



## NATIONWIDE BUILDING SOCIETY

(incorporated in England and Wales under the UK Building Societies Act 1986, as amended)

**\$25,000,000,000**

### **Senior Preferred, Senior Non-Preferred and Subordinated Medium-Term Notes Due Twelve Months or More from Date of Issue**

We, Nationwide Building Society (the “**Issuer**” or the “**Society**”), may issue at various times up to \$25,000,000,000 aggregate principal amount outstanding at any time of senior preferred, senior non-preferred or subordinated medium-term notes denominated in U.S. dollars or in other currencies or composite currencies. The notes will be issued in series and each series will be the subject of final terms (each “**Final Terms**”). We are privately placing the notes on a delayed or continuous basis to the placement agents named below (the “**Placement Agents**”) or through the Placement Agents to qualified institutional buyers as described in this Base Prospectus under the section entitled “*Plan of Distribution*.”

This Base Prospectus has been approved as a base prospectus by the UK Financial Conduct Authority (the “**FCA**”), as competent authority under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (“**EUWA**”) (the “**UK Prospectus Regulation**”). The FCA only approves this Base 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 issuer or the quality of the notes that are the subject of this Base Prospectus and investors should make their own assessment as to the suitability of investing in the notes.

See the section entitled “*Risk Factors*” herein for a discussion of certain risks that you should consider prior to making an investment in any notes.

Application has been made to the FCA for such notes issued during the period of twelve months after the date hereof 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 London Stock Exchange’s main market. The London Stock Exchange’s main market is a UK regulated market for the purposes of Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”).

This Base Prospectus is valid for 12 months from its date in relation to the notes which are to be admitted to trading on a regulated market (as defined in UK MiFIR) in the UK (as defined in Financial Services and Markets Act 2000, as amended (“**FSMA**”). The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

By its acquisition of any note, each noteholder (including each beneficial owner) acknowledges and accepts that the Amounts Due arising under any and all 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: (a) the effect of the exercise of the UK Bail-in Power by the Resolution Authority, that may include and result in (without limitation) any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the Amounts Due; (ii) the conversion of all, or a portion, of the Amounts Due on the notes into shares, deferred shares (including core capital deferred shares), other securities or other obligations of the Issuer or another person (and the issue to or conferral on the noteholder of such shares, deferred shares (including core capital deferred 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; and/or (iv) the amendment or alteration of the maturity of the notes or amendment of the amount of interest payable on the notes, and/or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (b) the variation of the terms of the notes and the Indenture, if necessary, to give effect to the exercise of the UK Bail-in Power by the Resolution Authority.

For the purposes of any note, “**Amounts Due**” means the principal amount of, and any accrued but unpaid interest on, such notes. References to such amounts will include (but will not be limited to) 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; “**Resolution Authority**” means the Bank of England or any successor or replacement thereto and/or such other authority in the UK with the ability to exercise the UK Bail-in Power; and “**UK Bail-in Power**” means any write-down, conversion, transfer, modification, moratorium and/or suspension power (including, without limitation, any write-down or conversion powers which may be exercised by the Resolution Authority independently of resolution proceedings) existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, building societies, financial holding companies, mixed financial holding companies, credit institutions and/or investment firms (and/or any group company of any of the foregoing) incorporated in the UK in effect and applicable in the UK to the Issuer or other members of our 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 amended (the “**Banking Act**”) and/or the Loss Absorption Regulations (as defined herein), in each case as amended from time to time.

By purchasing the notes, each noteholder (including each beneficial owner) waives any and all claims against The Bank of New York Mellon, London Branch, as trustee, for, agrees not to initiate a suit against the trustee in respect of, and

agrees that the trustee will not be liable for, any action that the trustee takes, or abstains from taking, in either case in accordance with the exercise of the UK Bail-in Power by the relevant UK resolution authority with respect to any note.

The notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws, and we are only offering notes outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (“**Regulation S**”) and within the United States to qualified institutional buyers (as defined in Rule 144A under the Securities Act (“**Rule 144A**”)) in reliance on Rule 144A or in other transactions exempt from registration under the Securities Act and, in each case, in compliance with applicable securities laws.

In the United Kingdom, this communication is directed only at persons who (i) have professional experience in matters relating to investments or (ii) are persons falling within Articles 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons together being referred to as “**relevant persons**”). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons.

Each initial and subsequent purchaser of a note will be deemed, by its acceptance or purchase thereof, to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of such note, as described in this Base Prospectus, and, in connection therewith, may be required to provide confirmation of its compliance with such resale or other transfer restrictions in certain cases. See the section entitled “*Transfer Restrictions*” for a further description of these restrictions.

One or more Placement Agents may purchase notes, as principal, from us for resale to investors and other purchasers at varying prices relating to prevailing market prices as determined by any such Placement Agent at the time of resale or, if so agreed, at a fixed offering price. We reserve the right to cancel or modify the medium-term note program described in this Base Prospectus without notice. We, or a Placement Agent if it solicits an offer on an agency basis, may reject any offer to purchase notes in whole or in part. For further information, see the section entitled “*Plan of Distribution*.”

The Placement Agents expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company (“**DTC**”). Beneficial interests in the notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants, including Clearstream Banking, S.A., and Euroclear Bank SA/NV.

The rating of certain series of notes to be issued under the medium-term note program described in this Base Prospectus may be specified in the applicable Final Terms. Each of Moody's Investors Service Limited (“**Moody's**”), S&P Global Ratings UK Limited (“**S&P**”) and Fitch Ratings Ltd. (“**Fitch**”) are established in the UK and are registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the “**UK CRA Regulation**”). None of Moody's, S&P or Fitch is established in the EEA and they have not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). Accordingly, the ratings issued by Moody's, S&P and Fitch have been endorsed by Moody's Deutschland GmbH, S&P Global Ratings Europe Limited and Fitch Ratings Ireland Limited respectively in accordance with the CRA Regulation and have not been withdrawn. Each of Moody's Deutschland GmbH, S&P Global Ratings Europe Limited and Fitch Ratings Ireland Limited is established in the EEA and registered under the CRA Regulation. As such each of Moody's Deutschland GmbH, S&P Global Ratings Europe Limited and Fitch Ratings Ireland Limited is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation.

Notes issued under the program may be rated or unrated by any one or more of the rating agencies referred to above. Where a tranche of notes is rated, such rating will be disclosed in the Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Amounts payable on Reset Notes and Floating Rate Notes will be calculated by reference to one of the Constant Maturity Treasury Rate, EURIBOR, the Federal Funds Rate, SONIA, SOFR, the Prime Rate or the Treasury Rate as specified in the relevant Final Terms. 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 of the Regulation (EU) No. 2016/1011 as it forms part of domestic law by virtue of the EUWA (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 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, we do not intend to update the Final Terms to reflect any change in the registration status of the administrator.

BARCLAYS

BOFA SECURITIES

CITIGROUP

DEUTSCHE BANK SECURITIES

GOLDMAN SACHS & Co. LLC

HSBC

J.P. MORGAN

MORGAN STANLEY

NATWEST MARKETS

RBC CAPITAL MARKETS

UBS INVESTMENT BANK

WELLS FARGO SECURITIES

The date of this Base Prospectus is June 21, 2024.

## TABLE OF CONTENTS

|                                                                          | <u>Page</u> |
|--------------------------------------------------------------------------|-------------|
| Notice to Investors .....                                                | 4           |
| Interpretation .....                                                     | 6           |
| Notice to Canadian Investors.....                                        | 7           |
| Singapore: Section 309B(1)(C) Notification .....                         | 7           |
| Forward-Looking Statements .....                                         | 8           |
| Private Placement of Medium-Term Notes .....                             | 8           |
| Enforcement of Civil Liabilities .....                                   | 9           |
| Documents Incorporated by Reference.....                                 | 9           |
| Overview .....                                                           | 11          |
| Risk Factors .....                                                       | 18          |
| Use of Proceeds .....                                                    | 33          |
| Exchange Controls and other Limitations Affecting Holders of Notes ..... | 34          |
| Terms and Conditions of the Notes .....                                  | 35          |
| Description of the Global Notes .....                                    | 99          |
| Form of Final Terms.....                                                 | 102         |
| Taxation.....                                                            | 114         |
| Transfer Restrictions.....                                               | 124         |
| Plan of Distribution .....                                               | 127         |
| Settlement .....                                                         | 133         |
| Independent Auditors .....                                               | 133         |
| Legal Matters.....                                                       | 133         |
| General Information .....                                                | 134         |
| Glossary of Financial Terms.....                                         | 136         |

## NOTICE TO INVESTORS

We are furnishing this Base Prospectus in connection with an offering exempt from registration under the Securities Act and applicable state securities laws solely for the purpose of enabling a prospective investor to consider the purchase of the notes. Delivery of this Base Prospectus to any person or any reproduction of this Base Prospectus, in whole or in part, without our consent is prohibited. The information contained in this Base Prospectus has been provided by us and other sources identified in this Base Prospectus. The source of third-party information is identified where used. Any information provided by a third-party has been accurately reproduced and as far as we are aware and are able to ascertain from information published by that third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Placement Agents or their respective representatives make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Base Prospectus, nor regarding the legality of any investment in the notes. None of the information contained in this Base Prospectus is, or should be relied upon as, a promise or representation by the Placement Agents. You should be aware that since the date of this Base Prospectus there may have been changes in our affairs or otherwise that could affect the accuracy or completeness of the information set forth in this Base Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference (see “*Documents Incorporated by Reference*”), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinized or approved by the FCA.

The notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws pursuant to registration or exemption from registration. You should be aware that you may be required to bear the financial risk of an investment in the notes for an indefinite period of time.

You must comply with all applicable laws and regulations in force in any jurisdiction in connection with the distribution of this Base Prospectus and the offer or sale of the notes. If you decide to invest in the notes, you and any subsequent purchaser will be deemed, by acceptance or purchase of a note, to have made certain acknowledgements, representations and agreements to and with us and any applicable Placement Agent intended to restrict the resale or other transfer of the note as described in this Base Prospectus. In addition, you and any subsequent purchaser may be required to provide confirmation of compliance with resale or other transfer restrictions in certain cases. See the section entitled “*Transfer Restrictions*” for more information on these restrictions.

In making your decision whether to invest in the notes, you must rely on your own examination of us and the terms of this offering, including the merits and risks involved. You should not construe the contents of this Base Prospectus as legal, business, financial advice or tax advice. You should consult your own attorney, business advisor, financial advisor or tax advisor.

**MiFID II product governance / target market** – The 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 Directive 2014/65/EU (as amended, “**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 of notes about whether, for the purpose of the MiFID II Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID II Product Governance Rules**”), any Placement Agent subscribing for any notes is a manufacturer in respect of such notes, but otherwise neither the Arranger nor the Placement Agents nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

**UK MiFIR product governance / target market** – The Final Terms in respect of any notes will 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 person subsequently offering, selling or recommending the notes (a “**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 Placement Agent subscribing for any notes is a manufacturer in respect of such notes, but otherwise neither the Arranger nor the Placement Agent nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**IMPORTANT – EEA RETAIL INVESTORS** – If the Final Terms in respect of any notes includes a legend entitled “*Prohibition of sales to EEA retail investors*”, the notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EU PRIIPs Regulation**”) for offering or selling the notes or otherwise making them available to retail investors in the EEA has been or will be 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.

**IMPORTANT – UK RETAIL INVESTORS** – If the Final Terms in respect of any notes includes a legend entitled “*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 domestic law by virtue of the EUWA; and (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Base Prospectus has been prepared on the basis that the minimum denomination of any notes will not be less than €100,000 (or equivalent in another currency).

**UK BENCHMARKS REGULATION** – 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 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 of Regulation (EU) No. 2016/1011 as it forms part of domestic law by virtue of the EUWA (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 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, we do not intend to update the Final Terms to reflect any change in the registration status of the administrator.

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:

- (i) 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 Base Prospectus or any applicable supplement;
- (ii) 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;
- (iii) have sufficient financial resources and liquidity to bear all of the 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;
- (iv) understand thoroughly the terms of the relevant notes and be familiar with the behavior of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial advisor) 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 advisor) 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 notes have not been approved or disapproved by the U.S. Securities and Exchange Commission or any state or foreign securities commission or any regulatory authority. The foregoing authorities have not confirmed the accuracy or determined the adequacy of this Base Prospectus. Any representation to the contrary is a criminal offense.

You should direct any inquiries that you have relating to us, this Base Prospectus or the medium-term note program described in this Base Prospectus to the Placement Agents.

Nationwide Building Society accepts responsibility for the information contained in this Base Prospectus, and to the best of its knowledge the information contained in this Base Prospectus is in accordance with the facts and this Base Prospectus makes no omission likely to affect its import.

In connection with the issue of any tranche of notes, one or more relevant Placement Agents acting as the stabilizing manager(s) (or persons acting on behalf of any stabilizing manager(s)) 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, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant tranche of notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant tranche of notes and 60 days after the date of the allotment of the relevant tranche of notes. Any stabilization action or over-allotment must be conducted by the relevant stabilizing manager(s) (or persons acting on behalf of any stabilizing manager(s)) in accordance with all applicable laws and rules.

## **INTERPRETATION**

In this Base Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

## NOTICE TO CANADIAN INVESTORS

The notes may be sold only to purchasers in Canada 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 or any applicable supplement (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 Placement Agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

## SINGAPORE: SECTION 309B(1)(C) NOTIFICATION

In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), we have determined, unless otherwise specified before an offer of notes, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), the classification of all the notes to be issued under the medium-term note program described in this Base Prospectus as "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).

## FORWARD-LOOKING STATEMENTS

This Base Prospectus contains projections of some financial data and discloses plans and objectives for the future. This forward-looking information, as defined in the United States Private Securities Litigation Reform Act of 1995, reflects our views regarding future events and financial performance.

The words “believe,” “expect,” “anticipate,” “intend” and “plan” and similar expressions identify forward-looking statements. We caution you not to place undue reliance on these forward-looking statements, which in any event speak only as of the date of this Base Prospectus. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The risk factors beginning on page 22 of this Base Prospectus and many other factors could cause actual events and results to differ materially from historical results or those anticipated. See the section entitled “*Description of Business.*”

## PRIVATE PLACEMENT OF MEDIUM-TERM NOTES

We have appointed Barclays Capital Inc., BofA Securities, Inc., Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Goldman Sachs & Co. LLC, HSBC Securities (USA) Inc., J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, NatWest Markets Securities Inc., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC as Placement Agents for the offering, from time to time, of the notes. We will limit the aggregate principal amount of the notes to \$25,000,000,000, or the equivalent of that amount in one or more other currencies or composite currencies, outstanding at any time, subject to increase without the consent of the holders of the notes. We have not registered, and will not register, the notes under the Securities Act and purchasers of the notes may not offer or sell them in the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The notes will be offered in the United States only to qualified institutional buyers, as defined in Rule 144A, in transactions exempt from registration under the Securities Act. The notes may be offered outside the United States to non-U.S. persons in accordance with Regulation S. We hereby notify you that the sellers of the notes, other than ourselves, may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

You may not transfer notes sold in the United States, except in accordance with the restrictions described under the section entitled “*Transfer Restrictions*” of this Base Prospectus. We will deem each purchaser of the notes in the United States to have made the representations and agreements contained in this Base Prospectus.

We may issue additional notes of any series having identical terms to that of the original notes of that series but for the original issue discount (if any), the first interest payment date, the first interest accrual date, and the offering price. The period of the resale restrictions applicable to any notes previously offered and sold in reliance on Rule 144A shall automatically be extended to the last day of the period of any resale restrictions imposed on any such additional notes.

We will furnish each initial purchaser of the notes with a copy of this Base Prospectus and each applicable amendment and supplement, including the Final Terms to the Base Prospectus describing the terms related to that series of the medium-term notes. Unless the context otherwise requires, references to the Base Prospectus include this Base Prospectus, together with any amendment and supplements applicable to a particular series of the notes.

## ENFORCEMENT OF CIVIL LIABILITIES

We are a building society incorporated under the laws of England and Wales. All of our directors and some of the experts named in this Base Prospectus reside outside the United States. All or a substantial portion of our assets and the assets of these individuals are located outside the United States. As a result, it may not be possible for you to effect service of process within the United States upon these individuals or upon us or to enforce against them judgments obtained in U.S. courts based upon the civil liability provisions of the U.S. securities laws. Our English solicitors, Allen Overy Shearman Sterling LLP, have advised us that there is also doubt as to the enforceability in the United Kingdom in original actions or in actions for the enforcement of judgments of U.S. courts predicated upon the civil liability provisions of the U.S. securities laws. In addition, awards of punitive damages in actions brought in the United States or elsewhere may be unenforceable in the United Kingdom.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents have previously been published or are published simultaneously with this Base Prospectus and shall be deemed to be incorporated in, and form part of, this Base Prospectus:

- (1) our audited consolidated financial statements as of and for the year ended April 4, 2024 and the auditors' report thereon (contained on pages 220 to 315 (inclusive) of our annual report for the year ended April 4, 2024) (the “**2024 Financial Statements**”);
- (2) our audited consolidated financial statements as of and for the year ended April 4, 2023 and the auditors' report thereon (contained on pages 219 to 317 (inclusive) of our annual report for the year ended April 4, 2023) (the “**2023 Financial Statements**”);
- (3) our audited consolidated financial statements as of and for the year ended April 4, 2022 and the auditors' report thereon (contained on pages 218 to 321 (inclusive) of our annual report for the year ended April 4, 2022) (the “**2022 Financial Statements**”);
- (4) our Registration Document dated June 21, 2024; and
- (5) the Terms and Conditions of the Notes (previously the Description of the Notes) contained in the previous base prospectuses relating to the program dated July 6, 2015, pages 164-198 (inclusive), June 23, 2016, pages 156-191, June 30, 2017, pages 170-205 (inclusive), December 20, 2017, pages 218-263 (inclusive), June 26, 2018, pages 193-242 (inclusive), December 18, 2018, pages 216-266 (inclusive), June 25, 2019, pages 201-253 (inclusive), December 20, 2019, pages 216-268 (inclusive), August 19, 2020, pages 208 – 267 (inclusive), and January 7, 2021, pages 232-293 (inclusive), June 29, 2021, pages 219-281 (inclusive), December 10, 2021, pages 240-301 (inclusive), June 24, 2022, pages 201-262 (inclusive) and June 26, 2023, pages 182-243 (inclusive).
- (6) the Issuer's announcement “*Recommended Cash Acquisition of Virgin Money UK PLC by Nationwide Building Society*” published on March 21, 2024 (the “**Acquisition Announcement**”).

in each case prepared by us in connection with the program and available at <https://www.nationwide.co.uk/about/investor-relations/funding-programmes/us-mtn-programme>.

Any further information incorporated by reference into the documents indicated in (1) – (4) above does not form part of this Base Prospectus.

Following the publication of this Base Prospectus a supplement may be prepared by us and approved by the FCA in accordance with Article 23 of the UK Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable

(whether expressly, by implication or otherwise), be deemed to supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus.

We will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included or incorporated by reference in this Base Prospectus which is capable of affecting the assessment of any notes, prepare a supplement to this Base Prospectus or publish a new prospectus for use in connection with any subsequent issue of notes.

The table below sets out the relevant page references for the 2024 Financial Statements, the 2023 Financial Statements, the 2022 Financial Statements and the auditor's reports thereon.

**Audited consolidated annual financial statements as of and for the year ended April 4, 2024**

|                                                               |                 |
|---------------------------------------------------------------|-----------------|
| Independent Auditors' Report .....                            | Pages 220 - 234 |
| Income statement.....                                         | Page 235        |
| Statement of comprehensive income.....                        | Page 236        |
| Balance sheet.....                                            | Page 237        |
| Statement of movements in members' interests and equity ..... | Pages 238 – 239 |
| Cash flow statement .....                                     | Page 240        |
| Notes to the consolidated annual financial statements .....   | Pages 241 - 315 |

**Audited consolidated annual financial statements as of and for the year ended April 4, 2023**

|                                                               |           |
|---------------------------------------------------------------|-----------|
| Independent Auditors' Report .....                            | Pages 220 |
| Income statement.....                                         | Page 234  |
| Statement of comprehensive income.....                        | Page 235  |
| Balance sheet.....                                            | Page 236  |
| Statement of movements in members' interests and equity ..... | Pages 237 |
| Cash flow statement .....                                     | Page 239  |
| Notes to the consolidated annual financial statements .....   | Pages 240 |

**Audited consolidated annual financial statements as of and for the year ended April 4, 2022**

|                                                               |               |
|---------------------------------------------------------------|---------------|
| Independent Auditors' Report .....                            | Pages 218-231 |
| Income statement.....                                         | Page 232      |
| Statement of comprehensive income.....                        | Page 233      |
| Balance sheet.....                                            | Page 234      |
| Statement of movements in members' interests and equity ..... | Pages 235-236 |
| Cash flow statement .....                                     | Page 237      |
| Notes to the consolidated annual financial statements .....   | Pages 238-321 |

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

## OVERVIEW

*This overview highlights important information regarding, but is not a complete description of, our medium-term note program. We urge you to read the remainder of this Base Prospectus where we set out a description of our medium-term note program in more detail. You should also review the applicable Final Terms for additional information about the particular series of notes that you are considering purchasing. The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular tranche of notes, the applicable Final Terms.*

*We may offer senior preferred notes, senior non-preferred notes or subordinated notes under the medium-term note program described in this Base Prospectus, depending on the terms of the applicable Final Terms for each series. In this Base Prospectus, when we refer to “**notes**” we mean any senior preferred notes, senior non-preferred notes or subordinated notes that we may issue under the medium-term note program described in this Base Prospectus, unless it is clear from the context that we mean otherwise. References to the “**Issuer**” or the “**Society**” mean Nationwide Building Society; references to the “**Group**” mean the Society and its subsidiaries, all of which are consolidated; and references to “**Nationwide**”, “**we**”, “**us**” or “**our**” mean the Society or the Group, as the context admits; unless, in any such case, the context otherwise requires.*

|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issuer .....                             | <p>Nationwide Building Society. We are a building society incorporated in England and Wales under the Building Societies Act 1986 (as amended) of the United Kingdom (the “<b>UK Building Societies Act</b>”). Our core business is providing personal financial services, including residential mortgage loans, retail savings, general banking services, personal investment products, personal secured and unsecured lending and insurance. We operate through an integrated and diversified distribution network, including branches, automatic telling machines (the “<b>ATMs</b>”), call centers, mail and the internet. We have over 16 million members and customers.</p> <p>As a building society, we are a mutual organization managed for the benefit of our “<b>members</b>,” who are primarily retail savings customers and residential mortgage customers.</p> |
| Issuer Legal Entity Identifier (LEI) ... | 549300XFX12G42QIKN82                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Website of the Issuer: .....             | <p><a href="https://www.nationwide.co.uk/">https://www.nationwide.co.uk/</a></p> <p>The information on <a href="https://www.nationwide.co.uk/">https://www.nationwide.co.uk/</a> does not form part of this Base Prospectus, except where that information has otherwise expressly been incorporated by reference into this Base Prospectus.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Placement Agents.....                    | <p>Barclays Capital Inc.<br/> BofA Securities, Inc.<br/> Citigroup Global Markets Inc.<br/> Deutsche Bank Securities Inc.<br/> Goldman Sachs &amp; Co. LLC<br/> HSBC Securities (USA) Inc.<br/> J.P. Morgan Securities LLC<br/> Morgan Stanley &amp; Co. LLC<br/> NatWest Markets Securities Inc.<br/> RBC Capital Markets, LLC<br/> UBS Securities LLC<br/> Wells Fargo Securities, LLC</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

|                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Trustee.....                           | The Bank of New York Mellon, London Branch (the “ <b>Trustee</b> ”). We entered into an indenture with the Trustee relating to the notes on December 19, 2017 (as supplemented and amended from time to time, the “ <b>Indenture</b> ”).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Program Size .....                     | We may issue up to \$25,000,000,000, or the equivalent of that amount in one or more other currencies or composite currencies, outstanding at any time. We may increase the program size from time to time without the consent of the holders of the notes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Currencies .....                       | Subject to any applicable legal or regulatory restrictions, we may issue notes in any currency as we may agree with the relevant Placement Agent.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Issuance in Series .....               | We may issue senior preferred notes, senior non-preferred notes and subordinated notes in series under an indenture. Within each series, we may issue tranches of notes subject to terms identical to those of other tranches in that series, except that the issue date, the issue price and the amount of the first payment of interest may vary.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Ranking of Senior Preferred Notes .... | <p>The senior preferred notes will constitute our direct, unconditional, unsubordinated and, subject to the provisions set forth in the section entitled “<i>Terms and Conditions of the Notes – Negative Pledge</i>”, unsecured obligations without any preference among themselves and will rank, subject to the provisions set forth in the section entitled “<i>Terms and Conditions of the Notes – Negative Pledge</i>”, <i>pari passu</i> and without preference among themselves, junior to obligations required to be preferred by law (which includes certain member share accounts and deposits which are given preferential status by law) and at least equally with all other Ordinary Non-Preferential Debts of the Issuer.</p> <p>Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), the senior preferred notes will (for so long as they are not secured pursuant to the provisions set forth in the section entitled “<i>Terms and Conditions of the Notes – Negative Pledge</i>”) form part of the class of Ordinary Non-Preferential Debts of the Issuer under the Insolvency Act (and any other Ranking Legislation).</p> <p>As used herein:</p> <p>“<b>Hierarchy Order</b>” means The Banks and Building Societies (Priorities on Insolvency) Order 2018;</p> <p>“<b>Insolvency Act</b>” means the Insolvency Act 1986, as amended from time to time (including by the Hierarchy Order);</p> <p>“<b>Ordinary Non-Preferential Debts</b>” means ‘ordinary non-preferential debts’ as defined in Section 387A(3)(a) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation);</p> <p>“<b>Ranking Legislation</b>” means (i) the Building Societies Act 1986, as amended, (ii) the Insolvency Act, (iii) the Hierarchy Order, (iv) if and to the extent applicable to the Issuer, any other law or regulation which is amended by the Hierarchy Order, and (v) any other law or regulation from time to time which is applicable to the Issuer and relevant for determining the rights of members and creditors of the Issuer in a winding up or dissolution of the Issuer; and</p> |

Ranking of Senior Non-Preferred  
Notes .....

references to a “**winding up or dissolution**” in respect of the Issuer (which term includes, where the context admits, a Successor Person which has been substituted in place of the Issuer) shall include (as applicable): (i) an order being made, or an effective resolution being passed, for the winding up or dissolution of the Issuer; (ii) following the appointment of an administrator in respect of the Issuer, the administrator gives notice that it intends to declare and distribute a dividend; or (iii) the liquidation of the Issuer, or any procedure similar to that described in paragraph (i) or (ii) of this definition occurring in respect of Issuer (including, if applicable, any building society or bank insolvency procedure, or a building society or bank administration procedure involving a distribution to creditors, pursuant to the Banking Act 2009) which has the effect of a winding up or dissolution.

