suffer loss, as a result of misleading statements in, or omissions of necessary information from, a prospectus or listing particulars. Section 90A permits shareholders to pursue a claim if they acquire, hold or dispose of shares in reliance upon a knowingly or recklessly made untrue or misleading statement in, or dishonest omission of required information from published information, or if there has been a dishonest delay in publishing relevant information. These lawsuits are at an early procedural stage.
- As the Group previously disclosed, Bernard Madoff's 2008 confession to running a Ponzi scheme through Bernard L. Madoff Investment Securities LLC ("**BMIS**") gave rise to a number of lawsuits against the Group. BMIS and the Fairfield funds (which invested in BMIS) are in bankruptcy and liquidation, respectively. Between

2010 and 2012, five lawsuits were brought against the Group by the BMIS bankruptcy trustee and the Fairfield funds' liquidators, in each case seeking to recover funds paid to the Group's clients pursuant to redemption requests made prior to BMIS' bankruptcy filing. The total amount sought in these cases exceeds U.S.\$300 million, excluding any pre-judgment interest that may be awarded. The four lawsuits commenced by the Fairfield funds' liquidators have been dismissed and the appeals of those dismissals by the funds' liquidators are ongoing. The lawsuit brought against the Group by the BMIS bankruptcy trustee had been stayed pending a ruling by the U.S. Second Circuit Court of Appeals in related cases brought by the BMIS bankruptcy trustee against other defendants that had been dismissed. In August 2021, the U.S. Court of Appeals issued its ruling in the related cases with the result that the BMIS bankruptcy trustee's lawsuit against the Group is no longer stayed and is now ongoing. While the Group continues to vigorously defend these lawsuits, there is a range of possible outcomes in this litigation.

Based on the facts currently known, it is not possible for the Group to predict the outcome of these lawsuits.

6. Save in relation to the matters described in paragraph 5 above, there are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which SCB is aware) during the twelve months preceding the date of this Prospectus, which may have, or have had in the recent past, significant effects on the financial position or profitability of SCB and/or SCB and its subsidiaries.
7. Each Bearer Note, Coupon and Talon will bear the following legend: "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".
8. Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are entities in charge of keeping the records). The Common Code, International Securities Identification Number (ISIN), Financial Instrument Short Name (FISN) and Classification of Financial Instruments (CFI) code (as applicable) for each Series of Notes will be set out in the relevant Final Terms or Pricing Supplement. The Issuers may also apply to have Notes accepted for clearance through the CMU Service. The relevant CMU Instrument Number will be set out in the relevant Final Terms or Pricing Supplement. In addition, the relevant Issuer may make an application for Notes to be accepted for trading in book entry form by DTC. Acceptance of each Series and the relevant Committee on the Uniform Security Identification Procedure (CUSIP) number applicable to a Series will be set out in the relevant Final Terms or Pricing Supplement.
9. The issue price and the amount of the relevant Notes will be determined before filing of the relevant Final Terms of each Tranche, based on then prevailing market conditions. The Issuers do not intend to provide any post-issuance information in relation to any issues of Notes.
10. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms.
11. Any Notes issued:
  - (i) prior to 20 September 2001, and any Notes issued on or after 20 September 2001 which are intended to be consolidated and form a single series with Notes issued prior to 20 September 2001, are and will be, as the case may be, constituted by

the Law Debenture Trust Deed (as defined in the Trust Deed) and issued pursuant to the Citibank Agency Agreement (as defined in the Agency Agreement); and