The senior non-preferred notes may only be issued upon terms such that they (A) have an original contractual maturity of at least one year, and (B) are not derivatives and contain no embedded derivatives for the purposes of Section 387A(3)(b)(ii) of the Insolvency Act (and the relevant section of any other Ranking Legislation).

The senior non-preferred notes will constitute our direct and unsecured obligations and, subject to the Insolvency Act (and any other Ranking Legislation), will constitute Secondary Non-Preferential Debts under the Insolvency Act (and any other Ranking Legislation) ranking *pari passu* and without any preference among themselves.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), claims in respect of principal, interest and any other amount (including, without limitation, any damages awarded for breach of our obligations) in respect of the senior non-preferred notes will, in the event of our winding up or dissolution (subject as otherwise provided in an Excluded Dissolution), rank as provided for Secondary Non-Preferential Debts in the Insolvency Act (and any other Ranking Legislation), as further described in “*Terms and Conditions of the Notes—Status and ranking of senior non-preferred notes*”.

As used herein, “**Secondary Non-Preferential Debts**” means ‘secondary non-preferential debts’ as defined in Section 387A(3)(b) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation).

Ranking of Subordinated Notes .....

The subordinated notes will constitute our direct, subordinated and unsecured obligations and will rank *pari passu* and without any preference among themselves.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), the subordinated notes will form part of the class of Tertiary Non-Preferential Debts under the Insolvency Act (and any other Ranking Legislation), and claims in respect of principal, interest and any other amount (including, without limitation, any damages awarded for breach of our obligations) in respect of the subordinated notes will, in the event of our winding up or dissolution (subject as otherwise provided in an Excluded Dissolution), be subordinated in the manner provided in “*Terms and*

|                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                 | <p><i>Conditions of the Notes—Status and subordination of subordinated notes”.</i></p> <p>As used herein, “<b>Tertiary Non-Preferential Debts</b>” means ‘tertiary non-preferential debts’ as defined in Section 387A(3)(c) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Waiver of set-off, etc.<br>.....                                                                | <p>Subject to applicable law, no holder of any senior non-preferred note or subordinated note nor the Trustee may exercise or claim any right of set-off (including, without limitation, compensation or retention), counterclaim or netting in respect of any amount owed to it from us arising under or in connection with the senior non-preferred notes or the subordinated notes, and each noteholder shall, by virtue of its being the holder of (or the holder of any interest in) any senior non-preferred note or subordinated note, be deemed to have waived all such rights of set-off (including, without limitation, compensation or retention), counterclaim or netting.</p>                                                                                                                                                  |
| Issue Price .....                                                                               | We may offer notes at par or at a premium or discount to par as specified in the applicable Final Terms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Maturities .....                                                                                | The notes will mature in twelve months or longer as specified in the applicable Final Terms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Redemption at Maturity .....                                                                    | Subject to any purchase or early redemption, the notes will be redeemed at par on the maturity date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Early Redemption.....                                                                           | We are permitted to redeem the notes prior to maturity upon the occurrence of a Tax Event. We are also permitted to redeem subordinated notes upon the occurrence of a Regulatory Event. If so specified in the applicable Final Terms, we are also permitted to redeem senior non-preferred notes upon the occurrence of a Loss Absorption Disqualification Event. Additionally, the applicable Final Terms may provide that the notes of a series are redeemable at our option and/or the option of the holder.                                                                                                                                                                                                                                                                                                                           |
| Substitution and Variation in respect of Subordinated Notes and Senior Non-Preferred Notes..... | <p>This provision applies to each series of subordinated notes and, unless “<i>Senior Non-Preferred Notes: Substitution and Variation</i>” is expressly specified to be not applicable in the applicable Final Terms, each series of senior non-preferred notes.</p> <p>Upon the occurrence of a Tax Event, Regulatory Event or Loss Absorption Disqualification Event, as applicable, we may, subject to certain conditions but without the consent of the noteholders, either substitute all (but not some only) of the relevant series of subordinated notes or, as the case may be, the relevant series of senior non-preferred notes for, or vary the terms of the relevant series of subordinated notes or, as the case may be, the relevant series of senior non-preferred notes so that they remain or become, Compliant Notes.</p> |
| Agreement with Respect to the Exercise of UK Bail-in Power.....                                 | Notwithstanding, and to the exclusion of, any other term of any notes or any other agreements, arrangements or understandings between the Issuer and any noteholder (or the Trustee on behalf of any noteholder), by its acquisition of any note (or any interest therein), 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, 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, all in accordance with, and as                                                                                                                                                                                                                                     |

|                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                         | more fully described in, section “— <i>Agreement with Respect to the Exercise of UK Bail-in Power</i> ”.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Repayment of principal and payment of interest after exercise of UK Bail-in Power ..... | No repayment of the principal amount of the notes or payment of interest on the notes will become due and payable after the exercise of any UK Bail-in Power by the relevant UK resolution authority unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by us after the exercise of such UK Bail-in Power.                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Interest.....                                                                           | Interest may accrue at a fixed rate or a floating rate. The floating rate may be determined by reference to a base rate, such as SOFR or SONIA, as we agree with the purchaser and describe in the applicable Final Terms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Reset Notes.....                                                                        | Interest on reset notes will be payable in arrear on the dates specified in the Final Terms at the initial rate specified in the Final Terms, and thereafter the rate may be reset with respect to a specified time period by reference to the Reset Reference Rate as described in “ <i>Terms and Conditions of the Notes–Interest–Reset Notes</i> ”. The rate of interest may be reset on more than one occasion.                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Benchmark discontinuation.....                                                          | If so specified in the applicable Final Terms, then in the event that a Benchmark Event or Benchmark Transition Event (as applicable) occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark or screen rate (as applicable) specified in the applicable Final Terms, then we may (subject to certain conditions) be permitted to substitute such benchmark and/or screen rate (as applicable) with a successor, replacement or alternative benchmark and/or screen rate (with consequent amendment to the terms of the notes and the application of an adjustment spread (which could be positive, negative or zero, or a formula or methodology for calculating a spread)) – see “ <i>Terms and Conditions of the Notes–Interest–Benchmark discontinuation</i> ”. |
| Interest Payments .....                                                                 | We may pay interest monthly, quarterly, semi-annually, annually or at such other intervals as we describe in the applicable Final Terms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Denominations .....                                                                     | We will issue the senior preferred notes and senior non-preferred notes in minimum denominations of \$200,000 and the subordinated notes in minimum denominations of \$250,000 or, in each case, in integral multiples of \$1,000 in excess of these minimum denominations, or the equivalent of these amounts in other currencies or composite currencies, and in any other denominations in excess of the minimum denominations as we specify in the applicable Final Terms.                                                                                                                                                                                                                                                                                                                                                                 |
| Taxation .....                                                                          | <p>All payments in respect of the notes will be made without deduction for or on account of United Kingdom withholding taxes, unless the withholding is required by law. In that event, we will (subject to certain exceptions as described in “<i>Terms and Conditions of the Notes–Payment of additional amounts</i>”) pay such additional amounts:</p> <p>(i) in the case of all senior preferred notes, in respect of interest or principal; or</p>                                                                                                                                                                                                                                                                                                                                                                                        |

|                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                       | <p>(ii) in the case of all subordinated notes and senior non-preferred notes, in respect of interest only,</p> <p>as will result in the holder of any notes receiving such amounts as they would have received in respect of the notes had no such withholding been required.</p> <p>For the avoidance of doubt, in the case of subordinated notes and senior non-preferred notes, we will not pay any additional amounts in respect of principal (including premium and other payments akin to principal, as more fully described herein).</p> <p>As described in “<i>Terms and Conditions of the Notes—Events of Default—Senior Preferred Notes</i>” and “<i>Terms and Conditions of the Notes—Events of Default—Subordinated Notes and Senior Non-Preferred Notes</i>”.</p>                                                                                                                                                                                                                                                                                 |
| Events of Default.....                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Rating .....                          | The rating of certain series of notes to be issued under the program may be specified in the applicable Final Terms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Form, Clearance and Settlement .....  | <p>Notes of a series will initially be represented by a global note or global notes in fully registered form (“<b>Global Notes</b>”). Notes offered in the United States to qualified institutional buyers in reliance on Rule 144A will be represented by one or more U.S. global notes (“<b>U.S. Global Notes</b>”) and notes offered outside the United States in reliance on Regulation S will be represented by one or more international global notes (“<b>International Global Notes</b>”).</p> <p>The Global Notes will be issued in fully registered form and, unless specified in any applicable Final Terms, will be held by or on behalf of DTC for the benefit of participants in DTC.</p> <p>No temporary documents of title will be issued.</p> <p>Notes will bear a legend setting forth transfer restrictions and may not be transferred except in compliance with the transfer restrictions set forth therein. Transfers of interests from a U.S. Global Note to an International Global Note are subject to certification requirements.</p> |
| Governing Law.....                    | The Indenture and the notes shall be governed by and construed in accordance with the laws of the State of New York; except that Section 11.1 of the Indenture (which contains the subordination provisions in respect of the subordinated notes) and Section 12.1 of the Indenture (which explains the priority of the senior non-preferred notes under the Insolvency Act and any other Ranking Legislation) and the corresponding subordination and ranking provisions, respectively, of each series of such notes pursuant to Section 3.1 of the Indenture and in the terms of such notes will be governed by and construed in accordance with the laws of England, with the intention that such provisions be given full effect in any insolvency proceeding relating to us in England.                                                                                                                                                                                                                                                                   |
| Sales and Transfer Restrictions ..... | <p>We have not registered the notes under the Securities Act, and they may not be offered or sold within the United States or to or for the benefit of U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirement of the Securities Act.</p> <p>In addition, there are restrictions on the offer, sale and transfer of the Notes in the United Kingdom, the EEA, Australia, Canada, Hong Kong, Italy, Japan, Singapore and Switzerland, and there may</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                   |                                                                                                                                                                                                                                                    |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   | be restrictions in other jurisdictions. See the section of this Base Prospectus “ <i>Plan of Distribution</i> ” below.                                                                                                                             |
| Listing .....     | Application has been made to the FCA for the notes to be admitted to listing on the Official List. Application has also been made to the London Stock Exchange for the notes to be admitted to trading on the London Stock Exchange’s main market. |
| Risk Factors..... | There are certain risks related to any issue of notes under the program, which investors should ensure they fully understand. See the section “ <i>Risk Factors</i> ” of this Base Prospectus.                                                     |

## RISK FACTORS

*This Base Prospectus (including the documents incorporated by reference) identifies in a general way the information that a prospective investor should consider prior to making an investment in the notes. Prospective investors should consider carefully the risk factors set out below as well as the other information set out elsewhere in this Base Prospectus, including the Registration Document, our 2024 Financial Statements, 2023 Financial Statements and 2022 Financial Statements, each incorporated by reference herein, and reach their own views prior to making any investment decision with respect to the Notes.*

*We believe that the following factors may affect our ability to fulfil our obligations under the notes. Only factors which are specific to the notes are described below.*

*In purchasing notes, investors assume the risk that we may become insolvent or otherwise be unable to make all payments due in respect of the notes. There is a wide range of factors which individually or together could result in us becoming unable to make all payments due in respect of the notes. The following is a description of the principal risks associated with the notes as of the date of this Base Prospectus. For a description of the principal risks associated with our business, please refer to pages 12 to 34 of the Registration Document. However, we do not represent that the risks set out in the statements below or in the Registration Document, are exhaustive.*

### **Risks Related to the Notes**

#### ***a) Recovery and Resolution***

Under the Banking Act, substantial powers are granted to HM Treasury, the Prudential Regulation Authority, the Financial Conduct Authority and the Bank of England (the “**Authorities**”) as part of a special resolution regime (“**SRR**”). These powers enable the relevant Authority, being the Bank of England as UK resolution authority, to deal with, among other entities, a UK bank or building society (each a “**relevant entity**”) in circumstances in which that Authority considers that the resolution conditions are satisfied, through a series of stabilization options. For further information in relation to our regulatory environment and capital requirements see “*Risk Factors– Regulatory Risks– We are subject to wide-ranging regulatory action in the event that we are considered likely to fail and our failure poses a threat to the public interest*” and “*Risk Factors– Regulatory Risks– Capital and liquidity requirements*” in the Registration Document.

*Various actions may be taken under the SRR in relation to the notes without the express consent of the noteholders, and by acquiring the notes each noteholder agrees to be bound by such actions*

If we were made subject to the SRR, HM Treasury or the Bank of England may exercise extensive share transfer powers (applying to a wide range of securities) and property transfer powers (including powers for partial transfers of property, rights and liabilities) over us and/or our securities (subject to certain protections).

Exercise of these powers could involve taking various actions in relation to any securities issued by us (including any notes issued under the program) without the express consent of the noteholders, including (among other things):

- transferring the notes out of the hands of the noteholders;
- delisting the notes;
- writing down (which may be to nil) the notes or converting the notes into another form or class of securities; and/or
- modifying or disapplying certain terms of the notes, which could include modifications to (without limitation) the maturity date (which may be to extend the maturity date), the interest provisions (including reducing the amount of interest payable, the manner in which interest is calculated and/or the scheduled interest payment dates, including by suspending payment for a temporary period), and/or the redemption provisions (including the timing of any redemption

options and/or the amount payable upon redemption), and may result in the disapplication of acceleration rights or events of default under the terms of the notes or the effect thereof.

By acquiring the notes, each noteholder (including each beneficial owner) acknowledges, agrees to be bound by and consents to the exercise of any UK Bail-in Power by the Resolution Authority. Each noteholder (including each beneficial owner) also acknowledges, agrees to be bound by and consents to any amendment to the terms of the Indenture and any notes made in order to ensure the effectiveness and enforceability of such contractual acceptance of the exercise of any UK Bail-in Powers.

The Relevant Authorities may exercise the bail-in tool under the Banking Act to recapitalize a relevant entity in resolution by allocating losses to (among others) its capital providers and unsecured creditors (which would include noteholders) in a manner that (i) ought to respect the hierarchy of claims in an ordinary insolvency and (ii) is consistent with shareholders (including, in the context of a building society, members) and creditors not receiving a less favorable treatment than they would have received in ordinary insolvency proceedings of the relevant entity (known as the “no creditor worse off” principle, although this may not apply in relation to an application of the write-down and conversion power in circumstances where a stabilization 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). Accordingly, the ranking of notes in insolvency can be expected to have a direct impact on the relative losses imposed on noteholders in a resolution. For further information with respect to the ranking of notes, see “*The notes rank junior to most of our liabilities*” below.

The bail-in tool includes the power to cancel a liability or modify the terms of contracts for the purposes of reducing or deferring the liabilities of the relevant entity under resolution and the power to convert a liability from one form or class to another. There is also the power to convert a building society into a company in connection with a bail-in. The exercise of such powers may result in the cancellation of all, or a portion, of the principal amount of, interest on, or any other amounts payable on, the notes and/or the conversion of all or a portion of the principal amount of, interest on, or any other amounts payable on, the notes into equity securities (which, in our case, could be core capital deferred shares (“CCDS”)) or other securities or other obligations of ours or another person, including by means of a variation to the terms of the notes.

The taking of any such actions could materially adversely affect the rights of noteholders, the price or value of their investment in the notes, the liquidity and/or volatility of any market in the notes and/or our ability to satisfy our obligations under the notes. In such circumstances, noteholders may have a claim for compensation under one of the compensation schemes existing under, or contemplated by, the Banking Act. However, such compensation will be limited to the return the noteholder might otherwise have received in an insolvency (less the value already received through resolution), and there can be no assurance that noteholders will have such a claim or, if they do, that they would thereby recover compensation promptly or equal to any loss actually incurred.

In addition, if the market perceives or anticipates that any action may be taken under the Banking Act in respect of us or any of our securities (including any notes issued under the program), this may have a significant adverse effect on the market price of the notes and/or the liquidity and/or volatility of any market in the notes, whether or not such powers are ultimately exercised. In such case, investors may experience difficulty in selling their notes, or may only be able to sell their notes at a loss.

*Mandatory write-down and conversion of capital instruments and relevant internal liabilities may affect the subordinated notes, including outside of formal resolution proceedings*

As noted above, in addition to the stabilization options which may be used in a resolution of an institution, the Banking Act contains a write-down and conversion tool which enables (and, if the institution enters into resolution, requires) the relevant Authority to permanently write-down, or convert into CET1 instruments (which, in our case, could be CCDS), any Tier 1 capital instruments, Tier 2 capital instruments (including subordinated notes issued under the program) and certain relevant internal liabilities at the point of non-viability of the relevant entity independently of (or in conjunction with) the exercise of any stabilization power.

For the purposes of the application of such mandatory write-down and conversion power, the point of non-viability is the point at which (i) the relevant Authority determines that the relevant entity meets the conditions

for resolution (but no resolution action has yet been taken), (ii) the relevant Authority determines that the relevant entity or its group will no longer be viable unless the relevant capital instruments and relevant internal liabilities are written-down or converted or (iii) extraordinary public financial support is required by the relevant entity other than, where the entity is an institution, for the purposes of remedying a serious disturbance in the UK economy and to preserve financial stability.

Subordinated notes issued under the program may therefore be subject to write-down or conversion into equity on application of such powers (without requiring the consent of the holders thereof) independently of whether we are in, or subsequently enter into, resolution. This may result in the holders losing some or all of their investment even if we are not put into resolution. The “no creditor worse off” safeguard would not apply in relation to an application of such powers in circumstances where resolution powers are not also exercised.

The exercise of such mandatory write-down and conversion power under the Banking Act could, therefore, materially adversely affect the rights of holders of subordinated notes, and such exercise (or the perception that such exercise may occur) could materially adversely affect the price or value of their investment in subordinated notes and/or our ability to satisfy our obligations under the notes, and/or may adversely affect liquidity and/or volatility in any market for such subordinated notes.

*The circumstances under which the relevant Authorities would exercise resolution powers are uncertain, which may affect the value of the notes*

There is considerable uncertainty regarding the specific factors beyond the goals of addressing banking crises pre-emptively and minimizing taxpayers' exposure to losses (for example, by writing down relevant capital instruments before the injection of public funds into a financial institution) which the relevant Authorities would consider in deciding whether to exercise the Banking Act resolution powers with respect to the relevant financial institution and/or securities, such as the notes, issued by that institution. While the Banking Act provides guidance as to how and when the resolution powers may be utilized by the relevant Authorities, it allows for a considerable amount of discretion and there is no certainty as to how the relevant Authorities will exercise any resolution powers with respect to a given financial institution and/or securities issued by that institution. As there may be many factors, including factors outside of our control or not directly related to us, which could result in such a determination, holders of the notes may not be able to refer to publicly available criteria in order to anticipate a potential exercise of any such resolution powers.

Accordingly, the threat of resolution powers being used may affect trading behavior, including prices and volatility, and, as a result, the notes are not necessarily expected to follow the trading behavior associated with other types of securities.

***b) Further issuances may negatively affect the market value of the original notes if they are treated as a separate series for U.S. federal income tax purposes.***

We may, without the consent of the holders of outstanding notes, issue additional notes with identical terms. These additional notes, even if they are treated for non-tax purposes as part of the same series as the original notes, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, the additional notes may be considered to have been issued with original issue discount (“OID”) even if the original notes had no OID, or the additional notes may have a greater amount of OID than the original notes. These differences may negatively affect the market value of the original notes if the additional notes are not otherwise distinguishable from the original notes.

***c) The notes may not be freely transferred.***

We have not registered, and will not register, the notes under the Securities Act or any other applicable securities laws. Accordingly, the notes are subject to certain restrictions on resale and other transfer thereof as set forth in the section entitled “*Transfer Restrictions.*” As a result of these restrictions, we cannot be certain of the existence of a secondary market for the notes or the liquidity of such a market if one develops. Consequently, a

holder of notes and an owner of beneficial interests in those notes must be able to bear the economic risk of their investment in the notes for the term of the notes.

***d) The notes rank junior to most of our liabilities.***

*The notes rank behind liabilities which are preferred by law*

A substantial portion of claims against us in the event of a winding up or dissolution will rank ahead of claims in respect of the notes. Holders of notes and other unsubordinated creditors will, in an insolvency, rank junior to member share accounts and deposits which are given preferential status under law.

In addition to the priority status given to secured debt and certain employee and tax claims, the English insolvency regime applicable to us at the date of this Base Prospectus provides for:

- (i) a first-ranking preference to those deposits and share accounts (or a relevant part thereof) of natural persons and micro, small, medium and large sized enterprises (but excluding financial institutions), which are eligible for protection by the Financial Services Compensation Scheme (the “FSCS”) (up to the FSCS coverage limit (being, as at the date of this Base Prospectus, £85,000)); and
- (ii) a second-ranking preference to deposits and share accounts (or a relevant part thereof) of natural persons and micro, small and medium sized enterprises (this definition being narrower than the definition of eligible deposit referred to in paragraph (i) above), which would be eligible for FSCS protection but for the fact that they either (a) exceed the coverage limit of the FSCS or (b) were made through a non-UK branch of a credit institution authorized by the competent authority of the United Kingdom. Such deposits and share accounts (or the relevant part thereof) will rank after the preferential debts referred to in paragraph (i) above but in priority to the claims of ordinary unsecured creditors that are not afforded preferential status in the event of an insolvency.

In a winding up or dissolution, a substantial portion of the claims against us would be claims of our retail members, whose claims will rank ahead of claims in respect of the notes.

*Relative ranking of notes issued under the program*

On a winding up or dissolution, claims in respect of senior preferred notes issued under the program will rank ahead of claims in respect of senior non-preferred notes (notwithstanding that senior preferred notes and senior non-preferred notes both share the ‘senior’ designation under the program, investors should note that the latter ranks behind the former), which in turn will rank ahead of claims in respect of subordinated notes.

Therefore, in a winding up or dissolution, our assets available for distribution would be expected to be distributed:

- 1. firstly, in satisfaction of all claims which are preferred by law to claims in respect of senior preferred notes;
- 2. secondly, only if and to the extent any assets remain after the distributions above, in satisfaction of all claims in respect of senior preferred notes and any other ordinary non-preferential debts (as that term is defined in Section 387A of the Insolvency Act) on a *pro rata* basis (including interest accruing on such claims for the period commencing after the winding up of the Society);
- 3. thirdly, only if and to the extent any assets remain after the distributions above, in satisfaction of all claims in respect of senior non-preferred notes and any other secondary non-preferential debts (as that term is defined in Section 387A of the Insolvency Act) on a *pro rata* basis (including interest accruing on such claims for the period commencing after the winding up of the Society); and

4. fourthly, only if and to the extent any assets remain after the distributions above (and, if applicable, after distributions in respect of our subordinated liabilities which rank ahead of subordinated notes, if any), in satisfaction of all claims in respect of subordinated notes and any other tertiary non-preferential debts (as that term is defined in Section 387A of the Insolvency Act) which rank *pari passu* with subordinated notes, on a *pro rata* basis (including interest accruing on such claims for the period commencing after the winding up of the Society).

Accordingly, we may not have enough assets remaining after paying higher-priority creditors to pay amounts due under the relevant notes, and in such circumstances noteholders could lose some or all of their investment in the notes.

#### *Relevance of ranking to recovery and resolution under the Banking Act*

The ranking of notes in a winding up or dissolution can also be expected to have a direct impact on the relative losses imposed on noteholders in a resolution of the Society or upon use of the write-down and conversion powers under the Banking Act, as such resolution and write-down and conversion powers ought to be used in a manner that respects the hierarchy of claims in an ordinary insolvency.

In addition, the senior non-preferred notes and subordinated notes are intended to contribute towards our MREL meaning that they are specifically intended to be available to resolution authorities for write-down, write-off or conversion to equity under the Banking Act in order to absorb losses and recapitalize us if we are failing, and before more senior-ranking creditors suffer losses. Accordingly, investors in our senior non-preferred notes and subordinated notes may lose all or substantially all of their investment while investors in our senior preferred notes suffer lower (or no) losses (although there can be no assurance that investors in senior preferred notes will not also suffer substantial losses). The market value of our senior non-preferred notes and subordinated notes may therefore be more severely adversely affected and/or more volatile if our financial condition deteriorates than the market value of our senior preferred notes. Accordingly, holders of our senior non-preferred notes may bear significantly more risk than holders of our senior preferred notes (notwithstanding that both share the 'senior' designation under the program), and holders of our subordinated notes may bear significantly greater risk than holders of our senior non-preferred notes.

In the event of a winding up or dissolution or resolution, there is a real risk that investors in our senior preferred notes, senior non-preferred notes and/or subordinated notes would lose some or the entire amount of their investment. Furthermore, the market price of senior preferred notes, senior non-preferred notes and subordinated notes can be expected to be materially adversely affected if our financial condition deteriorates such that the market anticipates our insolvency, winding up or dissolution or resolution.

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

In recognition of the resolution powers granted by law to the Resolution Authority, by acquiring any notes, each noteholder will acknowledge and accept that the Amounts Due (as defined in "*Terms and Conditions of the Notes*") arising under the notes may be subject to the exercise of the UK Bail-in Power (as defined in "*Terms and Conditions of the Notes*") and will acknowledge, accept, consent and agree to be bound by the effect of the exercise of any UK Bail-in Power by the Resolution Authority, that may result in (i) the reduction of all, or a portion, of the Amounts Due; (ii) the conversion of all, or a portion, of the Amounts Due on the notes into shares, deferred shares (including core capital deferred shares) or other securities or other of our obligations or another person (and the issue to or conferral on the noteholder of such shares, deferred shares or other 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 on the notes, or the dates on which interest becomes payable, including by suspending payment for a temporary period. Each noteholder will further acknowledge, accept, consent and agree to be bound by the variation of the terms of the notes and Indenture, 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 a part of the value of their investment in the notes, having payment on the notes suspended for a period of time 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, the exercise of the UK Bail-in Power by the Resolution Authority with respect to the Notes is not an Event of Default under the notes or the Indenture or a breach or default thereunder, or an event of default or default for any other purpose.

***e) The credit ratings of the program and any notes issued thereunder***

The credit ratings of our medium-term note program may not reflect the potential impact of all risks relating to the value of the notes. In addition, real or anticipated changes in our credit ratings or the credit ratings of the notes will generally affect the market value of the notes. These credit ratings could change due to a wide range of factors, including but not limited to those discussed under “—*Liquidity and Funding*.” In general, EU regulated investors are restricted from using a rating for regulatory purposes in the EEA if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the EU or in the UK before June 7, 2010 which has submitted an application for registration in accordance with the EU CRA Regulation and such registration has not been refused. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the notes may have a different regulatory treatment, which may impact the value of the notes and their liquidity in the secondary market.

A credit 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. Any credit rating downgrade, suspension or withdrawal could negatively impact the value of the notes.

***f) The clearing systems.***

These notes will be represented by one or more Global Notes. These notes will be deposited with a custodian on behalf of DTC or its nominee and/or in another clearing system. Except in limited circumstances, holders will not be entitled to receive certificated notes. DTC and/or any other relevant clearing system will maintain records of the beneficial interests in the Global Notes. Holders will be able to trade their beneficial interests only through DTC or such other clearing system, as applicable, or a participant of DTC such as Euroclear or Clearstream, or such other clearing system, as applicable. The laws of some jurisdictions, including some states in the United States, may require that certain purchasers of securities take physical delivery of such securities in certificated form. The foregoing limitations may impair a holder’s ability to own, transfer or pledge its beneficial

interests. A holder of beneficial interests in the Global Notes in one of these jurisdictions will not be considered the owner or “holder” of the notes.

We will discharge our payment obligations under the notes by making payments to the custodian for distribution to the holders of beneficial interests at DTC and/or any other relevant clearing system or a participant of DTC and/or any such other clearing system with respect to interests of indirect participants. We and the initial purchasers of the notes will not have any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. A holder of beneficial interests must rely on the procedures of DTC and/or any other relevant clearing system or their participants, through which holders hold their interests, to receive payments under the notes. We cannot assure holders that the procedures of DTC or DTC’s nominees, participants or indirect participants will be adequate to ensure that holders receive payments in a timely manner.

A holder of beneficial interests in the Global Notes will not have a direct right under the Indenture governing these notes to act upon solicitations we may request. Instead, holders will be permitted to act only to the extent they receive appropriate proxies to do so from DTC or, if applicable, DTC’s participants or indirect participants or, in the case of any other relevant clearing system, in accordance with the relevant procedures of such clearing system. Similarly, if we default on our obligations under the notes, as a holder of beneficial interests in the Global Notes, holders will be restricted to acting through DTC and/or any other relevant clearing system or, if applicable, their participants or indirect participants. We cannot assure holders that the procedures of DTC and/or any other relevant clearing system or their nominees, participants or indirect participants will be adequate to allow them to exercise their rights under the notes in a timely manner.

***g) Optional redemption.***

In addition to any optional redemption right we have pursuant to “—*Redemption at Our Option*”, Notes may also be redeemable at our option (subject, in the case of senior non-preferred notes and subordinated notes, to compliance with applicable prudential rules) (i) upon the occurrence of a Tax Event, (ii) in the case of subordinated notes, following the occurrence of a Regulatory Event; and (iii) in the case of senior non-preferred notes, following the occurrence of a Loss Absorption Disqualification Event. The circumstances in which any of these events giving rise to a redemption right may occur may be difficult to predict, and are based on factors outside our control.

An optional redemption feature is likely to limit the market value of notes. During any period when we may elect to redeem notes or there is a perception that we are able to redeem notes, 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.

We may be expected to redeem notes with an optional redemption feature (including any optional redemption right at our discretion on specified dates or in specified periods, any optional redemption right following the occurrence of a Tax Event, any optional redemption right in respect of subordinated notes following the occurrence of a Regulatory Event, any optional redemption right in respect of senior non-preferred notes following the occurrence of a Loss Absorption Disqualification Event, or otherwise) when our 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. Additionally, we may redeem the notes at times when prevailing interest rates are relatively low, and accordingly investors may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the notes. During any period when we may elect to redeem notes or there is a perception that we are able to redeem notes, the market value of such notes will generally not rise substantially above the price at which they may be redeemed. That may also be true prior to any redemption period. Potential investors should consider reinvestment risk in light of other investments available at that time.

***h) Redemption of subordinated notes for regulatory reasons***

In certain circumstances where we are unable to achieve the Tier 2 capital recognition of the subordinated notes including as a result of a change in the regulatory classification of the subordinated notes that was not reasonably foreseeable as at the issue date of the subordinated notes, the relevant subordinated notes may be redeemed prior to the stated Maturity Date. Our exercise of these rights may have an adverse effect on the position of holders of the subordinated notes. If such subordinated notes are to be so redeemed or there is a perception that such may be so redeemed, this may impact the market price of such notes.

***i) Redemption of senior non-preferred notes following a Loss Absorption Disqualification Event***

If so specified in the applicable Final Terms, we may redeem our senior non-preferred notes upon the occurrence of a Loss Absorption Disqualification Event. If such senior non-preferred notes are to be so redeemed or there is a perception that such may be so redeemed, this may impact the market price of such notes.

A Loss Absorption Disqualification Event shall be deemed to have occurred in respect of senior non-preferred notes if, as a result of any amendment to, or change in, any Loss Absorption Regulations, or any change in the application or official interpretation of any Loss Absorption Regulations, in any such case becoming effective on or after the issue date of such senior non-preferred notes, such senior non-preferred notes are or (in our opinion or the relevant Supervisory Authority) are likely to become fully or (if so specified in the applicable Final Terms) partially excluded from our minimum requirements (whether on an individual or consolidated basis) for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to us (whether on an individual or consolidated basis) and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur where the exclusion of the senior non-preferred notes from our minimum requirement(s) is due to the remaining maturity of such senior non-preferred notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to us on the issue date of such senior non-preferred notes.

As the implementation of the MREL regime and the requisite features of eligible liabilities instruments under that regime continue to evolve, it may not be possible to predict accurately if and when any of our senior non-preferred notes may be fully or partially excluded from our MREL requirements in the future. If any of our senior non-preferred notes are to be redeemed as a result of a Loss Absorption Disqualification Event or there is a perception that such notes may be so redeemed, this may impact the market price of such notes. In addition, there can be no assurance that noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investment in our senior non-preferred notes.

***j) Substitution and variation of subordinated notes and senior non-preferred notes following a Tax Event, a Regulatory Event or a Loss Absorption Disqualification Event, as applicable.***

In the case of each series of subordinated notes and (unless “*Senior Non-Preferred Notes: Substitution and Variation*” is expressly specified to be not applicable in the applicable Final Terms) each series of senior non-preferred notes, upon the occurrence of (in the case of a series of subordinated notes or a series of senior non-preferred notes) a Tax Event, (in the case of a series of subordinated notes only) a Regulatory Event or (in the case of a series of senior non-preferred notes only) a Loss Absorption Disqualification Event (as applicable), we may (in our sole discretion but subject to (in the case of a series of subordinated notes) “*Terms and Conditions of the Notes—Preconditions to Redemption, Purchase, Substitution and Variation of Subordinated Notes*”) or (in the case of a series of senior non-preferred notes) “*Terms and Conditions of the Notes—Preconditions to Redemption, Purchase, Substitution and Variation of Senior Non-Preferred Notes*”, without the need for any consent of the noteholders, substitute all (but not some only) of such series of subordinated notes or, as the case may be, senior non-preferred notes for, or vary the terms of such notes so that they remain or become, Compliant Notes.

In the case of a substitution or variation of any subordinated notes or senior non-preferred notes, while the new substituted or varied notes must have terms not materially less favorable to noteholders than the terms of the relevant subordinated notes or, as the case may be, the relevant senior non-preferred notes being substituted or varied, there can be no assurance that, whether due to the particular circumstances of each noteholder or otherwise, such substituted or varied notes will be as favorable to such noteholder in all respects. In addition, the tax and stamp duty consequences of holding such substituted or varied notes could be different for some categories of noteholders from the tax and stamp duty consequences for them of holding the relevant subordinated notes or, as the case may be, senior non-preferred notes prior to such substitution or variation. The substitution or variation of any such notes may result in tax or stamp duty consequences for noteholders. There can also be no assurance that such substituted or varied notes will trade at prices that are equal to the prices at which the relevant series of subordinated notes or, as the case may be, the relevant series of senior non-preferred notes would have traded on the basis of their original terms and may not satisfy any present or future investor expectations.

Further, the Compliant Notes are, in the case of senior non-preferred notes, required to have terms such that they rank as part of the class of Secondary Non-Preferential Debts; this is the case whether or not the senior non-preferred notes had become a part of the class of Ordinary Non-Preferential Debts as a result of the relevant Loss Absorption Disqualification Event. Compliant Notes in the case of subordinated notes are required to have terms such that they rank equally with the ranking of subordinated notes.

***k) Limitation on gross-up obligation under the subordinated notes and senior non-preferred notes.***

Our obligation to pay additional amounts in respect of any withholding or deduction in respect of United Kingdom taxes under the terms of each series of subordinated notes and senior non-preferred notes applies only to payments of interest due and payable under such notes and not to payments of principal (which term, for these purposes, includes any premium or final redemption amount, early redemption amount, if any, or other amount payable in respect thereof). As such, we would not be required to pay any additional amounts under the terms of the subordinated notes or senior non-preferred notes to the extent any withholding or deduction for or on account of United Kingdom tax applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under any subordinated notes or any senior non-preferred notes, holders of such notes would, upon repayment or redemption of such notes, be entitled to receive only the net amount of such redemption or repayment proceeds after deduction of the amount required to be withheld. Therefore, holders may receive less than the full amount due under such notes, and the market value of such notes may be adversely affected.

***l) U.S. tax consequences of substitution or variation in terms pursuant to a Tax Event, Regulatory Event or Loss Absorption Disqualification Event***

If, in the circumstances provided above under “*Substitution and variation of subordinated notes and senior non-preferred notes following a Tax Event, a Regulatory Event or a Loss Absorption Disqualification Event, as applicable*”, any subordinated notes or senior non-preferred notes are substituted or varied upon the occurrence of (as applicable), a Tax Event, a Regulatory Event or a Loss Absorption Disqualification Event, such substitution or variation in terms might be treated for U.S. federal income tax purposes as a deemed disposition of such subordinated notes or, as the case may be, senior non-preferred notes by a U.S. Holder (as defined below under “*Taxation—US Federal Income Taxation*”) in exchange for new notes. As a result of this deemed disposition, a U.S. Holder could be required to recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new notes (as determined for U.S. federal income tax purposes) and the U.S. Holder’s tax basis in the relevant subordinated notes or, as the case may be, the relevant senior non-preferred notes.

*m) The regulation and reform of “benchmarks” may adversely affect the value of notes linked to or referencing such benchmarks.*

*Benchmarks Regulation and Reform*

Interest rates and indices which are deemed to be “benchmarks” (including the euro interbank offered rate (“EURIBOR”)), are the subject of recent and ongoing reform. Some of these reforms are already effective while 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 such a benchmark.

Regulation (EU) 2016/1011 (the “**EU Benchmarks Regulation**”) was published in the Official Journal of the EU on June 29, 2016 and has mostly applied, subject to certain transitional provisions, since January 1, 2018. The EU Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorized or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognized or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorized or registered (or, if non-EU based, not deemed equivalent or recognized or endorsed). The UK Benchmarks Regulation (Regulation (EU) No.2016/1011 as it forms part of domestic law by virtue of the EUWA), among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorized by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognized or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, 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 EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. 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 relevant benchmark.

*IBOR replacement*

There is continued regulatory scrutiny of use of inter-bank offered rates (“IBORs”) and increasing pressure and momentum for banks and other financial institutions to transition relevant products to replacement rates.

For example, in the case of floating rate Eurobonds, bonds which would traditionally have referenced EURIBOR may move towards referencing the new €STR (although a reformed EURIBOR rate will continue to be published).

€STR and other replacement risk-free rates, such as SONIA and SOFR, operate on a backward-looking basis (predominantly on the basis of a daily compounding calculation, although weighted average alternatives have been seen in certain rates), rather than forward-looking term rates. While forward-looking term rates based on certain of these risk-free rates have been or are being developed, it is uncertain whether the capital markets will move to referencing those term rates for public bond issues, or if the regulators will allow such adoption.

More broadly, any of the international or national 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. Specifically, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On May 11, 2021 the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates. The recommended fallback triggers include both cessation and pre-cessation triggers,

including, inter alia, permanent cessation, non-representativeness and (potentially) unlawfulness triggers (the working group recommended against a material change in the EURIBOR methodology as defined by the European Money Markets Institute (EMMI) being an automatic trigger). For debt securities, based on support for the proposals from the public consultation and issuances already observed in the capital markets, the working group recommended the replacement rate to be €STR with a backward-looking lookback period methodology (with an observation shift methodology, although use of the lag approach was considered a robust alternative) and applying an adjustment spread based on a five-year historical median methodology.

The potential transition from IBORs to risk-free or other rates or benchmarks, the cessation of a benchmark or changes in the manner of administration of any benchmark could require an adjustment to the Terms and Conditions of the Notes, or result in other consequences, in respect of any Notes referencing such benchmark. Such factors may have (without limitation) also the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

#### *Benchmark replacement under the Terms and Conditions of the Notes*

If “*Benchmark Replacement*” is specified to be “Applicable” in the applicable Final Terms, the Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Event or, as the case may be, a Benchmark Transition Event, occurs in respect of the Original Reference Rate for the relevant series of notes, including (without limitation) if an inter-bank offered rate (such as EURIBOR) or other relevant reference rate (which could include, without limitation, SONIA, SOFR, €STR or any mid-swap rate), and/or any page on which such benchmark may be published, becomes unavailable, is the subject of a public announcement by the supervisor of the relevant administrator as no longer being representative of the market it is supposed to represent, or if we, or any other relevant party, are no longer permitted lawfully to calculate interest on any notes by reference to such benchmark under the UK Benchmarks Regulation and/or the EU Benchmarks Regulation, as applicable, or otherwise.

Such fallback arrangements include the possibility that the rate of interest could be set by reference to a Successor Rate, or an Alternative Rate or, as the case may be, a Benchmark Replacement (in each case as defined in the Terms and Conditions), with (in either case) application of an Adjustment Spread or, as applicable, a Benchmark Replacement Adjustment (which could be positive, negative or zero, or a formula or methodology for calculating a spread), and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the Successor Rate or Alternative Rate, Benchmark Replacement, Adjustment Spread and/or Benchmark Replacement Adjustment, as applicable, all as determined by us (acting in good faith and in consultation with an Independent Advisor). However, we will not determine or implement a Successor Rate, an Alternative Rate, Benchmark Replacement, Adjustment Spread, Benchmark Replacement Adjustment, or any Benchmark Amendments or any Benchmark Conforming Changes (as the case may be) if and to the extent that, in our determination, the same could reasonably be expected to impact adversely the treatment of the notes under the prudential or loss-absorption regulations in certain respects, as more fully described under “*Terms and Conditions of the Notes*”. It is possible that the adoption of a Successor Rate, Alternative Rate or Benchmark Replacement and (in either case) the applicable Adjustment Spread or Benchmark Replacement Adjustment may result in a rate of interest less favorable to holders than the Original Reference Rate.

There is also a risk that the relevant fallback provisions may not operate as expected or as intended at the relevant time, which could increase uncertainty and negatively impact the market value of the notes.

#### *Floating Rate Notes issued under the Program could effectively become Fixed Rate Notes*

Furthermore, in certain circumstances, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Accrual Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the

rate which was last observed on the Relevant Screen Page or, in the case of Reset Notes, the application of the previous reset Rate of Interest for a preceding Reset Period, or for the First Reset Rate of Interest, the application of the Initial Rate of Interest applicable to such notes on the Interest Commencement Date or a rate based on the Mid-Swap Fallback Rate, which could adversely affect the market value of an investment in the notes.

Investors should consult their own independent advisors and make their own assessment about the potential risks imposed by the UK Benchmarks Regulation and/or the EU Benchmarks Regulation, as applicable, reforms and the possible application of the benchmark replacement provisions of the notes in making any investment decision with respect to any notes referencing a benchmark.

***n) The market continues to develop in relation to SOFR and SONIA as reference rates.***

Where the applicable Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such notes will be determined by reference to SOFR or SONIA, the Rate of Interest will be determined on the basis of the relevant reference rate as described in the terms and conditions of the notes. SOFR and SONIA differ from interbank offered rates in a number of material respects, including (without limitation) that SOFR and SONIA are backwards-looking, risk-free overnight rates, whereas IBOR are expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that SOFR or SONIA may behave materially differently than interbank offered rates historically used in issues of floating rate notes under this Program. The use of SOFR or SONIA as reference rates for Eurobonds is subject to continued change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing SOFR or SONIA.

Accordingly, prospective investors in any notes referencing SOFR or SONIA should be aware that the market continues to develop in relation to SOFR and SONIA as reference rates in the capital markets and their adoption as alternatives to interbank offered rates. For example, in the context of backwards-looking SOFR and SONIA rates, market participants and relevant working groups have explored different methodologies, such as daily compounding rates and weighted average rates, and forward-looking ‘term’ SOFR and SONIA reference rates (which seek to measure the market’s forward expectation of an average SOFR or SONIA rate over a designated term) have also been, or are being, developed. The adoption of SOFR or SONIA may also see component inputs into swap rates or other composite rates transferring from IBOR or another reference rate to SOFR or SONIA, as applicable.