- (ii) from (and including) 20 September 2001 to 18 November 2004, and any Notes issued on or after 19 November 2004 which are intended to be consolidated and form a single series with Notes issued from (and including) 20 September 2001 to 18 November 2004, are and will be, as the case may be, constituted by the Bank of New York Trust Deed (as defined in the Trust Deed) and issued pursuant to the Bank of New York Agency Agreement (as defined in the Agency Agreement).
12. The website of the Issuers is <https://www.sc.com/en/>. The information on <https://www.sc.com/en/> does not form part of this Prospectus, except where such information has been specifically incorporated by reference into this Prospectus.
13. From the date of this Prospectus and for so long as any Notes are outstanding under the Programme, the following documents will be available at the website of SCPLC <https://www.sc.com/en/investors/>:
- (i) the Trust Deed (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons and the Talons);
  - (ii) the Agency Agreement;
  - (iii) the Articles of Association of SCPLC and the Royal Charter, Bye-Laws and Rules of SCB;
  - (iv) the SCB 2020 Accounts;
  - (v) the SCB 2021 Accounts;
  - (vi) the 2020 Annual Report;
  - (vii) the 2021 Annual Report;
  - (viii) the 2021 BoE Stress Test Results;
  - (ix) the First Quarter 2022 Results;
  - (x) the Re-presentation Announcement;
  - (xi) the Excel spreadsheet entitled “*Re-presentation of new reporting structure datapack*” released by SCPLC on 13 April 2022 and referred to in the Re-presentation Announcement;
  - (xii) each set of Final Terms for Notes that are listed on the Official List and admitted to trading on the Market; and
  - (xiii) a copy of this Prospectus or any further prospectus or supplementary prospectus.
14. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuers and their affiliates in the ordinary course of business. The Dealers have received, or may in the future receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including

bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or the Issuers' affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

15. Copies of the latest annual report and accounts of SCPLC and SCB may be obtained, and copies of the Trust Deed will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes are outstanding.
16. Ernst & Young LLP ("**EY**") (chartered accountants and a member of the Institute of Chartered Accountants in England and Wales (the "**ICAEW**")), were formally appointed as independent auditors for SCB and SCPLC at the Annual General Meeting of SCPLC held on 6 May 2020. Following this, EY were re-appointed as independent auditors for SCB and SCPLC at the Annual General Meetings of SCPLC held on 12 May 2021 and 4 May 2022 and undertook the audit of accounts of both SCPLC and SCB for the years ended 31 December 2020 and 31 December 2021. EY audited and rendered unqualified audit reports on the accounts of both SCPLC and SCB for the year ended 31 December 2020 and 31 December 2021. The reports of EY each contained the following statement: "This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed".
17. No redemption of Notes for taxation reasons pursuant to Condition 5(c), no optional redemption of Notes pursuant to Condition 5(d), no optional redemption of Dated Subordinated Notes pursuant to Condition 5(e), no optional redemption of Senior Notes pursuant to Condition 5(f), no optional redemption of Notes pursuant to Condition 5(h) and no purchase and cancellation of Notes in accordance with the Conditions of the Notes will be made by any Issuer without prior permission of, or waiver from, the PRA, as may for the time being be required therefor.
18. SCPLC and SCB have entered or will enter into an agreement with Euroclear and Clearstream, Luxembourg (the "**ICSDs**") in respect of any Notes issued in NGN form that SCPLC or SCB may request be made eligible for settlement with the ICSDs (each, an "**ICSD Direct Agreement**"). The ICSD Direct Agreement sets out that the ICSDs will, in respect of any such Notes, inter alia, maintain records of their respective portion of the issue outstanding amount and will, upon the Issuer's request, produce a statement for SCPLC's or SCB's use showing the total nominal amount of its customer holdings for such Notes as of a specified date.
19. Any indication of yield included in any Final Terms has been calculated as at the Issue Date of the relevant Notes and is not an indication of future yield. Any such indication is calculated on the basis of the Issue Price, using the following formula:

$$P = \frac{C}{r} (1 - (1 + r)^{-n}) + A(1 + r)^{-n}$$

where:

P is the Issue Price of the Notes;

C is the Interest Amount;

A is the principal amount of Notes due on redemption;

n is time to maturity in years; and

r is the yield.

20. SCPLC's Legal Entity Identifier ("**LEI**") is U4LOSYZ7YG4W3S5F2G91.
21. SCB's LEI is RILFO74KP1CM8P6PCT96.

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