The market or a significant part thereof may adopt an application of SOFR or SONIA that differs significantly from that set out in “*Terms and Conditions of the Notes*” as applicable to notes referencing a SOFR or SONIA rate that are issued under this Base Prospectus. In addition, the methodology for determining any overnight rate index by reference to which the Rate of Interest in respect of certain Notes may be calculated could change during the life of any Notes. Furthermore, we may in future issue notes referencing SOFR or SONIA that differ materially in terms of interest determination when compared with any previous SOFR or SONIA-referenced notes that we issue under the medium-term note program described in this Base Prospectus. The nascent development of SOFR and SONIA as interest reference rates for the Eurobond markets, as well as continued development of SOFR and SONIA-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SOFR or SONIA-referenced notes issued under the medium term note program described in this Base Prospectus.

Furthermore, the Rate of Interest on notes which reference SOFR or SONIA is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in notes which reference SOFR or SONIA to estimate reliably 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 factors could adversely impact the liquidity of such notes. Further, in contrast to IBOR-based notes, if notes referencing SOFR or SONIA become due and payable as a result of an Event of Default under “*Terms and Conditions of the Notes—Events of Default—Senior Preferred Notes*” and “*Terms and Conditions of the Notes—Events of Default—Subordinated Notes and Senior Non-Preferred Notes*” (as applicable), or are otherwise redeemed early on a date which is not an Interest Payment Date,

the final Rate of Interest payable in respect of such notes shall only be determined immediately prior to the date on which the notes become due and payable.

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

Investors should carefully consider these matters when making their investment decision with respect to any such notes.

***o) SOFR may be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the notes.***

SOFR is published by the Federal Reserve Bank of New York and is intended to be a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. The Federal Reserve Bank of New York reports that the Secured Overnight Financing Rate includes all trades in the Broad General Collateral Rate, plus bilateral Treasury repurchase agreement transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the “FICC”), a subsidiary of the Depository Trust and Clearing Corporation (“DTCC”). The Secured Overnight Financing Rate is filtered by the Federal Reserve Bank of New York to remove a portion of the foregoing transactions considered to be “specials”.

The Federal Reserve Bank of New York reports that the Secured Overnight Financing Rate is calculated as a volume-weighted median of transaction-level tri-party repurchase agreement data collected from The Bank of New York Mellon as well as General Collateral Finance repurchase agreement transaction data and data on bilateral Treasury repurchase transactions cleared through the FICC’s delivery-versus-payment service. The Federal Reserve Bank of New York notes that it obtains information from DTCC Solutions LLC, an affiliate of DTCC. The Federal Reserve Bank of New York notes on its publication page for the Secured Overnight Financing Rate that use of the Secured Overnight Financing Rate is subject to important limitations and disclaimers, including that the Federal Reserve Bank of New York may alter the methods of calculation, publication schedule, rate revision practices or availability of the Secured Overnight Financing Rate at any time without notice.

Because the Secured Overnight Financing Rate is published by the Federal Reserve Bank of New York based on data received from other sources, we have no control over its determination, calculation or publication. There can be no guarantee that the Secured Overnight Financing Rate will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in notes linked to SOFR. If the manner in which the Secured Overnight Financing Rate is calculated is changed, that change may result in a reduction of the amount of interest payable on the notes linked to SOFR and the trading prices of such notes. If the rate at which interest on the notes linked to SOFR accrues on any day declines to zero or becomes negative, no interest will be payable on such notes in respect of that day.

The Federal Reserve Bank of New York began to publish the Secured Overnight Financing Rate in April 2018. The Federal Reserve Bank of New York has also begun publishing historical indicative Secured Overnight Financing Rates going back to 2014. Investors should not rely on any historical changes or trends in the Secured Overnight Financing Rate as an indicator of future changes in the Secured Overnight Financing Rate. Also, since the Secured Overnight Financing Rate is a relatively new market index, notes linked to SOFR will likely 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 indexed to the Secured Overnight Financing Rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of notes linked to SOFR may be lower than those of later-issued indexed debt securities as a result. Similarly, if the Secured Overnight Financing Rate does not prove to be widely used in securities like the notes linked to SOFR, the trading price of such notes may be lower than those of bonds linked to indices that are more widely used. Investors in notes linked to SOFR 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.

- p) If the notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, or are Reset Notes, this may affect the secondary market and the market value of the notes concerned.***

Floating Rate/fixed rate notes may bear interest at a rate that may convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, 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. Where the notes convert from a fixed rate to a floating rate, the spread on the floating rate/fixed rate notes may be less favorable than 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. Where the notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on our notes and could affect the market value of an investment in such notes.

In the case of any series of Reset Notes, the rate of interest on such Reset Notes will be reset by reference to the Reset Reference Rate, as adjusted for any applicable margin, on the reset dates specified in the relevant Final Terms. This is more particularly described in “*Terms and Conditions of the Notes—Interest—Interest on Reset Notes*”. The reset of the rate of interest in accordance with such provisions may affect the secondary market for and the market value of such Reset Notes. Following any such reset of the rate of interest applicable to the notes, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest on the relevant Reset Notes may be lower than the Initial Rate of Interest, the First Reset Rate of Interest and/or any previous Subsequent Reset Rate of Interest, which could affect the market value of an investment in such notes.

- q) Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.***

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

- r) The value of the notes could be adversely affected by a change in the laws of the State of New York, English law or administrative practice.***

The conditions of the notes are based on the laws of the State of New York in effect as at the date of this Base Prospectus, except that the subordination and ranking provisions in each of the Indenture, the subordinated notes and the senior non-preferred notes are based on the laws of England in effect as at the relevant issue date. No assurance can be given as to the impact of any possible judicial decision or change to law or administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value of any notes affected by it.

- s) The value of fixed rate notes may be adversely affected by movements in market interest rates.***

Investment in fixed rate notes involves the risk that if market interest rates subsequently increase above the rate paid on the fixed rate notes, this will adversely affect the value of the fixed rate notes.

- t) An active secondary market in respect of the notes may never be established or may be illiquid and this would adversely affect the value at which investors could sell their notes.***

The notes are new securities which may not be widely distributed and for which there is currently no active trading market. If the notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic

conditions and our financial condition. Although we have applied to admit the notes issued from time to time to listing on the Official List and to admit them to trading on the London Stock Exchange's main market, we cannot guarantee that the notes will be accepted for listing or admitted to trading or that an active trading market will develop. Accordingly, we cannot guarantee the development or liquidity of any trading market for the notes. If a market for the notes does develop, it may not be very liquid and may be sensitive to changes in financial markets. These risks may be exacerbated with respect to any issue of notes which is initially subscribed by just one or a limited number of initial investors. 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 may in particular be the case should we be in financial distress, which may result in any sale of the notes having to be at a substantial discount to their principal amount.

Potential investors should note that, in view of prevailing and widely reported global credit market conditions (which continue at the date hereof), the secondary market for the notes and for instruments of this kind may be illiquid. We cannot predict when and how these circumstances will change. Liquidity in the notes may also be disrupted by the recent market disruptions referred to above.

- u) If investors hold notes which are not denominated in the investors' home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any notes could result in an investor not receiving payments on those notes.***

We will pay principal and interest on the notes in the Specified Currency (as defined below). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the notes, (2) the Investor's Currency equivalent value of the principal payable on the notes and (3) 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 or our ability to make payments in respect of the notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

## USE OF PROCEEDS

We will use the net proceeds of each issue of notes for general corporate purposes and, with regard to subordinated notes, to strengthen our capital base or as otherwise specified in the applicable Final Terms in respect of any notes. We may also use a portion of the net proceeds from any note issuance to acquire companies or assets that are complementary to our business. See the section entitled “*Description of Business*” in the Registration Document for a detailed description of our funding needs.

## **EXCHANGE CONTROLS AND OTHER LIMITATIONS AFFECTING HOLDERS OF NOTES**

Subject to the withholding tax requirements set out under the subsection entitled “*Taxation–UK Taxation*,” there are currently no UK laws, decrees or regulations that would reduce the payment by the issuer of interest or other payments to holders of notes who are neither residents of, nor trading in, the United Kingdom. For further discussion, see the subsection entitled “*Taxation–UK Taxation*.” There are also no restrictions under our memorandum and rules or under current UK laws that limit the right of non-resident or foreign owners to hold the notes or to vote, when entitled to do so.

## TERMS AND CONDITIONS OF THE NOTES

This section describes the material terms and provisions of the notes to which any Final Terms may relate. We will describe in each Final Terms the particular terms of the notes that we offer by that Final Terms and the extent, if any, to which the general provisions described below may apply to those notes. Capitalized terms used but not defined in this section have the meanings given to them in the senior preferred notes, senior non-preferred notes, subordinated notes, or indenture, as the case may be.

### General

We will offer the notes under an indenture, dated as at December 19, 2017 and as supplemented and amended from time to time (the “**Indenture**”), between us (the “**Issuer**”) and The Bank of New York Mellon, London Branch as trustee (the “**Trustee**”). The notes are limited to an aggregate principal amount of up to \$25,000,000,000 outstanding at any time, including, in the case of notes denominated in one or more other currencies or composite currencies, the equivalent thereof at the Market Exchange Rate in the one or more other currencies on the date on which such note will be issued (the “**Original Issue Date**”), subject to reduction by or pursuant to action of our Board of Directors, provided that a reduction will not affect any note already issued or as to which we have already accepted an offer to purchase. We may, however, increase these limits without the consent of the holders of the notes if in the future we determine that we wish to sell additional notes.

The notes will mature twelve months or more from the date of issue and may be subject to redemption or early repayment at our option or the holder’s option as further described in the subsection entitled “—*Redemption, Repurchase, Substitution and Variation*.” Each note will be denominated in U.S. dollars or in another currency as we specify in the applicable Final Terms. For a further discussion, see “—*Payment of Principal, Premium, if any, and Interest, if any*.” Each note will be either:

- a Fixed Rate Note; or
- a Reset Note, which will bear interest at a fixed rate for an initial period, after which the interest rate will be reset by reference to the interest basis plus or minus the relevant Margin (if any) at specified intervals, in each case as specified in the applicable Final Terms; or
- a Floating Rate Note, which will bear interest at a rate determined by reference to the interest rate basis or combination of interest rate bases plus or minus the Margin (if any), in each case as specified in the applicable Final Terms; or
- a Zero Coupon Note, in which case references to interest in these terms and conditions are not applicable; or
- any appropriate combination thereof, depending upon the Interest Basis shown in the applicable Final Terms.

### Status of senior preferred notes

The senior preferred notes are direct, unconditional, unsubordinated and (subject to the provisions of “—*Negative Pledge*”) unsecured obligations of the Issuer and rank (subject to the provisions of “—*Negative Pledge*”) *pari passu* and without any preference among themselves, junior to obligations required to be preferred by law (which includes certain member share accounts and deposits which are given preferential status by law) and at least equally with all other Ordinary Non-Preferential Debts of the Issuer.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), for so long as they are not secured pursuant to the provisions of “—*Negative Pledge*”, the senior preferred notes form part of the class of Ordinary Non-Preferential Debts of the Issuer under the Insolvency Act (and any other Ranking Legislation).

## **Status and ranking of senior non-preferred notes**

### *Status and ranking*

*The senior non-preferred notes may only be issued on terms such that they (A) have an original contractual maturity of at least one year and (B) are not derivatives and contain no embedded derivatives for the purposes of Section 387A(3)(b)(ii) of the Insolvency Act (and the relevant section of any other Ranking Legislation).*

The senior non-preferred notes are direct and unsecured obligations of the Issuer and, subject to the Insolvency Act (and any other Ranking Legislation), constitute Secondary Non-Preferential Debts under the Insolvency Act (and any other Ranking Legislation), ranking *pari passu* and without any preference among themselves.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), claims in respect of principal, interest and any other amount (including, without limitation, any damages awarded for breach of the Issuer's obligations) in respect of the senior non-preferred notes will, in the event of the winding up or dissolution of the Issuer (subject as otherwise provided in an Excluded Dissolution), rank as provided for Secondary Non-Preferential Debts in the Insolvency Act (and any other Ranking Legislation), and therefore:

- (a) junior in right of payment to all Senior Claims;
- (b) *pari passu* with all other Senior Non-Preferred Claims; and
- (c) in priority to all Subordinated Claims.

### *Waiver of set-off, etc.*

Subject to applicable law, no holder of senior non-preferred notes may exercise, claim or plead any right of set-off (including, without limitation, compensation or retention), counterclaim or netting in respect of any amount owed to it by the Issuer arising under or in connection with the senior non-preferred notes and each holder shall, by virtue of being the holder of any such senior non-preferred note (or the holder of any interest therein), be deemed to have waived all such rights of set-off (including, without limitation, compensation or retention), counterclaim or netting. Notwithstanding the provision of the foregoing sentence, if any of the said rights and claims of any holder of senior non-preferred notes against the Issuer is discharged by set-off (including, without limitation, compensation or retention), counterclaim or netting, such holder of senior non-preferred notes will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding up or dissolution of the Issuer, the liquidator, trustee or other insolvency official of the Issuer, and accordingly such discharge will be deemed not to have taken place.

The senior non-preferred notes do not have the benefit of the negative pledge covenant described below under the subsection entitled “—Negative Pledge” and, as Secondary Non-Preferential Debts, rank junior to most of our liabilities, including senior preferred notes. For a further discussion of risks relating to junior ranking see the section entitled “*Risk Factors—Risks Related to the Notes.*”

## **Status and subordination of subordinated notes**

### *Status and subordination*

The subordinated notes are direct and unsecured obligations of the Issuer, subordinated as described below, and rank *pari passu* and without any preference among themselves.

Accordingly, subject to the Insolvency Act (and any other Ranking Legislation), the subordinated notes form part of the class of Tertiary Non-Preferential Debts under the Insolvency Act (and any other Ranking Legislation), and claims in respect of principal, interest and any other amount (including, without limitation, any

damages awarded for breach of the Issuer's obligations) in respect of the subordinated notes will, in the event of the winding up or dissolution of the Issuer (subject as otherwise provided in an Excluded Dissolution):

- (a) be subordinated in right of payment in the manner provided in the Insolvency Act (and any other Ranking Legislation) and the Indenture to (x) all Senior Claims, (y) all Senior Non-Preferred Claims, and (z) any Subordinated Claims (if any) which rank, or are expressed to rank, in priority to claims in respect of the subordinated notes;
- (b) rank at least *pari passu* with claims in respect of the Issuer's obligations which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital; and
- (c) rank in priority to claims in respect of obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Additional Tier 1 Capital or CET1 Capital (including the Issuer's core capital deferred shares) and in priority to any other claims (including, without limitation, the Issuer's permanent interest bearing shares) which rank, or are expressed to rank, junior to the claims in respect of subordinated notes.

*Waiver of set-off, etc.*

Subject to applicable law, no holder of subordinated notes may exercise, claim or plead any right of set-off (including, without limitation, compensation or retention), counterclaim or netting in respect of any amount owed to it by the Issuer arising under or in connection with the subordinated notes and each holder shall, by virtue of being the holder of any such subordinated note (or the holder of any interest therein), be deemed to have waived all such rights of set-off (including, without limitation, compensation or retention), counterclaim or netting. Notwithstanding the provision of the foregoing sentence, if any of the said rights and claims of any holder of subordinated notes against the Issuer is discharged by set-off (including, without limitation, compensation or retention), counterclaim or netting such holder of subordinated notes will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding up or dissolution of the Issuer, the liquidator, trustee or other insolvency official of the Issuer and accordingly such discharge will be deemed not to have taken place.

The subordinated notes do not have the benefit of the negative pledge covenant described below under the subsection entitled “*Negative Pledge*” and are subordinated to most of our liabilities (including senior preferred notes and senior non-preferred notes). For a further discussion of risks relating to subordination see the section entitled “*Risk Factors—Risks Related to the Notes—The notes rank junior to most of our liabilities.*”

### **Recovery currency**

To the extent that holders of any notes are entitled to any recovery with respect to the notes in any winding up or dissolution, it is unclear whether such holders would be entitled in such proceedings to recovery in U.S. dollars (or, if different, the relevant Specified Currency) and they may be entitled only to a recovery in pounds sterling and, as a general matter, the right to claim for any amounts payable on notes may be limited by applicable insolvency law.

### **Certain definitions**

“**Business Day**” means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in New York City and each Additional Business Center specified in the applicable Final Terms; provided, however, that, with respect to notes denominated in a Specified Currency other than U.S. dollars, it is also not a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center, as defined below, of the country issuing the Specified Currency (or, if the Specified Currency is euro or EURIBOR is an applicable Interest Rate Basis, such day is also a day on which the euro payments settlement system known as T2 (or any successor thereto) is open for settlement of payments in euro, a “**TARGET**

**Settlement Date**”); provided, further, that, with respect to notes as to which SOFR or SONIA is an applicable Interest Rate Basis, it is also a London Business Day. “**London Business Day**” means a day on which commercial banks are open for business in London.

“**Compliant Notes**” means securities that comply with the following (which compliance has been certified to the Trustee in a certificate signed by two authorized signatories of the Issuer and delivered to the Trustee prior to the relevant substitution or variation):

1. in the case of senior non-preferred notes:

- (a) such securities are issued by the Issuer or any wholly-owned direct or indirect subsidiary of the Issuer with a guarantee of such obligations by the Issuer;
- (b) such securities rank (or, if guaranteed by the Issuer, benefit from a guarantee that ranks) as part of the class of Secondary Non-Preferential Debts;
- (c) (subject to (b) above) such securities have terms not materially less favorable to noteholders than the terms of the relevant senior non-preferred notes (as reasonably determined by the Issuer in consultation with an independent adviser of recognized standing);
- (d) (without prejudice to (c) above) such securities (1) contain terms such that they comply with the then applicable Loss Absorption Regulations in order to be eligible to qualify in full towards the Issuer’s minimum requirements (on an individual or consolidated basis) for own funds and eligible liabilities and/or loss absorbing capacity instruments; (2) bear the same rate of interest from time to time applying to the relevant senior non-preferred notes and preserve the same interest payment dates; (3) do not contain terms providing for deferral of payments of interest and/or principal; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant senior non-preferred notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) do not contain terms providing for loss absorption through principal write-down or conversion to common equity tier 1 instruments (but without prejudice to any acknowledgement of statutory resolution powers similar to “—*Agreement with Respect to the Exercise of UK Bail-in Power*”); and (6) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the relevant senior non-preferred notes which has accrued to noteholders and not been paid;
- (e) such securities are listed on the same stock exchange or market as the relevant senior non-preferred notes or the London Stock Exchange or any EEA regulated market or any market in an Organization for Economic Co-operation and Development (“**OECD**”) member state selected by the Issuer; and
- (f) where the relevant senior non-preferred notes which have been substituted or varied had a published rating solicited by the Issuer from one or more Rating Agencies immediately prior to their substitution or variation, such securities benefit from (or will, as announced, or otherwise confirmed in writing, by each such relevant Rating Agency, benefit from) an equal or higher published rating from each such Rating Agency as that which applied to the relevant senior non-preferred notes (unless any downgrade is solely attributable to the ranking of the securities under (b) above); and

2. in the case of subordinated notes:

- (a) such securities are issued by the Issuer or any wholly-owned direct or indirect subsidiary of the Issuer with a subordinate guarantee of such obligations by the Issuer;
- (b) such securities rank (or, if guaranteed by the Issuer, benefit from guarantee that ranks) equally with the ranking of the subordinated notes;

- (c) (subject to (b) above) such securities have terms not materially less favorable to noteholders than the terms of the subordinated notes (as reasonably determined by the Issuer in consultation with an independent adviser of recognized standing);
- (d) (without prejudice to (c) above) such securities (1) contain terms such that they comply with the then applicable Regulatory Capital Requirements in relation to Tier 2 Capital; (2) bear the same rate of interest from time to time applying to the relevant subordinated notes and preserve the same interest payment dates; (3) do not contain terms providing for deferral of payments of interest and/or principal; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant subordinated notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) do not contain terms providing for loss absorption through principal write-down or conversion to common equity tier 1 instruments (but without prejudice to any acknowledgement of statutory resolution powers similar to “—*Agreement with Respect to the Exercise of UK Bail-in Power*”); and (6) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the relevant subordinated notes which has accrued to noteholders and not been paid;
- (e) such securities are listed on the same stock exchange or market as the relevant subordinated notes or the London Stock Exchange or any other United Kingdom or EEA regulated market or any market in an OECD member state selected by the Issuer; and
- (f) where the subordinated notes which have been substituted or varied had a published rating solicited by the Issuer from one or more Rating Agencies immediately prior to their substitution or variation, such securities benefit from (or will, as announced, or otherwise confirmed in writing, by each such relevant Rating Agency, benefit from) an equal or higher published rating from each such Rating Agency as that which applied to the subordinated notes (unless any downgrade is solely attributable to the ranking of the securities under (b) above).

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (whether or not constituting an Interest Period or an Interest Accrual Period) (the “**Calculation Period**”) in accordance with the applicable Final Terms for any Fixed Rate Note, Reset Note, or Floating Rate Note, as applicable:

- (A) if **Actual/Actual (ICMA)** is specified in the applicable Final Terms:
  - (i) in the case of notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as so specified in the applicable Final Terms) that would occur in one calendar year; or
  - (ii) in the case of notes where the Accrual Period is longer than the Determination Period commencing on the last Interest Payment Date on which interest was paid (or, if none, the Interest Commencement Date), the sum of:
    - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates that would occur in one calendar year; and
    - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (I) the number of days in such Determination

Period and (II) the number of Determination Dates that would occur in one calendar year;

- (B) if **30/360** is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of twelve 30 day months) divided by 360;
- (C) if **Actual/Actual (ISDA)** or **Actual/Actual** is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (D) if **Actual/365 (Fixed)** is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (E) if **Actual/365 (Sterling)** is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (F) if **Actual/360** is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (G) if **30/360, 360/360** or **Bond Basis** is specified in the applicable Final Terms, 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 of 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 of the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 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;

- (H) if **30E/360** or **Eurobond Basis** is specified in the applicable Final Terms, 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 of 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 of 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; and

- (I) if **30E/360 (ISDA)** is specified in the applicable Final Terms, 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 of 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 of 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.

If no Day Count Fraction for Fixed Rate Notes is specified in the applicable Final Terms then the Day Count Fraction for such notes shall be **Actual/Actual (ICMA)** for notes other than those denominated or payable in U.S. Dollars and **30/360** for notes denominated or payable in U.S. Dollars.

“**deferred share investments**” has the meaning ascribed thereto in the Memorandum and Rules of the Issuer (and includes the Issuer’s permanent interest bearing shares and core capital deferred shares).

“**Determination Period**” means the period from (and including) a Determination Date in any year to (but excluding) the next Determination Date.

“**EEA regulated market**” means a market as defined by Article 4.1(21) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended.

**“Excluded Dissolution”** means each of (i) a winding up or dissolution of the Issuer for the purpose of a reconstruction, union, transfer, merger or amalgamation or the substitution in place of the Issuer of a successor in business, the terms of which reconstruction, union, transfer, merger, amalgamation or substitution (x) have previously been approved by the Trustee and (y) do not provide that the notes shall thereby become redeemable or repayable in accordance with the terms and conditions of the notes, and (ii) a dissolution of the Issuer by virtue of the amalgamation and transfer provisions set out in sections 93, 94 and 97 of the Building Societies Act 1986, as amended (the “Act”), or by virtue of a transfer pursuant to an order made under section 3 of the Building Societies (Funding) and Mutual Societies (Transfers) Act 2007, as amended (or any successor provisions thereto) and whereby there has been a substitution pursuant to Consolidation, Merger and Sale or Lease of Assets provisions of the Indenture (see the subsection entitled “—*Consolidation, Merger and Sale or Lease of Assets*”).

**“Hierarchy Order”** means The Banks and Building Societies (Priorities on Insolvency) Order 2018, as amended or superseded from time to time.

**“Independent Adviser”** means an independent financial institution of international repute or an independent adviser of recognized standing and with appropriate expertise (which may include the Calculation Agent) appointed by the Issuer at its own expense with notice in writing to the Trustee.

**“Insolvency Act”** means the Insolvency Act 1986, as amended or superseded from time to time (including by the Hierarchy Order).

**“investing members”** has the meaning ascribed thereto in the Memorandum and Rules of the Issuer.

a **“Loss Absorption Disqualification Event”** shall be deemed to have occurred in respect of a series of senior non-preferred notes if, as a result of any amendment to, or change (or pending change) in, any Loss Absorption Regulations, or any change (or pending change) in the application or official interpretation of any Loss Absorption Regulations, in any such case becoming effective (or that will become effective) after the issue date of the latest tranche of such series of senior non-preferred notes, either:

- (i) if “*Loss Absorption Disqualification Event: Full Exclusion*” is specified in the applicable Final Terms, the entire principal amount of such series of senior non-preferred notes; or
- (ii) if “*Loss Absorption Disqualification Event: Full or Partial Exclusion*” is specified in the applicable Final Terms, the entire principal amount of such series of senior non-preferred notes or any part thereof,

is or (in the opinion of the Issuer or the relevant Supervisory Authority) is likely to be excluded from the Issuer’s minimum requirements (whether on an individual or consolidated basis) for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to the Issuer (whether on an individual or consolidated basis) and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur where the exclusion of the senior non-preferred notes from the relevant minimum requirement(s) is due to the remaining maturity of such senior non-preferred notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to the Issuer on the issue date of the latest tranche of such series of senior non-preferred notes.

**“Loss Absorption Regulations”** means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the United Kingdom (including, without limitation, any provision of the Insolvency Act or any other Ranking Legislation which relates to the requisite features of Secondary Non-Preferential Debts), any relevant Supervisory Authority and/or any other relevant authority then in effect in the United Kingdom and applicable to the Issuer (whether on an individual or consolidated basis) including, without limitation to the generality of the foregoing, any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity

instruments adopted by any relevant Supervisory Authority from time to time (whether such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer).

**“New York City Banking Day”** means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city of New York.

**“Ordinary Non-Preferential Debts”** means ‘ordinary non-preferential debts’ as defined in Section 387A(3)(a) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation).

**“Principal Financial Center”** means the capital city of the country issuing the Specified Currency except, that with respect to U.S. dollars, Canadian dollars, and Swiss francs, the **“Principal Financial Center”** shall be New York City, Toronto, and Zurich, respectively.

**“Ranking Legislation”** means (i) the Building Societies Act 1986, as amended, (ii) the Insolvency Act, (iii) the Hierarchy Order, (iv), if and to the extent applicable to the Issuer, any other law or regulation which is amended by the Hierarchy Order, and (v) any other law or regulation from time to time which is applicable to the Issuer and relevant for determining the rights of members and creditors of the Issuer in a winding up or dissolution of the Issuer.

**“Rating Agency”** means any of S&P Global Ratings UK Limited, Moody’s Investors Service Limited and Fitch Ratings Limited and each of their respective affiliates or successors.

**“Regulatory Capital Requirements”** means, at any time, any requirement contained in the law, regulations, requirements, guidelines and policies then in effect (whether or not having the force of law) relating to capital adequacy and prudential supervision and applicable to the Issuer, including (without limitation to the generality of the foregoing), those applicable laws, regulations, requirements, guidelines and policies relating to capital adequacy and prudential supervision then in effect of the United Kingdom or the relevant Supervisory Authority and/or any other relevant authority.

A **“Regulatory Event”** is deemed to have occurred in respect of a series of subordinated notes if there is a change (or pending change) in the regulatory classification of such series of subordinated notes which becomes (or will become) effective after the issue date of the latest tranche of such series of subordinated notes and that results, or would be likely to result, in:

- (i) if *“Regulatory Event (subordinated notes only): Full Exclusion”* is specified in the applicable Final Terms, the entire principal amount of such series of subordinated notes being excluded from the Tier 2 Capital of the Issuer (whether on an individual or consolidated basis); or
- (ii) if *“Regulatory Event (subordinated notes only): Full or Partial Exclusion”* is specified in the applicable Final Terms, the entire principal amount of such series of subordinated notes or any part thereof being excluded from the Tier 2 Capital of the Issuer (whether on an individual or consolidated basis) (but for the avoidance of doubt, any amortization of the subordinated notes pursuant to Article 64 of the UK CRR (or any equivalent or successor provision) shall not comprise a Regulatory Event), and for these purposes **“UK CRR”** means Regulation (EU) No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated June 26, 2013 (as amended) as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended or replaced from time to time).

**“Relevant Supervisory Consent”** means, in relation to any action, such permission or waiver of the relevant Supervisory Authority (if any) as is then required for such action under prevailing Regulatory Capital Requirements and/or Loss Absorption Regulations, as the case may be.

**“Secondary Non-Preferential Debts”** means ‘secondary non-preferential debts’ as defined in Section 387A(3)(b) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation).

**“Senior Claims”** means the aggregate amount of all claims admitted in the winding up or dissolution of the Issuer which are:

- (i) claims of investing members of the Issuer as regards the principal and interest due on share investments other than deferred share investments; and
- (ii) claims (including, as applicable, those of depositors) in respect of Ordinary Non-Preferential Debts of the Issuer and all other obligations of the Issuer which are preferred by law to Secondary Non-Preferential Debts.

**“Senior Non-Preferred Claims”** means the aggregate amount of all claims admitted in the winding up or dissolution of the Issuer which are claims of creditors in respect of Secondary Non-Preferential Debts of the Issuer.

**“Specified Currency”** means a currency issued and actively maintained as a country’s or countries’ recognized unit of domestic exchange by the government of any country and such term shall also include the euro.

**“Subordinated Claims”** means the aggregate amount of all claims admitted in the winding up or dissolution of the Issuer which are claims in respect of Tertiary Non-Preferential Debts of the Issuer (or which otherwise rank or are expressed to rank junior to Senior Non-Preferred Claims), including (without limitation) claims in respect of obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital, Additional Tier 1 Capital or CET1 Capital (including the Issuer’s core capital deferred shares) and claims in respect of the Issuer’s permanent interest bearing shares.

**“Supervisory Authority”** means, from time to time, the Prudential Regulation Authority, the Bank of England and/or such other authority having for the time being primary supervisory authority and/or responsibility with respect to prudential or resolution matters concerning the Issuer and/or its group, as may be relevant in the context.

**“T2”** means the Trans-European Automated Real-time Gross Settlement Express Transfer system or any successor or replacement thereto.

**“Tertiary Non-Preferential Debts”** means ‘tertiary non-preferential debts’ as defined in Section 387A(3)(c) of the Insolvency Act (or, as the case may be, in the relevant section of any other Ranking Legislation).

**“Tier 1 Capital”, “CET1 Capital”, “Additional Tier 1 Capital” and “Tier 2 Capital”** have the respective meanings given thereto (or to a successor or equivalent term) in the Regulatory Capital Requirements; and

references to a **“winding up or dissolution”** in respect of the Issuer (which term includes, where the context admits, a Successor Person which has been substituted in place of the Issuer) shall include (as applicable): (i) an order being made, or an effective resolution being passed, for the winding up or dissolution of the Issuer; (ii) following the appointment of an administrator in respect of the Issuer, the administrator gives notice that it intends to declare and distribute a dividend; or (iii) the liquidation of the Issuer, or any procedure similar to that described in paragraph (i) or (ii) of this definition occurring in respect of the Issuer (including, if applicable, any building society or bank insolvency procedure, or a building society or bank administration procedure involving a distribution to creditors, pursuant to the Banking Act 2009) which has the effect of a winding up or dissolution.

## Form, Transfer, Exchange and Denomination

Notes of a series will initially be represented by a global note or global notes in fully registered form (“**Global Notes**”). Notes offered in the United States to qualified institutional buyers in reliance on Rule 144A will be represented by one or more U.S. global notes (“**U.S. Global Notes**”). Notes offered outside the United States to non-U.S. persons in reliance on Regulation S will be represented by one or more international global notes (“**International Global Notes**”).

Notes will bear a legend setting forth transfer restrictions and may not be transferred except in compliance with these transfer restrictions and subject to certification requirements. In no event will notes in bearer form be issued.

Unless otherwise specified in the Final Terms relating to a particular series of notes, the Global Note or Global Notes representing a series of notes will be issued to and deposited with, or on behalf of, DTC in New York City and registered in the name of Cede & Co. (“**Cede**”), as DTC’s nominee. Interests in a Global Note or Global Notes representing notes of a series will be shown in, and transfers thereof will be effected only through, records maintained by DTC and its participants until such time, if any, as physical registered certificates (“**Certificated Notes**”) in respect of such notes are issued, as set forth in the section entitled “*Description of the Global Notes—Book-Entry System.*”

The Global Note or Global Notes representing a series of notes may be transferred only to a successor of DTC or another nominee of DTC. For additional information, see the section entitled “*Description of the Global Notes—Book-Entry System.*”

Under the following circumstances, Global Notes of a series may be exchanged for certificated registered notes of such series:

- if at any time DTC notifies us that it is unwilling or unable to continue as the depository for the notes, or DTC ceases to be a clearing agency registered under the Exchange Act, and we are unable to appoint a successor to DTC registered as a clearing agency under the Exchange Act within 90 days of such notification or of our becoming aware of such ineligibility;
- upon the occurrence of any Event of Default under the Indenture; and
- if we determine in our sole discretion (subject to DTC’s procedures) that the notes of any series should no longer be represented by such Global Note or notes.

Certificated Notes representing a series of notes, if any, will be exchangeable for other Certificated Notes representing notes of such series of any authorized denominations and of a like aggregate principal amount and tenor. Certificated Notes will be serially numbered.

Certificated Notes may be presented to the Trustee for registration of transfer of exchange at its office in New York, which, at the date hereof, is located at 101 Barclay Street, New York, New York 10286. Certificated Notes may be presented for exchange and transfer in the manner, at the places and subject to the restrictions set forth in the Indenture and the notes. We have not registered the notes under the Securities Act or with any securities regulatory authority of any jurisdiction, and accordingly, transfers of the notes will be subject to the restrictions set forth in the sections entitled “*Notice to Investors*” and “*Transfer Restrictions.*”

Certificated Notes and interests in the U.S. Global Notes may be transferred to a person who takes delivery in the form of interests in an International Global Note only upon receipt by the Trustee of written certifications, in the form provided in the Indenture, to the effect that the transfer is being made in accordance with Regulation S or Rule 144 under the Securities Act and that, if this transfer occurs prior to 40 days after the commencement of the offering of such notes, the interest transferred will be held immediately thereafter through Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking, S.A. (“**Clearstream**”), each of which is a participant in DTC.

Until 40 days after the closing date for the offering of a series of notes, interests in an International Global Note may be held only through Euroclear or Clearstream, which are participants in DTC. Certificated Notes and interests in International Global Notes may be transferred to a person who takes delivery in the form of interests in a U.S. Global Note only upon receipt by the Trustee of written certifications, in the form provided in the Indenture, to the effect that such transfer is being made in accordance with Rule 144A to a person whom the transferor reasonably believes is purchasing for its own account or for an account as to which it exercises sole investment discretion and that such person and such account or accounts are “qualified institutional buyers” within the meaning of Rule 144A and agree to comply with the restrictions on transfer set forth in the sections entitled “*Notice to Investors*” and “*Transfer Restrictions*.”

In the event of any redemption of notes, we will not be required to (i) register the transfer of or exchange the notes during a period of 15 calendar days immediately preceding the date of redemption; (ii) register the transfer of or exchange the notes, or any portion thereof called for redemption, except the unredeemed portion of any of the notes being redeemed in part; or (iii) with respect to notes represented by a Global Note or Global Notes, exchange any such note or notes called for redemption, except to exchange such note or notes for another Global Note or Global Notes of that series and like tenor representing the aggregate principal amount of notes of that series that have not been redeemed.

Unless otherwise specified in the Final Terms relating to a particular series of notes, The Bank of New York Mellon, London Branch is the paying agent (the “**Paying Agent**”) for the notes pursuant to the Indenture. We may at any time designate additional paying agents or rescind the designation of any paying agent provided that if and for so long as the notes are listed on any stock exchange which requires the appointment of a paying agent in any particular place, we shall maintain a paying agent with an office in the place required by such stock exchange or relevant authority.

We will issue senior preferred notes and senior non-preferred notes in minimum denominations of \$200,000 and subordinated notes in minimum denominations of \$250,000, and in each case in integral multiples of \$1,000 in excess thereof, in the case of notes denominated in U.S. dollars. We will issue notes denominated in a Specified Currency other than U.S. dollars in minimum denominations that are the equivalent of these amounts in any other Specified Currency, and in any other denominations in excess of the minimum denominations as specified in the applicable Final Terms. The notes will be issued in integral multiples of 1,000 units of any such Specified Currency in excess of their minimum denominations. If the principal, premium, if any, and interest, if any, on any of the notes not denominated in U.S. dollars, euro or sterling are to be payable at our or the holder’s option in U.S. dollars, such payment will be made on the basis of the Market Exchange Rate, computed by the Currency Determination Agent in respect of the relevant series of notes and as specified in the applicable Final Terms, on the second Business Day prior to such payment or, if such Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate.

#### **Payment of Principal, Premium, if any, and Interest, if any**

Payments of principal, premium, if any, and interest, if any, to owners of beneficial interests in the Global Notes are expected to be made in accordance with those procedures of DTC and its participants in effect from time to time as described in the subsection entitled “*Description of the Global Notes—Book-Entry System*” and, in the case of any note denominated in a Specified Currency other than U.S. dollars, as provided below.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment or to which the Issuer or any paying agent of the Issuer is subject, but without prejudice to the provisions of “—*Payment of additional amounts*”, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (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.

Except as described below, with respect to any Certificated Note, payments of interest, if any, will be made by mailing a check to the holder at the address of such holder appearing on the register for the notes on the regular record date (the “**Regular Record Date**”). Notwithstanding the foregoing, at our option, all payments of

interest on the notes may be made by wire transfer of immediately available funds to an account at a bank located within the United States as designated by each holder not less than 15 calendar days prior to the relevant Interest Payment Date. A holder of \$10,000,000 (or, if the Specified Currency is other than U.S. dollars, the equivalent thereof in that Specified Currency) or more in aggregate principal amount of notes of like tenor and terms with the same Interest Payment Date may demand payment by wire transfer but only if appropriate payment instructions have been received in writing by any paying agent with respect to such note appointed by us, not less than 15 calendar days prior to the Interest Payment Date. In the event that payment is so made in accordance with instructions of the holder, such wire transfer shall be deemed to constitute full and complete payment of such principal, premium and/or interest on the notes. Payment of the principal, premium, if any, and interest, if any, due with respect to any Certificated Note at Maturity will be made in immediately available funds upon surrender of such note at the principal office of any paying agent appointed by us with respect to that note and accompanied by wire transfer instructions, provided that the Certificated Note is presented to such paying agent in time for such paying agent to make such payments in such funds in accordance with its normal procedures.

Payments of principal, premium, if any, and interest, if any, with respect to any note to be made in a Specified Currency other than U.S. dollars will be made by check mailed to the address of the person entitled thereto as its address appears in the register for the notes or by wire transfer to such account with a bank located in a jurisdiction acceptable to us and the Trustee as shall have been designated at least 15 calendar days prior to the Interest Payment Date or Maturity, as the case may be, by the holder of such note on the relevant Regular Record Date or at Maturity, provided that, in the case of payment of principal of, and premium, if any, and interest, if any, due at Maturity, the note is presented to any paying agent appointed by us with respect to such note in time for such paying agent to make such payments in such funds in accordance with its normal procedures. Such designation shall be made by filing the appropriate information with the Trustee at its Corporate Trust Office, and, unless revoked, any such designation made with respect to any note by a holder will remain in effect with respect to any further payments with respect to such note payable to such holder. If a payment with respect to any such note cannot be made by wire transfer because the required designation has not been received by the Trustee on or before the requisite date or for any other reason, a notice will be mailed to the holder at its registered address requesting a designation pursuant to which such wire transfer can be made and, upon such Trustee's receipt of such a designation, such payment will be made within 15 calendar days of such receipt. We will pay any administrative costs imposed by banks in connection with making payments by wire transfer, but any tax, assessment or governmental charge imposed upon payments will be borne by the holders of such notes in respect of which such payments are made.

Except as provided below, payments of principal, premium, if any, and interest, if any, with respect to any note represented by Global Notes that is denominated in a Specified Currency other than U.S. dollars will be made in U.S. dollars, as set forth below. If the holder of such note on the relevant Regular Record Date or at Maturity, as the case may be, requests payments in a currency other than U.S. dollars, the holder shall transmit a written request for such payment to any paying agent appointed by us with respect to such note at its principal office on or prior to such Regular Record Date or the date 15 calendar days prior to Maturity, as the case may be. Such request may be delivered by mail, by hand, by cable or by telex or any other form of facsimile transmission. Any such request made with respect to any note by a holder will remain in effect with respect to any further payments of principal, and premium, if any, and interest, if any, with respect to such note payable to such holder, unless such request is revoked by written notice received by such paying agent on or prior to the relevant Regular Record Date or the date 15 calendar days prior to Maturity, as the case may be (but no such revocation may be made with respect to payments made on any such note if an Event of Default has occurred with respect thereto or upon the giving of a notice of redemption). Holders of notes denominated in a currency other than U.S. dollars whose notes are registered in the name of a broker or nominee should contact such broker or nominee to determine whether and how an election to receive payments in a currency other than U.S. dollars may be made.

The U.S. dollar amount to be received by a holder of a note denominated in other than U.S. dollars who elects to receive payments in U.S. dollars will be based on the highest indicated bid quotation for the purchase of U.S. dollars in exchange for the Specified Currency obtained by the Currency Determination Agent at approximately 11:00 a.m., New York City time, on the second Business Day immediately preceding the applicable payment date from the bank composite or multicontributor pages of the Quoting Source for three (or two if three

are not available) major banks in New York City. The first three (or two) such banks selected by the Currency Determination Agent which are offering quotes on the Quoting Source will be used. If fewer than two such bid quotations are available at 11:00 a.m., New York City time, on the second Business Day immediately preceding the applicable payment date, such payment will be based on the Market Exchange Rate as of the second Business Day immediately preceding the applicable payment date. If the Market Exchange Rate for such date is not then available, such payment will be made in the Specified Currency. As used herein, the “**Quoting Source**” means Reuters Monitor Foreign Exchange Service, or if the Currency Determination Agent determines that such service is not available, such comparable display or other comparable manner of obtaining quotations as shall be agreed between us and the Currency Determination Agent. All currency exchange costs associated with any payment in U.S. dollars on any such notes will be borne by the holder thereof by deductions from such payment.

If the Specified Currency for a note denominated in a currency other than U.S. dollars is not available for the required payment of principal, premium, if any, and/or interest, if any, in respect thereof due to the imposition of exchange controls or other circumstances beyond our control, we will be entitled to satisfy our obligations to the holder of such note by making such payment in U.S. dollars on the basis of the Market Exchange Rate, computed by the Currency Determination Agent, on the second Business Day prior to such payment or, if such Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate. Any payment made in U.S. dollars under such circumstances where the required payment was to be in a Specified Currency other than U.S. dollars will not constitute an Event of Default under the Indenture with respect to the notes.

All determinations referred to above made by the Currency Determination Agent shall be at its sole discretion in accordance with its normal operating procedures and shall, in the absence of manifest error, be conclusive for all purposes and binding on all holders and beneficial owners of notes.

## **Interest**

The applicable Final Terms will indicate whether the Notes are Fixed Rate Notes, Reset Notes, Floating Rate Notes or Zero Coupon Notes.

### ***Interest on Fixed Rate Notes***

Each Fixed Rate Note bears interest on its outstanding principal amount from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Fixed Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year specified in the applicable Final Terms and on the Maturity Date specified in the applicable Final Terms if that does not fall on an Interest Payment Date. The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date.

Interest shall be calculated in respect of any period by applying the Rate of Interest to the aggregate outstanding nominal amount of the Fixed Rate Notes and multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest subunit of the relevant Specified Currency, half of any such subunit being rounded upwards or otherwise in accordance with applicable market convention.

If “*Business Day Convention—Adjusted*” is specified to be applicable in the applicable Final Terms, then:

- (a) any Interest Payment Date or the Maturity Date which would otherwise fall on a day which is not a Business Day will be postponed or brought forward (as applicable) in accordance with the relevant business day convention (as described under “*Interest on Floating Rate Notes - Interest Payment Dates*” below) specified in the applicable Final Terms (which, for the avoidance of doubt, shall not be the Floating Rate Convention);
- (b) the amount of interest payable on any Interest Payment Date or the Maturity Date will be the amount accrued during the Fixed Interest Period ending immediately prior to (as the case may be) such Interest Payment Date or the Maturity Date. As used herein, “**Fixed Interest Period**” means the period from (and including) the Interest Commencement Date to (but excluding) the

first Interest Payment Date and each successive period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or, if applicable, the Maturity Date); and

- (c) the Calculation Agent will calculate the amount of interest for each Fixed Interest Period and will cause such amount and the relative Interest Payment Date to be notified to us, to the Trustee and to any listing authority, stock exchange and/or quotation system to which the Fixed Rate Notes have then been admitted to listing, trading and/or quotation and to be published as soon as possible after such determination but in no event later than the fourth Business Day thereafter. Each amount of interest and the relative Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the relevant Fixed Interest Period. Any such amendment or alternative arrangements will promptly be notified to each listing authority, stock exchange and/or quotation system to which the Fixed Rate Notes have then been admitted to listing, trading and/or quotation and to the holders in accordance with the Indenture.

If “*Business Day Convention—Non-Adjusted*” is specified to be applicable in the applicable Final Terms, then:

- (a) any Interest Payment Date or the Maturity Date which would otherwise fall on a day which is not a Business Day will be postponed or brought forward (as applicable) in accordance with the relevant business day convention (as described under “*Interest on Floating Rate Notes - Interest Payment Dates*” below) specified in the applicable Final Terms (which, for the avoidance of doubt, shall not be the Floating Rate Convention); and
- (b) there will be no corresponding adjustment of the amount of interest payable on any Interest Payment Date or (as the case may be) the Maturity Date.

### ***Interest on Reset Notes***

#### ***Rates of Interest and Interest Payment Dates***

Each Reset Note bears interest on its outstanding principal amount:

- (a) from (and including) the Interest Commencement Date specified in the applicable Final Terms to (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 to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and
- (c) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any, or otherwise the Maturity Date), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any, or otherwise the Maturity Date) (each a “**Subsequent Reset Period**”) at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) payable, in each case, in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if that does not fall on an Interest Payment Date.

The Rate of Interest and the amount of interest (the “**Interest Amount**”) payable shall be determined by the Calculation Agent, (A) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, and (B) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in “*Interest—Interest on Fixed Rate Notes*” and, for such purposes,

references therein to “Fixed Rate Notes” shall be deemed to be to “Reset Notes” and “*Interest—Interest on Fixed Rate Notes*” shall be construed accordingly.

In this section “—*Interest on Reset Notes*”:

“**Calculation Agent**” means the calculation agent specified in the applicable Final Terms;

“**First Margin**” means the margin specified as such in the applicable Final Terms;

“**First Reset Date**” means the date specified as such in the applicable Final Terms;

“**First Reset Period**” means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date;

“**First Reset Rate of Interest**” means, in respect of the First Reset Period and subject to “*Interest—Interest on Reset Notes—Fallbacks*” and (if applicable) “—*Benchmark discontinuation*” the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum, converted, if the Reset Reference Rate is either Mid-Swaps or the Reference Bond Yield (if not already on the same basis), from a basis equivalent to the Fixed Leg Swap Duration or the Reference Bond Yield, as the case may be, to a basis equivalent to the frequency with which scheduled interest payments are payable on the notes during the relevant Reset Period (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it), of (A) the relevant Reset Reference Rate and (B) the First Margin;

“**Fixed Leg Swap Duration**” has the meaning specified in the applicable Final Terms;

“**Floating Leg Swap Duration**” has the meaning specified in the applicable Final Terms;

“**Initial Rate of Interest**” has the meaning specified in the applicable Final Terms;

“**Mid-Market Swap Rate**” means, subject to “*Interest – Interest on Reset Notes – Fallbacks*” and (if applicable) “—*Benchmark discontinuation*,” for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Duration (calculated on the basis of the Day Count Fraction as specified in the applicable Final Terms as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant 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 Floating Leg Swap Duration (calculated on the day count basis specified for such Mid-Swap Floating Leg Benchmark Rate 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 (subject to “—*Benchmark discontinuation*,” if applicable) the reference rate specified as such in the applicable Final Terms or, if no such reference rate is so specified:

- (i) if the Specified Currency is euro, the EURIBOR rate for the Floating Leg Swap Duration (calculated on an Actual/360 day count basis);
- (ii) if the Specified Currency is pounds sterling, the overnight SONIA rate compounded for the Floating Leg Swap Duration (calculated on an Actual/365 day count basis); or
- (iii) if the Specified Currency is U.S. dollars, the overnight SOFR rate compounded for the Floating Leg Swap Duration (calculated on an Actual/360 day count basis);

**“Mid-Swap Rate”** means, in relation to a Reset Determination Date and subject to *“Interest—Interest on Reset Notes—Fallbacks”* and (if applicable) *“—Benchmark discontinuation”* either:

- (i) if Single Mid-Swap Rate is specified in the applicable Final Terms, the rate for swaps in the Specified 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 such replacement page on that service which displays the information; or

- (ii) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001% (0.0005% being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified 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 or such replacement page on that service which displays the information,

in either case, as at approximately the Mid-Swap Rate Determination Time specified in the applicable Final Terms, (or, if no such Mid-Swap Rate Determination Time is so specified, 11.00 a.m. in the Principal Financial Center of the Specified 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 provisions, but as if the relevant Reset Period were the period of time for which rates are available next shorter than the length of the actual Reset Period and the other of which shall be determined in accordance with the above provisions, but as if the relevant Reset Period were the period of time for which rates are available next longer than the length of the actual Reset Period;

**“Mid-Swap Reference Banks”** means the principal office in the Relevant Financial Center of four major banks in the swap, money, securities or other market most closely connected with the Subsequent Reset Reference Rate as selected by the Issuer on the advice of an investment bank of international repute;

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

**“Reference Bond”** means for any Reset Period a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer on the advice of an investment bank of international repute as having an actual or interpolated maturity comparable with the relevant Reset Period that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the notes and of a comparable maturity to the relevant Reset Period.

**“Reference Bond Reset Rate Time”** means the time specified in the applicable Final Terms;

**“Reference Bond Yield”** means the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, expressed as a percentage, as determined by the Calculation Agent as follows on the basis of the Reference Government Bond Dealer Quotations provided to the Calculation Agent (upon request by or on behalf of the Issuer) by the Reference Government Bond Dealers at or

around the relevant Reference Bond Reset Rate Time on the relevant Reset Determination Date. If four or more Reference Government Bond Dealer Quotations are so provided, the Reset Reference Rate shall be the arithmetic average of such Reference Government Bond Dealer Quotations after excluding the highest (or, in the event of equality, one of the highest) and lowest (or, in the event of equality, one of the lowest) such Reference Government Bond Dealer Quotations. If only two or three Reference Government Bond Dealer Quotations are so provided, the Reset Reference Rate shall be the arithmetic average of all such quotations. If only one Reference Government Bond Dealer Quotation is so provided, the Reset Reference Rate shall be the quotation provided. If no Reference Government Bond Dealer Quotations are so provided, the Reset Reference Rate will be (i) in the case of each Reset Period other than the First Reset Period, the Reset Reference Rate in respect of the immediately preceding Reset Period or (ii) in the case of the First Reset Period, the “Reference Bond Fallback Rate” set out in the applicable Final Terms;

“**Reference Government Bond Dealer**” means each of five banks (selected by the Issuer on the advice of an investment bank of international repute), or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

“**Reference Government Bond Dealer Quotations**” means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic mean average, as determined by the Calculation Agent, of the bid and offered yields to maturity or interpolated yields to maturity (on the relevant day count basis) for the relevant Reference Bond (expressed in each case as a percentage) at or around the Reference Bond Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer;

“**Relevant Screen Page**” means the screen page specified in the applicable Final Terms (or any successor or replacement screen displaying the relevant information);

“**Reset Business Day**” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Business Center specified in the applicable Final Terms;

“**Reset Date**” means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

“**Reset Determination Date**” means, in respect of any Reset Period, and unless otherwise specified in the applicable Final Terms, the second Reset Business Day prior to the first day of such Reset Period;

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

“**Reset Reference Rate**” means either (i) any of the CMT Rate, EURIBOR, the Federal Funds Rate, Compounded Daily SONIA, SOFR, the Prime Rate, or the Treasury Rate, each as described in “*Interest—Interest on Floating Rate Notes*” and, for such purposes, references therein to “Floating Rate Notes” shall be deemed to be to “Reset Notes” and “*Interest—Interest on Floating Rate Notes*” shall be construed accordingly, or (ii) if Mid-Swaps is specified in the applicable Final Terms the Mid-Swap Rate, or (iii) if Reference Bond is specified in the applicable Final Terms, the Reference Bond Yield;

“**Second Reset Date**” means the date specified in the applicable Final Terms;

“**Subsequent Margin**” means the margin specified as such in the applicable Final Terms;

“**Subsequent Reset Date**” means the date or dates specified in the applicable Final Terms; and

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period and subject to “*Interest—Interest on Reset Notes—Fallbacks*” and (if applicable) “*Interest – Benchmark discontinuation*”, the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum, converted, if the Reset Reference Rate is either Mid-Swaps or the Reference Bond Yield (if not already on the same basis), from a basis equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms or

the Reference Bond Yield, as the case may be, to a basis equivalent to the frequency with which scheduled interest payments are payable on the notes during the relevant Reset Period (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it), of (A) the relevant Reset Reference Rate and (B) the relevant Subsequent Margin.

#### *Fallbacks for Mid-Swap Rate*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Mid-Swap Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the Principal Financial Center of the Specified Currency on the Reset Determination Date in question.

If two or more of the Mid-Swap 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 (converted as set out in the definition of such term above) of the arithmetic mean (rounded, if necessary, to the nearest 0.001% (0.0005% 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 of the Mid-Swap 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) shall be the sum (converted as set out in the definition of such term above) of (rounded, if necessary, to the nearest 0.001% (0.0005% being rounded upwards)) of the relevant Mid-Market Swap Rate Quotation and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date none of the Mid-Swap Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of “*Interest—Interest on Reset Notes—Fallbacks*”, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined by the Calculation Agent as if, and on the assumption that, the relevant Reset Reference Rate were equal to:

- (a) the Mid-Swap Rate as if determined as at the latest date (the “**Latest Publication Date**”) on which the relevant swap rate (if “*Single Mid-Swap Rate*” is specified in the applicable Final Terms) or swap rate quotations (if “*Mean Mid-Swap Rate*” is specified in the applicable Final Terms) for a swap in the Specified Currency with a term equal to the relevant Reset Period was/were published on the Relevant Screen Page (deeming such latest rate or rates, as applicable, to apply to a swap commencing on the relevant Reset Date, whether or not this is the case); or
- (b) if this is more recent than the Latest Publication Date, or if for any reason the relevant Reset Reference Rate cannot otherwise be determined accordance with paragraph (a) above, the Mid-Swap Rate determined as at the last preceding Reset Date (or, for the purpose of determining the First Reset Rate of Interest on the first Reset Determination Date, the Mid-Swap Fallback Rate specified in the applicable Final Terms).

#### *Notification of First Reset Rate of Interest, Subsequent Reset Rate of Interest and Interest Amount*

The Calculation Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and, in respect of a Reset Period, the Interest Amount payable on each Interest Payment Date falling in such Reset Period to be notified to the Issuer, the Paying Agent, the Trustee and any competent authority or stock exchange by or on which the relevant Reset Notes are for the time being listed and notice thereof to be published in accordance with “—*Notices*” as soon as possible after their determination but in no event later than the fourth London Business Day (as defined in “*Interest—Interest on Floating Rate Notes—Determination of Rate of Interest and calculation of Interest Amount; Percentages*”) thereafter.

#### *Determination or Calculation by an agent appointed by the Issuer*

If for any reason the Calculation Agent defaults in its obligation to determine the Rate of Interest or calculate any Interest Amount in accordance with “*Interest—Interest on Reset Notes—Rates of Interest and Interest Payment Dates*”, the Issuer may appoint an agent to do so and such determination shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this section “*Interest—Interest on Reset Notes*” 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.

#### *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this section “*Interest—Interest on Reset Notes*” by the Calculation Agent or any agent appointed by the Trustee shall (in the absence of manifest error) be binding on the Issuer, the Trustee, the Calculation Agent, the other paying agents and all noteholders and (in the absence of willful default, bad faith or manifest error) no liability to the Issuer or the noteholders shall attach to the Calculation Agent or the Trustee or any agent appointed by the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

#### ***Interest on Floating Rate Notes***

##### *Interest Payment Dates*

Each Floating Rate Note bears interest on its outstanding principal amount from (and including) the Interest Commencement Date at the rate equal to the Rate of Interest payable in arrear on either:

- (i) the Interest Payment Date(s) in each year specified in the applicable Final Terms (the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and each successive period from (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date, each an “**Interest Period**”); or
- (ii) if no express Interest Payment Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date, each such date being an Interest Payment Date.

If any Interest Payment Date which is specified in the applicable Final Terms to be subject to adjustment in accordance with a business day convention would otherwise fall on a day which is not a Business Day, then, if the business day convention specified is:

- (a) in any case where Interest Periods are specified in accordance with (ii) above, the “Floating Rate” Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (I) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (II) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding applicable Interest Payment Date occurred; or
- (b) the “Following Business Day” Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (c) the “Modified Following Business Day” Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next

calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

- (d) the “Preceding Business Day” Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

#### *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms. For the avoidance of doubt, the provisions in this section in respect of Floating Rate Notes shall also apply to Reset Notes when the Reset Reference Rate includes one of the Interest Rate Basis described in this section.

Interest on Floating Rate Notes will be determined by reference to the applicable Interest Rate Basis or Bases, which may, as described below, include:

- the one-year Constant Maturity Treasury Rate (“**CMT Rate**”);
- EURIBOR;
- the Federal Funds Rate;
- Compounded Daily SONIA;
- SOFR;
- the Prime Rate; or
- the Treasury Rate.

The applicable Final Terms will specify whether any Margin, expressed as a percentage amount, is to be added or subtracted from the related Interest Rate Basis or Bases applicable to such Floating Rate Note.

The applicable Final Terms will specify whether the rate of interest on the related Floating Rate Note will be reset daily, weekly, monthly, quarterly, semi-annually or annually or at such other specified intervals as specified in the applicable Final Terms (each, an “**Interest Reset Period**”) and the dates on which such rate of interest will be reset (each, an “**Interest Reset Date**”). If any Interest Reset Date for any Floating Rate Note would otherwise be a day that is not a Business Day, such Interest Reset Date will be postponed to the next succeeding Business Day except that in the case of a Floating Rate Note as to which EURIBOR, SOFR or SONIA is an applicable Interest Rate Basis and such Business Day falls in the next succeeding calendar month, such Interest Reset Date will be the immediately preceding Business Day.

The interest rate applicable to each Interest Period (or other Interest Accrual Period) will be the rate determined by the Calculation Agent (as specified in the applicable Final Terms) as of the applicable Interest Determination Date (“**Interest Determination Date**”).

The interest rate applicable to each Interest Reset Period commencing on the related Interest Reset Date will be the rate determined by the Calculation Agent (as specified in the applicable Final Terms) as of the applicable Interest Determination Date and calculated on or prior to the Calculation Date (as defined below), except with respect to EURIBOR, SOFR and Compounded Daily SONIA, which will be calculated on such Interest Determination Date, except with respect to the Prime Rate, which will be calculated on or prior to the day that is one New York City Banking Day following the Interest Reset Date pertaining to such Interest Determination Date, and except with respect to the CMT, which will be calculated on the dates specified below under “—*CMT Rate*.” Unless otherwise specified in the applicable Final Terms, the “Interest Determination Date” with respect to:

- the Federal Funds Rate will be the Business Day immediately preceding the applicable Interest Reset Date;
- the CMT Rate will be the second US Government Securities Business Day preceding the applicable Interest Reset Date;
- the Prime Rate will be the applicable Interest Reset Date;
- EURIBOR will be the second TARGET Settlement Date immediately preceding the applicable Interest Reset Date;
- SOFR will be the first US Government Securities Business Day falling after the last day of the relevant Observation Period;
- Compounded Daily SONIA will be the first London Banking Day falling after the last day of the relevant Observation Period; and
- the Treasury Rate will be the day in the week in which the applicable Interest Reset Date falls on which the day Treasury Bills, as defined below, are normally auctioned (Treasury Bills are normally sold at an auction held on Monday of each week, unless such Monday is a legal holiday, in which case the auction is normally held on the immediately succeeding Tuesday although such auction may be held on the preceding Friday); provided, however, that if an auction is held on the Friday of the week preceding the applicable Interest Reset Date, the “Interest Determination Date” will be such preceding Friday; provided, further, that if the Interest Determination Date would otherwise fall on an Interest Reset Date, then such Interest Reset Date will be postponed to the next succeeding Business Day.

The “**Interest Determination Date**” pertaining to a Floating Rate Note the interest rate of which is determined by reference to two or more Interest Rate Bases will be the most recent Business Day which is at least two Business Days prior to the applicable Interest Reset Date for such Floating Rate Note on which each Interest Rate Basis is determinable. Each Interest Rate Basis will be determined as of such date, and the applicable interest rate will take effect on the applicable Interest Reset Date.

The “**Calculation Date**,” if applicable, pertaining to any Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

The Calculation Agent shall determine each Interest Rate Basis in accordance with the following provisions:

“**H.15**” means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System (the “**Board of Governors**”), or its successor, available through the website of the Board of Governors at <http://www.federalreserve.gov/releases/h15/update/h15upd.htm>.

“**H.15 Daily Update**” means the daily update of H.15 available at the Board of Governors of the Federal Reserve System’s website located at <http://www.federalreserve.gov/releases/h15/update/h15upd.htm>, or any successor site or publication.

#### *CMT Rate*

“**CMT Rate**” means, with respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined with reference to the CMT Rate (and subject to “*Benchmark discontinuation*” if applicable):

- (1) if the Reuters 7051 Page is specified in the applicable Final Terms, as the Designated CMT Reuters Page:

- (a) the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Designated CMT Maturity Index specified in the applicable Final Terms, as published in H.15 under the caption “Treasury Constant Maturities,” as the yield is displayed on Reuters (or any successor service) on page FRBCMT (or any other page as may replace the specified page on that service) (“**T7051 Page**”), on such Interest Determination Date, or
- (b) if the rate referred to in clause (a) does not so appear on the T7051 Page, the percentage equal to the yield for United States Treasury securities at “constant maturity” having the particular Designated CMT Maturity Index and for such Interest Determination Date as published in H.15 under the caption “Treasury Constant Maturities,” or
- (c) if the rate referred to in clause (b) does not so appear in H.15, the rate on such Interest Determination Date for the period of the particular Designated CMT Maturity Index as may then be published by either the Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15, or
- (d) if the rate referred to in clause (c) is not so published, the rate on such Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 5:00 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in The City of New York (which may include the agents or their affiliates) (each, a “**Reference Dealer**”), selected by the Calculation Agent (after consultation with us) from five Reference Dealers so selected by the Calculation Agent and 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, for United States Treasury securities with an original maturity equal to the particular Designated CMT Maturity Index, a remaining term to maturity no more than one year shorter than that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time, or
- (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on such Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or
- (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on such Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 5:00 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent (after consultation with us) from five Reference Dealers so selected by the Calculation Agent and 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, for United States Treasury securities with an original maturity greater than the particular Designated CMT Maturity Index, a remaining term to maturity closest to that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time, or
- (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on such Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or

- (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on such Interest Determination Date, provided that if no CMT Rate was in effect on such Interest Determination Date, the rate on such Floating Rate Note or Reset Note for the following Interest Reset Period shall be the Initial Interest Rate specified in the applicable Final Terms.
- (2) if the Reuters Page T7052 is specified in the applicable Final Terms, as the Designated CMT Reuters Page:
  - (a) the percentage equal to the one-week average yield for United States Treasury securities at “constant maturity” having the Designated CMT Maturity Index specified in the applicable Final Terms, as published in H.15 under the caption “Week Ending” and opposite the caption “Treasury Constant Maturities,” as the yield is displayed on Reuters (or any successor service) (on page 7052 or any other page as may replace the specified page on that service) on page FEDCMT (or any other page as may replace the specified page on that service) (“**T7052 Page**”), for the week preceding the week in which such Interest Determination Date falls, or
  - (b) if the rate referred to in clause (a) does not so appear on the T7052 Page, the percentage equal to the one-week average yield for United States Treasury securities at “constant maturity” having the particular Designated CMT Maturity Index and for the week preceding such Interest Determination Date as published in H.15 under the caption “Week Ending” and opposite the caption “Treasury Constant Maturities,” or
  - (c) if the rate referred to in clause (b) does not so appear in H.15, the one-week average yield for United States Treasury securities at “constant maturity” having the particular Designated CMT Maturity Index as otherwise announced by the Federal Reserve Bank of New York for the week preceding the week in which such Interest Determination Date falls, or
  - (d) if the rate referred to in clause (c) is not so published, the rate on such Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 5:00 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent (after consultation with us) from five Reference Dealers so selected by the Calculation Agent and 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, for United States Treasury securities with an original maturity equal to the particular Designated CMT Maturity Index, a remaining term to maturity no more than one year shorter than that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time, or
  - (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on such Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or
  - (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on such Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 5:00 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent (after consultation with us) from five Reference Dealers so selected by the Calculation Agent and 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, for United States Treasury securities with an original maturity greater than the particular Designated CMT Maturity Index, a remaining term to maturity closest to that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at the time, or

- (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on such Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest or the lowest of the quotations will be eliminated, or
- (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date, provided that if no CMT Rate was in effect on such Interest Determination Date, the rate on such Floating Rate Note or Reset Note for the following Interest Reset Period shall be the Initial Interest Rate specified in the applicable Final Terms.

If two United States Treasury securities with an original maturity greater than the Designated CMT Maturity Index specified in the applicable Final Terms have remaining terms to maturity equally close to the particular Designated CMT Maturity Index, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

**“Designated CMT Maturity Index”** means the original period to maturity of the U.S. Treasury securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified in the applicable Final Terms with respect to which the CMT Rate will be calculated.

#### *Compounded Daily SONIA – Non-Index Determination*

With respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined on the basis of Compounded Daily SONIA and for which the applicable Final Terms specify “Index Determination” to be “Not Applicable”, the rate of interest for an Interest Accrual Period will, subject to “—*Benchmark discontinuation*”, if applicable, and as provided below, be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

**“Compounded Daily SONIA”** means with respect to an Interest Accrual Period, the rate of return of a daily compounded interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

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

where:

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

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

“*d<sub>o</sub>*” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Interest Accrual Period; or
- (ii) where “Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant 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, the first London Banking Day in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

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

“*n<sub>i</sub>*”, 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;

“**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 to (but excluding) the date falling “*p*” London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

“*p*” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Lag Period” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or
- (ii) where “Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Shift Period” in the applicable Final Terms (or, if no such number is specified, five London Banking Days);

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

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

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the London Banking Day falling “*p*” London Banking Days prior to the relevant London Banking Day “*i*”; or
- (ii) where “Shift” is specified as the Observation Method in the applicable Final Terms, the relevant London Banking Day “*i*”.

Subject to “– *Benchmark discontinuation*”, if, where any interest rate is to be calculated pursuant to the section “*Compounded Daily SONIA – Non-Index Determination*” above, in respect of any London Banking Day on which an applicable SONIA reference rate is required to be determined, such SONIA reference rate is not made

available on the Relevant Screen Page or has not otherwise been published by the relevant authorized distributors, then the SONIA reference rate in respect of such London Banking Day shall be the rate determined by the Calculation Agent as:

- (1) the sum of (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of 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
- (2) if the Bank Rate under (1)(i) above is not available at the relevant time, either (A) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorized distributors) for the first preceding London Banking Day in respect of which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorized distributors) or (B) if this is more recent, the latest rate determined under (1) above,

and, in each case, references to "SONIA reference rate" in the section "*Compounded Daily SONIA – Non-Index Determination*" above shall be construed accordingly.

In the event that the rate of interest cannot be determined in accordance with the foregoing provisions, and without prejudice to "*– Benchmark discontinuation*", the rate of interest shall be:

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

in each case as determined by the Calculation Agent.

#### *Compounded Daily SONIA – Index Determination*

With respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined on the basis of Compounded Daily SONIA and for which the applicable Final Terms specify "Index Determination" to be "Applicable", the interest rate for each Interest Accrual Period, subject to "*– Benchmark discontinuation*", if applicable, and as provided below, will be the Compounded Daily SONIA Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

"**Compounded Daily SONIA Rate**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the

calculation of interest) (expressed as a percentage and rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined by the Calculation Agent by reference to the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed on the Relevant Screen Page specified in the applicable Final Terms or, if no such page is so specified, or if such page (or the relevant rate to be published thereon) is unavailable at 10.00 a.m. (London time) (or, if later, one hour after the time at which the relevant rate is customarily published on such page), as otherwise published or displayed by such administrator or other information service from time to time on the relevant Interest Determination Date, (the “**SONIA Compounded Index**”) and in accordance with the following formula:

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

where:

“**d**” is the number of calendar days from (and including) the day in relation to which SONIA Compounded Index<sub>Start</sub> is determined to (but excluding) the day in relation to which SONIA Compounded Index<sub>End</sub> is determined;

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

“**Relevant Number**” is the number specified as such in the applicable Final Terms (or, if no such number is specified, five);

“**SONIA Compounded Index<sub>Start</sub>**” means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Accrual Period; and

“**SONIA Compounded Index<sub>End</sub>**” means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period).

If the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Compounded Daily SONIA Rate for the applicable Interest Accrual Period for which the SONIA Compounded Index is not available shall be “Compounded Daily SONIA” determined in accordance with “*Compounded Daily SONIA – Non-Index Determination*” above as if “Index Determination” were specified in the applicable Final Terms as being ‘Not Applicable’, and for these purposes: (i) the “Observation Method” shall be deemed to be “Shift” and (ii) the “Shift Period” shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Final Terms.

As used herein, an “**Interest Accrual Period**” means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Floating Rate Notes or Reset Notes becomes due and payable in accordance with “*Terms and Conditions of the Notes – Events of Default—Senior Preferred Notes*” or “*Terms and Conditions of the Notes – Events of Default—Subordinated Notes and Senior Non-Preferred Notes*” (as applicable), shall be the date on which such Floating Rate Notes become due and payable).

If the Floating Rate Notes or Reset Notes become due and payable in accordance with “*Terms and Conditions of the Notes – Events of Default—Senior Preferred Notes*” or “*Terms and Conditions of the Notes – Events of Default—Subordinated Notes and Senior Non-Preferred Notes*” (as applicable), the final rate of interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Floating Rate Notes or Reset Notes become so due and payable, and such rate of interest shall continue to apply to the Floating Rate Notes or Reset Notes for so long as interest continues to accrue thereon as provided in the Indenture.

## **SOFR**

### *Definitions*

“**Business Day**” has the meaning set forth in “—*Certain definitions*” and, if (i) the relevant Final Terms specify that the Interest Rate Basis is “Compounded Daily SOFR” and (ii) a SOFR Index Cessation Date has not occurred, a US Government Securities Business Day.

“**OBFR**” means, on an Interest Payment Date, the Overnight Bank Funding Rate that appears on the Federal Reserve's website at 5:00 p.m. (New York time) for trades made on the related Interest Determination Date;

“**OBFR Index Cessation Date**” means, following the occurrence of an OBFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Overnight Bank Funding Rate), ceases to publish the Overnight Bank Funding Rate, or the date as of which the Overnight Bank Funding Rate may no longer be used, in each case as certified in writing by the Issuer to the Calculation Agent.

“**OBFR Index Cessation Event**” means the occurrence of one or more of the following events:

- (i) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Overnight Bank Funding Rate) announcing that it has ceased or will cease to publish or provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate;
- (ii) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Overnight Bank Funding Rate) has ceased or will cease to provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate; or
- (iii) a public statement by a regulator or other official sector entity prohibiting the use of the Overnight Bank Funding Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as an “OBFR index cessation event” under the 2006 ISDA Definitions as published by ISDA.

“**SOFR**” means, with respect to any US Government Securities Business Day (and subject to “—*Benchmark discontinuation – II. Benchmark discontinuation provisions for SOFR notes*” if applicable), the rate determined in accordance with the following provisions:

- (i) the Secured Overnight Financing Rate that appears on the Federal Reserve's website at 3:00 p.m. (New York time) on the immediately following US Government Securities Business Day;
- (ii) if the rate specified in paragraph (i) above does not so appear, and a SOFR Index Cessation Event has not occurred, then the Calculation Agent shall use the Secured Overnight Financing Rate published on the Federal Reserve's website for the first preceding US Government Securities Business Day on which the Secured Overnight Financing Rate was published on the Federal Reserve's website;

- (iii) if a SOFR Index Cessation Date has occurred, the Calculation Agent shall calculate SOFR as if references to SOFR were references to the rate that was recommended as (and notified by the Issuer to the Calculation Agent being the replacement for the Secured Overnight Financing Rate by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for the Secured Overnight Financing Rate (which rate may be produced by a Federal Reserve Bank or other designated administrator, and which rate may include any adjustments or spreads)). If no such rate has been recommended within one US Government Securities Business Day of the SOFR Index Cessation Date, then the Calculation Agent shall use OBFR published on the Federal Reserve's website for any Interest Payment Date after the SOFR Index Cessation Date; and
- (iv) if the Calculation Agent is required to use OBFR in paragraph (iii) above and an OBFR Index Cessation Date has occurred, then for any Interest Payment Date after such OBFR Index Cessation Date, the Calculation Agent shall use the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's website, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range).

**“SOFR Index Cessation Date”** means, following the occurrence of a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Secured Overnight Financing Rate), ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used, in each case as certified in writing by the Issuer to the Calculation Agent.

**“SOFR Index Cessation Event”** means the occurrence of one or more of the following events:

- (i) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) announcing that it has ceased or will cease to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate;
- (ii) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate; or
- (iii) a public statement by a regulator or other official sector entity prohibiting the use of the Secured Overnight Financing Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as a "SOFR index cessation event" under the 2006 ISDA Definitions as published by ISDA.

**“SOFR Reset Date”** means each US Government Securities Business Day in the relevant Interest Accrual Period, other than any US Government Securities Business Day in the Lock-out Period

**“US Government Securities Business Day”** means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US government securities.

### *Compounded Daily SOFR – Non-Index Determination*

With respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined on the basis of Compounded Daily SOFR and for which the applicable Final Terms specify “*Index Determination*” to be “*Not Applicable*”, the Rate of Interest for each Interest Accrual Period, subject as provided below, will be Compounded Daily SOFR plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

“**Compounded Daily SOFR**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the Secured Overnight Financing Rate as the interest rate basis for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

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

- (i) (where in the applicable Final Terms “Lag” or “Lock-out” is specified as the Observation Method) the relevant Interest Accrual Period; or
- (ii) (where in the applicable Final Terms “Shift” is specified as the Observation Method) the relevant SOFR Observation Period;

“**d<sub>0</sub>**” means:

- (i) (where in the applicable Final Terms “Lag” or “Lock-out” is specified as the Observation Method) for any Interest Accrual Period, the number of US Government Securities Business Days in the relevant Interest Accrual Period; or
- (ii) (where in the applicable Final Terms “Shift” is specified as the Observation Method) for any SOFR Observation Period, the number of US Government Securities Business Days in the relevant SOFR Observation Period;

“**i**” is a series of whole numbers from 1 to ‘d<sub>0</sub>’, each representing the relevant US Government Securities Business Day in chronological order from, and including, the first US Government Securities Business Day in:

- (i) (where in the applicable Final Terms “Lag” or “Lock-out” is specified as the Observation Method) the relevant Interest Accrual Period; or
- (ii) (where in the applicable Final Terms “Shift” is specified as the Observation Method) the relevant SOFR Observation Period;

“**Lock-out Period**” means the period from (and including) the day following the Interest Determination Date to (but excluding) the corresponding Interest Payment Date;

“**New York Fed’s Website**” means the website of the Federal Reserve Bank of New York (or a successor administrator of SOFR) or any successor source;

“**n<sub>i</sub>**” for any US Government Securities Business Day ‘i’, means the number of calendar days from (and including) such US Government Securities Business Day ‘i’ up to (but excluding) the following US Government Securities Business Day;

**“p”** means:

- (i) where in the applicable Final Terms “Lag” is specified as the Observation Method, the number of US Government Securities Business Days specified as the “Lag Period” in the applicable Final Terms (or, if no such number is so specified, five US Government Securities Business Days and, if less than five US Government Securities Business Days is so specified, then only with prior agreement of the Calculation Agent); or
- (ii) where in the applicable Final Terms “Lock-out” is specified as the Observation Method, zero US Government Securities Business Days; or
- (iii) where in the applicable Final Terms “Shift” is specified as the Observation Method, the number of US Government Securities Business Days specified as the “Shift Period” in the applicable Final Terms (or, if no such number is specified, five US Government Securities Business Days and, if less than five US Government Securities Business Days is so specified, then only with prior agreement of the Calculation Agent);

**“SOFR<sub>i</sub>”** means the SOFR for:

- (i) where in the applicable Final Terms “Lag” is specified as the Observation Method, the US Government Securities Business Day falling p US Government Securities Business Days prior to the relevant US Government Securities Business Day ‘i’;
- (ii) where in the applicable Final Terms “Lock-out” is specified as the Observation Method:
  - (a) in respect of each US Government Securities Business Day ‘i’ that is a SOFR Reset Date, the SOFR for the US Government Securities Business Day immediately preceding such SOFR Reset Date; and
  - (b) in respect of each US Government Securities Business Day ‘i’ that is not a SOFR Reset Date (being a US Government Securities Business Day in the Lock-out Period), the SOFR for the US Government Securities Business Day immediately preceding the last SOFR Reset Date in the relevant Interest Accrual Period (such last SOFR Reset Date coinciding with the Interest Determination Date); or
- (iii) where in the applicable Final Terms “Shift” is specified as the Observation Method, the relevant US Government Securities Business Day ‘i’; and

**“SOFR Observation Period”** means the period from (and including) the date falling ‘p’ US Government Securities Business Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling ‘p’ US Government Securities Business Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due.

#### *Average SOFR*

With respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined on the basis of Average SOFR, the Rate of Interest for each Interest Accrual Period will be Average SOFR plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent as at the relevant Interest Determination Date (and rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards).

**“Average SOFR”**, in relation to any Interest Accrual Period, means:

- (a) where in the applicable Final Terms “Lag” is specified as the Observation Method, the arithmetic mean of the SOFR in effect for each calendar day during the relevant SOFR

Observation Period, calculated by multiplying each relevant SOFR by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant SOFR Observation Period. For these purposes, the SOFR in effect for any calendar day which is not a US Government Securities Business Day shall be deemed to be the SOFR in effect for the US Government Securities Business Day immediately preceding such calendar day; and

- (b) where in the applicable Final Terms “Lock-out” is specified as the Observation Method, the arithmetic mean of the SOFR in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying each relevant SOFR by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Accrual Period, provided however that for any calendar day of such Interest Accrual Period falling in the Lock-out Period, the relevant SOFR for each day during that Lock-out Period will be deemed to be the SOFR in effect for the SOFR Reset Date immediately preceding the first day of such Lock-out Period. For these purposes, the SOFR in effect for any calendar day which is not a US Government Securities Business Day shall, subject to the proviso above, be deemed to be the SOFR in effect for the US Government Securities Business Day immediately preceding such calendar day.

Defined terms used in this section “*Average SOFR*” and not otherwise defined herein have the meanings set out under the section entitled “*Compounded Daily SOFR*” above.

#### *SOFR Unavailable*

Subject to “*Benchmark discontinuation*” below, if, where any rate of interest is to be calculated pursuant to the sections “*Compounded Daily SOFR – Non-Index Determination*” or “*Average SOFR*” above, in respect of any US Government Securities Business Day in respect of which an applicable SOFR is required to be determined, such SOFR is not available, such SOFR shall be the SOFR for the first preceding US Government Securities Business Day in respect of which the SOFR was published on the New York Fed’s Website.

In the event that the rate of interest cannot be determined in accordance with the foregoing provisions of the sections “*Compounded Daily SOFR – Non-Index Determination*” or “*Average SOFR*” above, but without prejudice to “*Benchmark discontinuation*” below, the rate of interest shall be calculated in accordance, *mutatis mutandis*, with the fallback provisions of paragraphs A. and B. of the section “*Compounded Daily SONIA – Non-Index Determination*” above.

#### *Compounded Daily SOFR – Index Determination*

With respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined on the basis of Compounded Daily SOFR and for which the applicable Final Terms specify “*Index Determination*” to be “Applicable”, the Rate of Interest for each Interest Accrual Period, subject as provided below, will be Compounded SOFR plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

“**Compounded SOFR**” means, with respect to an Interest Accrual Period, the rate determined by the Calculation Agent in accordance with the following formula (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

where:

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

“**d<sub>c</sub>**” is the number of calendar days from (and including) the day in relation to which SOFR Index<sub>Start</sub> is determined to (but excluding) the day in relation to which SOFR Index<sub>End</sub> is determined;

“**Relevant Number**” is the number specified as such in the applicable Final Terms (or, if no such number is specified, five and, if less than five is so specified, then only with prior agreement of the Calculation Agent);

“**SOFR**” means the daily secured overnight financing rate as provided by the SOFR Administrator on the SOFR Administrator’s Website;

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

“**SOFR Administrator’s Website**” means the website of the SOFR Administrator, or any successor source;

“**SOFR Index**”, with respect to any US Government Securities Business Day, means the SOFR index value as published by the SOFR Administrator as such index appears on the SOFR Administrator’s Website at or around 3.00 p.m. (New York time) on such US Government Securities Business Day (the “**SOFR Determination Time**”);

“**SOFR Index<sub>Start</sub>**”, with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of US Government Securities Business Days preceding the first day of such Interest Accrual Period; and

“**SOFR Index<sub>End</sub>**”, with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of US Government Securities Business Days preceding (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period).

If, as at any relevant SOFR Determination Time, the relevant SOFR Index is not published or displayed on the SOFR Administrator’s Website by the SOFR Administrator, the Compounded SOFR for the applicable Interest Accrual Period for which the relevant SOFR Index is not available shall be “Compounded Daily SOFR” determined in accordance the section entitled “*Compounded Daily SOFR – Non-Index Determination*” above as if “*Index Determination*” were specified in the applicable Final Terms as being ‘*Not Applicable*’, and for these purposes: (i) the “*Observation Method*” shall be deemed to be “*Shift*” and (ii) the “*Shift Period*” shall be deemed to be equal to the Relevant Number of US Government Securities Business Days, as if such alternative elections had been made in the applicable Final Terms.

#### EURIBOR

“**EURIBOR**” means (subject to “—*Benchmark discontinuation*” if applicable) the rate determined in accordance with the following provisions:

- (1) With respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined with reference to EURIBOR, EURIBOR will be the rate for deposits in euro for a period of the Index Maturity as specified in such Final Terms commencing on the applicable Interest Reset Date, that appears on the Designated EURIBOR Page as of 11:00 A.M., Brussels time, on such Interest Determination Date; or if no such rate so appears, EURIBOR on such Interest Determination Date will be determined in accordance with the provisions described in clause (2) below.
- (2) With respect to an Interest Determination Date on which no rate appears on the Designated EURIBOR Page as specified in clause (1) above, the Calculation Agent will request the principal Eurozone office of each of four major reference banks (which may include affiliates of the Placement Agents) in the Eurozone interbank market, as selected by the Calculation Agent (after consultation with us), to provide the Calculation Agent with its offered quotation for deposits in euro for the period of the Index Maturity specified in the applicable Final Terms commencing on the applicable Interest Reset Date, to prime banks in the Eurozone interbank market at approximately 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date and in a principal amount that is representative for a single transaction in euro in such market at such time. If at least two such quotations are so provided, then EURIBOR on such

Interest Determination Date will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, then EURIBOR on such Interest Determination Date will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such Interest Determination Date by three major banks (which may include affiliates of the Placement Agents) in the Eurozone selected by the Calculation Agent (after consultation with us) for loans in euro to leading European banks, having the Index Maturity specified in the applicable Final Terms commencing on that Interest Reset Date and in a principal amount that is representative for a single transaction in euro in such market at such time; provided, however, that if the banks so selected by the Calculation Agent are not quoting as mentioned in this sentence, EURIBOR determined as of such Interest Determination Date will be EURIBOR in effect on such Interest Determination Date, or, if no EURIBOR was in effect on such Interest Determination Date, the rate on such Floating Rate Note or Reset Note for the following Interest Reset Period shall be the Initial Interest Rate specified in the applicable Final Terms or, in the case of notes with an Interest Basis that converts from a fixed rate to a floating rate, the fixed rate applicable to such notes immediately prior to the conversion of the Interest Basis.

**“Designated EURIBOR Page”** means the display on the page specified in the applicable Final Terms for the purpose of displaying the Eurozone interbank rates of major banks for the euro; provided, however, if no such page is specified in the applicable Final Terms, the display on Reuters (or any successor service) on the EURIBOR 01 page (or any other page as may replace such page on such service) shall be used.

**“Eurozone”** means the region comprised of member states of the European Union that have adopted the single currency in accordance with the Treaty on European Union signed at Maastricht on February 7, 1992.

#### *Federal Funds Rate*

**“Federal Funds Rate”** means, with respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined with reference to the Federal Funds Rate (and subject to “*Benchmark discontinuation*” if applicable), the rate on such date for U.S. dollar federal funds as published in H.15 opposite the heading “Federal Funds (Effective),” as such rate is displayed on Reuters (or any successor service) on page FEDFUNDS 1 (or any other page as may replace such page) (**“Reuters Page FEDFUNDS 1”**), or, if such rate does not appear on Reuters Page FEDFUNDS 1 or is not so published by 5:00 p.m., New York City time, on the related Calculation Date, the rate on such Interest Determination Date for U.S. dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “Federal Funds (Effective).” If such rate does not appear on Reuters Page FEDFUNDS 1 or is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 5:00 p.m. New York City time on the related Calculation Date, then the Federal Funds Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar federal funds transactions in New York City (which may include the Placement Agents or their affiliates) selected by the Calculation Agent (after consultation with us) prior to 9:00 a.m., New York City time, on such Interest Determination Date; provided, however, that if the brokers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Rate determined as of such Interest Determination Date will be the Federal Funds Rate in effect on such Interest Determination Date, or, if no Federal Funds Rate was in effect on such Interest Determination Date, the rate on such Floating Rate Note or Reset Note for the following Interest Reset Period shall be the Initial Interest Rate specified in the applicable Final Terms.

#### *Prime Rate*

**“Prime Rate”** means, with respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined with reference to the Prime Rate (and subject to “*Benchmark discontinuation*” if applicable), the rate on such date as such rate is published in H.15 opposite the caption “Bank Prime Loan” or, if not published by 5:00 p.m., New York City time, on the day that is one New York City Banking Day following the Interest Reset Date pertaining to such Interest Determination Date, the rate on such Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source

used for the purpose of displaying such rate, opposite the caption “Bank Prime Loan.” If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 5:00 p.m. New York City time on the day that is one New York City Banking Day following the Interest Reset Date pertaining to such Interest Determination Date, then the Prime Rate shall be the arithmetic mean, as determined by the Calculation Agent, of the rates of interest publicly announced by three major banks (which may include affiliates of the Placement Agents) in New York City selected by the Calculation Agent (after consultation with us) as the U.S. dollar prime rate or base lending rate in effect for such Interest Determination Date. (Each change in the prime rate or base lending rate of any bank so announced by such bank will be effective as of the effective date of the announcement or, if no effective date is specified, as of the date of the announcement.) If fewer than three major banks (which may include affiliates of the Placement Agents) so selected in New York City have publicly announced a U.S. dollar prime rate or base lending rate for such Interest Determination Date, the Prime Rate with respect to such Interest Determination Date shall be the rate in effect on such Interest Determination Date, or, if no Prime Rate was in effect on such Interest Determination Date, the rate on such Floating Rate Note or Reset Note for the following Interest Reset Period shall be the Initial Interest Rate specified in the applicable Final Terms.

#### *Treasury Rate*

“**Treasury Rate**” means, with respect to any Interest Determination Date relating to a Floating Rate Note or Reset Note for which the interest rate is determined by reference to the Treasury Rate (and subject to “—*Benchmark discontinuation*” if applicable), the rate from the auction held on such Interest Determination Date (the “**Auction**”) of direct obligations of the United States (“**Treasury Bills**”) having the Index Maturity specified in the applicable Final Terms under the caption “INVEST RATE” on the display on Reuters (or any successor service) on page USAUCTION 10 (or any other page as may replace such page) (“**USAUCTION 10**”) or page USAUCTION 11 (or any other page as may replace such page) (“**USAUCTION 11**”) or, if not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as defined below) of the rate for such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “U.S. Government Securities/Treasury Bills/Auction High” or, if not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of such Treasury Bills as announced by the U.S. Department of the Treasury. In the event that the auction rate of Treasury Bills having the Index Maturity specified in the applicable Final Terms is not so announced by the U.S. Department of the Treasury, or if no such Auction is held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on such Interest Determination Date of Treasury Bills having the Index Maturity specified in the applicable Final Terms as published in H.15 under the caption “U.S. Government Securities/Treasury Bills/Secondary Market” or, if not yet published by 3:00 p.m., New York City time, on the related Calculation Date, the rate on such Interest Determination Date of such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “U.S. Government Securities/Treasury Bills/Secondary Market.” If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source, then the Treasury Rate will be calculated by the Calculation Agent and will be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on such Interest Determination Date, of three primary U.S. government securities dealers (which may include the Placement Agents or their affiliates) selected by the Calculation Agent (after consultation with us), for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified in the applicable Final Terms; provided, however, that if the dealers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Treasury Rate determined as of such Interest Determination Date will be the Treasury Rate in effect on such Interest Determination Date, or, if no Treasury Rate was in effect on such Interest Determination Date, the rate on such Floating Rate Note or Reset Note for the following Interest Reset Period shall be the Initial Interest Rate specified in the applicable Final Terms.

“**Bond Equivalent Yield**” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N \times 100}{360 - (D \times M)}$$

where “**D**” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis, “**N**” refers to 365 or 366, as the case may be, and “**M**” refers to the actual number of days in the applicable Interest Reset Period.

*Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be less than such Minimum Rate of Interest and/or if it specifies a Maximum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be greater than such Maximum Rate of Interest.

The interest rate on Floating Rate Notes or Reset Notes will in no event be higher than the maximum rate permitted by New York law, as the same may be modified, or other applicable law.

Unless the applicable Final Terms specifies otherwise, the Minimum Rate of Interest for any Interest Period (or other Interest Accrual Period) in respect of any note shall be deemed to be nil.

*Determination of Rate of Interest and calculation of Interest Amount; Percentages*

The Calculation Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period (or other Interest Accrual Period).

The Calculation Agent will calculate the amount of interest (each an “**Interest Amount**”) for the relevant Interest Period (or other Interest Accrual Period). Each Interest Amount shall be calculated by applying the Rate of Interest to the aggregate outstanding nominal amount of the notes and multiplying such sum by the Day Count Fraction specified in the applicable Final Terms. The resultant figure will be rounded as follows (or otherwise in accordance with applicable market convention):

- (i) all United States Dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up);
- (ii) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen; and
- (iii) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

All percentages resulting from any calculation on Floating Rate Notes or Reset Notes will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five or more one millionths of a percentage point rounded upwards (e.g., 9.876545% (or 0.09876545) would be rounded to 9.87655% (or 0.0987655)).

*Notification of Rate of Interest and Interest Amounts*

Except where the Interest Rate Basis in respect of the Floating Rate Notes or Reset Notes is specified in the applicable Final Terms as being “*Compounded Daily SONIA – Non-Index Determination*”, “*Compounded Daily SONIA – Index Determination*”, “*Compounded Daily SOFR – Non-Index Determination*”, “*Average SOFR*” or “*Compounded Daily SOFR –Index Determination*”, the Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to us, to the Trustee and to any listing authority, stock exchange and/or quotation system to which the Floating Rate Notes or Reset Notes have then been admitted to listing, trading and/or quotation and to be published as soon as possible after their determination but in no event later than the fourth Business Day thereafter. Each Interest

Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment or alternative arrangements will promptly be notified to each listing authority, stock exchange and/or quotation system to which the Floating Rate Notes or Reset Notes have then been admitted to listing, trading and/or quotation and to the holders in accordance with the Indenture.

Where the Interest Rate Basis in respect of the relevant Floating Rate Notes or Reset Notes is specified in the applicable Final Terms as being “*Compounded Daily SONIA – Non-Index Determination*”, “*Compounded Daily SONIA – Index Determination*”, “*Compounded Daily SOFR – Non-Index Determination*”, “*Average SOFR*” or “*Compounded Daily SOFR –Index Determination*”, the Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Accrual Period and the relevant Interest Payment Date to be notified to the Issuer and the Trustee and to any listing authority, stock exchange and/or quotation system to which the Floating Rate Notes or Reset Notes have then been admitted to listing, trading and/or quotation and to be published as soon as possible after their determination but in no event later than the second Business Day thereafter. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the relevant Interest Accrual Period. Any such amendment or alternative arrangements will promptly be notified to each listing authority, stock exchange and/or quotation system to which the Floating Rate Notes or Reset Notes have then been admitted to listing, trading and/or quotation and to the holders in accordance with the Indenture.

#### *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this subsection, whether by the Paying Agent or the Calculation Agent or the Trustee, shall (in the absence of manifest error) be binding on us, the Paying Agent, the Calculation Agent, the Trustee, any other paying agents and all holders and (in the absence of willful default, bad faith or manifest error) no liability to us or the holders shall attach to the Paying Agent, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions pursuant to such provisions.

### **Benchmark discontinuation**

#### *I. Benchmark discontinuation provisions for all notes other than SOFR notes*

The provisions contained in this subsection “*Benchmark discontinuation – I. Benchmark discontinuation provisions for all notes other than SOFR notes*” are applicable to all notes other than Floating Rate Notes or Reset Notes (other than Reset Notes which reset only once) whose interest basis is SOFR. These provisions “*Benchmark discontinuation*” apply only if “*Benchmark Replacement*” is specified to be applicable in the applicable Final Terms.

If a Benchmark Event occurs in relation to an Original Reference Rate (other than in relation to a Benchmark Event occurring in relation to SOFR, in which case the terms set forth in “*Benchmark discontinuation – II. Benchmark discontinuation provisions for SOFR notes*” shall apply) at any time when any rate of interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions shall apply.

#### *Independent Adviser*

We shall use reasonable endeavors to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to our determining a Successor Rate, failing which an Alternative Rate and, in either case, the applicable Adjustment Spread and any Benchmark Amendments.

If, notwithstanding our reasonable endeavors, we are unable to appoint and consult with an Independent Adviser in accordance with the foregoing paragraph, we shall nevertheless be entitled, acting in good faith and in

a commercially reasonable manner, to make any and all determinations expressed to be made by us pursuant to this provision “—*Benchmark discontinuation*”, notwithstanding that such determinations are not made following consultation with an Independent Adviser. If, however, we are unable to determine a Successor Rate or an Alternative Rate and (in either case) the applicable Adjustment Spread and any Benchmark Amendments in accordance with this provision “—*Benchmark discontinuation*”, the provisions of “—*Benchmark discontinuation – Fallbacks*” below shall apply.

An Independent Adviser appointed pursuant to this provision “—*Benchmark discontinuation*” shall act in good faith. In the absence of bad faith or fraud, neither we nor any Independent Adviser shall have any liability whatsoever to the Trustee, the Paying Agents, any calculation agent or the noteholders for any determination made by us or any Independent Adviser or (in the case of the Independent Adviser) for any advice given to us in connection with any determination made by us.

#### *Successor Rate or Alternative Rate*

If we, following consultation with such Independent Adviser (if appointed), determine in good faith that:

- (a) there is a Successor Rate, then such Successor Rate, as adjusted by the applicable Adjustment Spread determined as provided below under “*Adjustment Spread*”, shall subsequently be used in place of the Original Reference Rate to determine the relevant rate(s) of interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the notes (subject to the further operation of this provision “—*Benchmark discontinuation*”); or
- (b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate as adjusted by the applicable Adjustment Spread determined as provided below under “*Adjustment Spread*”, shall subsequently be used in place of the Original Reference Rate to determine the relevant rate(s) of interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the notes (subject to the further operation of this provision “—*Benchmark discontinuation*”).

#### *Adjustment Spread*

If a Successor Rate or Alternative Rate is determined in accordance with the foregoing provisions, we, following consultation with the Independent Adviser (if appointed) will determine in good faith the Adjustment Spread to be applied to such Successor Rate or Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

#### *Benchmark Amendments*

If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this provision “—*Benchmark discontinuation*” and we, following consultation with the Independent Adviser (if appointed) determine in good faith (A) that amendments to these terms and conditions and/or the Indenture (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days, Reset Determination Date, or Relevant Screen Page) are necessary to ensure the proper operation (having regard to prevailing market practice, if any) of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (B) the terms of the Benchmark Amendments, then (subject to “—*Regulatory capital / eligible liabilities*” below) we shall, subject to giving notice thereof in the manner specified below, without any requirement for the consent or approval of noteholders, vary these terms and conditions and/or the Indenture to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At our request, but subject to receipt by the Trustee of a certificate signed by two of our authorized signatories pursuant to the provisions below, the Trustee shall (at our expense), without any requirement for the consent or approval of the noteholders, be obliged to concur with us in effecting any Benchmark Amendments

(including, *inter alia*, by the execution of a deed supplemental to or amending the Indenture) and the Trustee shall not be liable to any party for any consequences thereof, provided that the Trustee shall not be obliged so to concur if in the sole opinion of the Trustee doing so would (i) expose the Trustee, the Calculation Agent or the Paying Agent, as applicable, to any liability against which the relevant entity has not been indemnified or secured or pre-funded to its satisfaction or (ii) impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend rights and/or the protective provisions afforded to the Trustee in these terms and conditions or the Indenture (including, for the avoidance of doubt, any supplemental indenture) in any way.

In connection with any such variation in accordance with this provision “—*Benchmark discontinuation*”, we shall comply with the rules of any stock exchange on which the notes are for the time being listed or admitted to trading.

*Notices, etc.*

We shall notify the Trustee, the Calculation Agent, the Paying Agents and, in accordance with this subsection “—*Notices, etc.*”, the noteholders, promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this section “—*Benchmark discontinuation*”. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, we shall deliver to the Trustee a certificate signed by two authorized signatories:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this section “—*Benchmark discontinuation*”;
- (b) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread; and
- (c) certifying that (i) we have duly consulted with an Independent Adviser with respect to each of the matters above or, if that is not the case, (ii) explaining, in reasonable detail, why we have not done so.
- (d) The Trustee shall be entitled to rely on such certificate (without inquiry or liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee’s ability to rely on such certificate as aforesaid) be binding on us, the Trustee, the Calculation Agent, the Paying Agents and the noteholders.

*Survival of Original Reference Rate*

Without prejudice to our obligations under the provisions of this section “—*Benchmark discontinuation*”, the Original Reference Rate and the fallback provisions provided for in “*Interest—Interest on Floating Rate Notes*” and “*Interest—Interest on Reset Notes*”, as applicable, will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be) and (in either case) of the applicable Adjustment Spread and the relevant Benchmark Amendments (if any).

### *Regulatory capital / eligible liabilities*

Notwithstanding any other provision of this section “—*Benchmark discontinuation*”, no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor will any Benchmark Amendments be effected, if and to the extent that, in our determination, the same could reasonably be expected either (i) to prejudice the qualification of the relevant series of notes as Tier 2 Capital and/or as eligible liabilities or loss absorbing capacity instruments for the purposes of any Loss Absorption Regulations or (ii) (in the case of Senior Non-Preferred Notes only) to result in the relevant Supervisory Authority treating the Interest Payment Date or the Reset Date, as the case may be, as the effective maturity date of the notes, rather than the relevant maturity date.

### *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date or Reset Determination Date (as applicable), no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this provision or (as the case may be) a Successor Rate or Alternative Rate (as applicable) is determined, but no Adjustment Spread is determined pursuant to this provision, the original benchmark or screen rate (as applicable) will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date or Reset Determination Date (as the case may be), with the effect that the fallback provisions provided in “*Interest—Interest on Floating Rate Notes*” or “*Interest—Interest on Reset Notes*”, as applicable, will continue to apply to such determination.

In such circumstances, we will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of “—*Benchmark discontinuation*”, *mutatis mutandis*, on one or more occasions until a Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and any Benchmark Amendments have been determined and notified in accordance with this provision “—*Benchmark discontinuation*” (and, until such determination and notification (if any), the fallback provisions provided in “*Interest—Interest on Floating Rate Notes*” or “*Interest—Interest on Reset Notes*”, as applicable, will continue to apply).

Our intention is that, in circumstances where we have been unable to determine a Successor Rate or Alternative Rate (as applicable) and (in either case) Adjustment Spread pursuant the provision “—*Benchmark discontinuation*”, we will elect to re-apply such provisions if and when, in our sole determination, there have been such subsequent developments (whether in applicable law, market practice or otherwise) as would enable us successfully to apply such provisions and determine a Successor Rate or Alternative Rate (as applicable) and (in either case) the applicable Adjustment Spread and the applicable Benchmark Amendments (if any).

### *Preparation in anticipation of a Benchmark Event*

If we anticipate that a Benchmark Event will or may occur, nothing in these provisions shall prevent us (in our sole discretion) from taking, prior to the occurrence of such Benchmark Event, such actions as we consider expedient in order to prepare for applying the provisions of “—*Benchmark discontinuation*” (including, without limitation, appointing and consulting with an Independent Adviser, and seeking to identify any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments), provided that no Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments will take effect until the relevant Benchmark Event has occurred.

### *Definitions*

In this subsection “—*I. Benchmark discontinuation provisions for all notes other than SOFR notes*”:

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

- (a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

- (b) in the case of an Alternative Rate (or in the case of a Successor Rate where (a) above does not apply), we, following consultation with the Independent Adviser (if appointed) and acting in good faith, determine is in customary market usage (or reflects an industry-accepted rate, formula or methodology) in the international debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate (or, as the case may be, the Successor Rate); or
- (c) if no such recommendation or option has been made (or made available) under (a) above and if we, following consultation with the Independent Adviser (if appointed), determine there is no such spread, formula or methodology in customary market usage or which is industry-accepted under (b) above, we, in our discretion, following consultation with the Independent Adviser (if appointed) and acting in good faith and in a commercially reasonable manner, determine to be appropriate having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the noteholders;

**“Alternative Rate”** means an alternative benchmark or screen rate which we, following consultation with the Independent Adviser (if appointed), determine in accordance with this section “—*Benchmark discontinuation*” has replaced the Original Reference Rate in customary market usage, or is an industry-accepted rate, in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the notes;

**“Benchmark Event”** means, with respect to an Original Reference Rate, any one or more of the following:

- (a) the Original Reference Rate ceasing to exist or to be published or administered on a permanent or indefinite basis;
- (b) the making of a public statement by the administrator of the Original Reference Rate that it has ceased or will cease to publish the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate);
- (c) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued;
- (d) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will be prohibited from being used, is no longer (or will no longer be) representative of its underlying market or that its use will be subject to restrictions or adverse consequences, in each case in circumstances where the same shall be applicable to the notes; or
- (e) it has or will prior to the next Interest Determination Date or Reset Determination Date, as applicable, become unlawful for us, the Calculation Agent, or any Paying Agent to calculate any payments due to be made to any noteholder using the Original Reference Rate (including, without limitation, under Regulation (EU) 2016/1011 as that Regulation applies in the European Union and/or as it forms part of United Kingdom domestic law),

provided that in the case of paragraphs (b) to (d) above, the Benchmark Event shall occur on:

- (i) in the case of (b) above, the date of the cessation of the publication of the Original Reference Rate;
- (ii) in the case of (c) above, the discontinuation of the Original Reference Rate; or

- (iii) in the case of (d) above, the date on which the Original Reference Rate is prohibited from use, is deemed no longer to be representative or becomes subject to restrictions or adverse consequences (as applicable),

and not (in any such case) the date of the relevant public statement (unless the date of the relevant public statement coincides with the relevant date in (i), (ii) or (iii) above, as applicable).

**“Original Reference Rate”** means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant rate of interest (or any relevant component part(s) thereof) on the notes (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term “Original Reference Rate” shall be deemed to include any such Successor Rate or Alternative Rate);

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

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof; and

**“Successor Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

## *II. Benchmark discontinuation provisions for SOFR notes*

The provisions contained in this subsection *“—Benchmark discontinuation —II. Benchmark discontinuation provisions for SOFR notes”* are applicable to all notes Floating Rate Notes or Reset Notes (other than Reset Notes which reset only once) whose interest basis are SOFR. These provisions *“—Benchmark discontinuation”* apply only if *“Benchmark Replacement”* is specified to be applicable in the applicable Final Terms.

Notwithstanding the provisions of *“—Benchmark discontinuation—I. Benchmark discontinuation provisions for all notes other than SOFR notes”* above, if the Issuer determines on or prior to the relevant Interest Determination Date that a Benchmark Transition Event has occurred with respect to SOFR, then the following provisions shall apply.

- (a) If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date applicable to any SOFR notes, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to any SOFR notes in respect of such determination on such date and all determinations on all subsequent dates.
- (b) In connection with the implementation of a Benchmark Replacement with respect to any SOFR notes, the Issuer will have the right to make Benchmark Replacement Conforming Changes with respect to any SOFR notes from time to time.
- (c) At our request, but subject to receipt by the Trustee of a certificate signed by two of our authorized signatories pursuant to the provisions below, the Trustee shall (at our expense), without any requirement for the consent or approval of the noteholders, be obliged to concur

with us in effecting any Benchmark Replacement Conforming Changes (including, inter alia, by the execution of a deed supplemental to or amending the Indenture) and the Trustee shall not be liable to any party for any consequences thereof, provided that the Trustee shall not be obliged so to concur if in the sole opinion of the Trustee doing so would (i) expose the Trustee, the Calculation Agent or the Paying Agent, as applicable, to any liability against which the relevant entity has not been indemnified or secured or pre-funded to its satisfaction or (ii) impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend rights and/or the protective provisions afforded to the Trustee in these terms and conditions or the Indenture (including, for the avoidance of doubt, any supplemental indenture) in any way.

- (d) In connection with any such variation in accordance with the provisions in this subsection, we shall comply with the rules of any stock exchange on which the notes are for the time being listed or admitted to trading.
- (e) We shall notify the Trustee, the Calculation Agent, the Paying Agents and, in accordance with the sub-section “-Notices, etc.”, the noteholders, promptly of any Benchmark Replacement and Benchmark Replacement Adjustment as well the specific terms of any Benchmark Replacement Conforming Changes, determined pursuant to the provisions of this subsection. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Replacement Conforming Changes, if any.
- (f) No later than notifying the Trustee of the same, we shall deliver to the Trustee a certificate signed by two authorized signatories:
  - (1) confirming (i) that a Benchmark Transition Event has occurred, (ii) the Benchmark Replacement, (iii) the applicable Benchmark Replacement Adjustment and (iv) the specific terms of the Benchmark Replacement Conforming Changes (if any), in each case as determined in accordance with the provisions of this sub section; and
  - (2) certifying that the Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and the applicable Benchmark Replacement Adjustment.
- (b) The Trustee shall be entitled to rely on such certificate (without inquiry or liability to any person) as sufficient evidence thereof. The Benchmark Replacement and the applicable Benchmark Replacement Adjustment and Benchmark Replacement Conforming Changes (if any) specified in such certificate will (in the absence of manifest error in the determination of the Benchmark Replacement and the applicable Benchmark Replacement Adjustment and the Benchmark Replacement Conforming Changes (if any) and without prejudice to the Trustee’s ability to rely on such certificate as aforesaid) be binding on us, the Trustee, the Calculation Agent, the Paying Agents and the noteholders.
- (c) Notwithstanding the definitions of business day, OBFR, OBFR Index Cessation Date, OBFR index cessation event, SOFR, SOFR Index Cessation Date, SOFR Index Cessation Event, and US Government Securities Business Day set out above, the following definitions shall apply with respect to this section titled “- II. Benchmark discontinuation provisions for SOFR notes”:

“**Benchmark**” means, initially, SOFR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement.

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

- (1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
- (2) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment;
- (3) the sum of: (a) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for any SOFR notes, as applicable, at such time and (b) the Benchmark Replacement Adjustment.

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

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected, endorsed or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for any SOFR notes at such time.

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes with respect to any SOFR notes (including changes to the definition of "interest period", timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the interest period and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement with respect to any SOFR notes in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary).

**“Benchmark Replacement Date”** means:

- (1) in the case of paragraph (1) or (2) of the definition of "Benchmark Transition Event" below, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the relevant Benchmark permanently or indefinitely ceases to provide such Benchmark, or
- (2) in the case of paragraph (3) of the definition of "Benchmark Transition Event" below, the date of the public statement or publication of information;

provided, however, that on or after the 60th day preceding the date on which such Benchmark Replacement Date would otherwise occur (if applicable), the Issuer may give written notice to holders of any SOFR notes in which the Issuer designates an earlier date (but not earlier than the 30th day following such notice) and represents that such earlier date will facilitate an orderly transition of any SOFR notes to the Benchmark Replacement, in which case such earlier date shall be the Benchmark Replacement Date.

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

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the then-current Benchmark:

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

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

**“Federal Reserve Bank of New York's website”** means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source (for the avoidance of doubt, this website (and/or any successor source) and the contents thereof do not form part of this base prospectus).

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

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

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

**“Reference Time”** with respect to any determination of the Benchmark means (1) if the Benchmark is SOFR, 2:00 p.m. (London time) on the day that is two London Banking Days preceding the date of such determination and (2) if the Benchmark is not SOFR, the time determined by the Issuer in accordance with the Benchmark Replacement Conforming Changes.

**“Relevant Governmental Body”** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

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

- (a) To the extent that there is any inconsistency between the conditions set out in this subsection titled “– II. Benchmark discontinuation provisions for SOFR notes” and any provisions in this section “– Terms and Conditions of the Notes”, the statements in this subsection shall prevail with respect to any SOFR notes.
- (b) Nothing in this subsection titled “– II. Benchmark discontinuation provisions for SOFR notes” affects the rights of the noteholders other than any SOFR notes.
- (c) For the avoidance of doubt, the Issuer may propose that a Benchmark Replacement replace the then-current Benchmark and any Benchmark Replacement Conforming Changes on more than one occasion provided that the conditions set out in this subsection titled “– II. Benchmark discontinuation provisions for SOFR notes” are satisfied.

### **Additional Notes**

We may issue additional notes of a series having identical terms to that of a prior series of notes of the same series but for the Original Issue Date, the first interest payment date, initial interest accrual date and the offering price (“**Additional Notes**”). The Final Terms relating to any Additional Notes will set forth matters related to such issuance, including identifying the prior series of notes, their Original Issue Date and the aggregate principal amount of notes then comprising such series.

### **Payment of additional amounts**

In the event of any deduction or other withholding for or on account of any present or future tax, assessment, duty or other governmental charge of any nature whatsoever imposed, levied or collected by or on behalf of the United Kingdom, or any political subdivision thereof or authority therein having power to tax, in respect of any payments in respect of any note:

- (i) in the case of all senior preferred notes, we will (subject as follows) pay to the holder of such note such additional amounts as may be necessary in order that every net payment of the principal of (including premium or final redemption amount or early redemption amount, if any, or other amount payable in respect thereof) and interest, if any, on such note, will not be less than the amount provided for in such note as then due and payable; and
- (ii) in the case of all subordinated notes and senior non-preferred notes, we will (subject as follows) pay to the holder of such note such additional amounts as may be necessary in order that every net payment of interest, if any, on such note, will not be less than the amount provided for in such note as then due and payable. However, we will not pay any such additional amounts in respect of any principal of (including premium or final redemption amount or early redemption amount, if any, or other amount payable in respect thereof) any such note.

Furthermore, and without prejudice to the foregoing, no such additional amounts shall, however, be payable on any note for or on account of any tax, assessment, duty or other governmental charge which is payable:

- (1) otherwise than by deduction or withholding from any payments of (in the case of senior preferred notes) principal (including premium or final redemption amount or early redemption amount, if any, or other amount payable in respect thereof) or (in the case of any notes) interest, if any, on such note;

- (2) by reason of the holder or beneficial owner who is liable for such taxes having some connection with the United Kingdom (including being a citizen or resident or national of, or carrying on a business or maintaining a permanent establishment in the United Kingdom) other than by the mere holding of such note or enforcement of rights thereunder or the receipt of payments in respect thereof;
- (3) by reason of a change in law or official practice of any relevant taxing authority that becomes effective more than 30 days after the Relevant Date (as defined below) for payment of (in the case of senior preferred notes) principal (including premium or final redemption amount or early redemption amount, if any, or other amount payable in respect thereof) or (in the case of any notes) interest, if any, in respect of such note;
- (4) by reason of any estate, excise, inheritance, gift, sales, transfer, wealth, personal property tax or any similar assessment or governmental charge;
- (5) as a result of the failure of a holder to satisfy any statutory requirements or make a declaration of non-residence or other similar claim for exemption to the relevant tax authority;
- (6) owing to a combination of clauses (1) through (5) above; or
- (7) pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 as amended (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.

“**Relevant Date**” means the date on which the payment of principal (including premium or final redemption amount or early redemption amount, if any, or other amount payable in respect thereof) or interest, if any, on a note first becomes due and payable but, if the full amount of the monies payable on such date has not been received by the relevant paying agent or as it shall have directed on or prior to such date, the “**Relevant Date**” means the date on which such monies shall have been so received. No additional amounts will be paid as provided above with respect to any payment of principal (including premium or final redemption amount or early redemption amount, if any, or other amount payable in respect thereof) or interest, if any, on such note to any holder who is a fiduciary or partnership or other than the sole beneficial owner of any such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the holder of any such note.

## **Redemption, Repurchase, Substitution and Variation**

### ***Final Redemption***

Unless previously redeemed, purchased and canceled or substituted and canceled as provided below, each note will be redeemed at 100% of its nominal amount in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

### ***Redemption for Tax Reasons***

If the Issuer at any time satisfies the Trustee immediately prior to the giving of the notice referred to below that a Tax Event has occurred in respect of any series of notes and, in any such case, the Issuer cannot avoid the same by taking reasonable measures available to it, then the Issuer may in its sole discretion (subject, in the case of subordinated notes, to compliance with “—*Preconditions to Redemption, Purchase, Substitution and Variation of Subordinated Notes*” or, in the case of senior non-preferred notes, to compliance with “—*Preconditions to Redemption, Purchase, Substitution and Variation of Senior Non-Preferred Notes*”), having given notice of not more than 30 days nor less than 15 days prior to the date of redemption to the Trustee and, in accordance with “—*Notices*”, the noteholders (which notice shall be irrevocable and shall specify the date set for redemption), redeem at any time (if such notes are not Floating Rate Notes or Reset Notes (other than Reset Notes

which reset only once)) or on any Interest Payment Date (if such notes are Floating Rate Notes or Reset Notes (other than Reset Notes which reset only once)) all (but not some only) of the relevant series of notes at their early redemption amount as provided under “—*Early Redemption Amounts*” together, if applicable, with interest accrued to (but excluding) the date fixed for redemption. Upon the expiry of such notice the Issuer shall be bound to redeem the relevant series of notes accordingly.

Prior to the publication of any notice of early redemption pursuant to the provisions set forth above, the Issuer shall deliver to the Trustee a certificate signed by any two authorized signatories of the Issuer confirming that the relevant requirement or circumstance giving rise to the right to redeem have been satisfied. The Trustee shall be entitled, without liability to any person, to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the relevant conditions precedent, in which event it shall be conclusive and binding on the Trustee and the noteholders.

A “**Tax Event**” will be deemed to have occurred in respect of a series of notes if, as a result of a Tax Law Change:

- (i) (in respect of any series of notes) in making any payments on the relevant notes, the Issuer has paid or will or would on the next payment date be required to pay additional amounts as described under “—*Payment of additional amounts*”;
- (ii) (in respect of any series of notes) any payment in respect of the relevant notes would be a “distribution” or would otherwise not be deductible (in whole, or to a material extent) for United Kingdom tax purposes (or the deduction would be materially deferred);
- (iii) (in respect of a series of subordinated notes or senior non-preferred notes only) the Issuer is not, or will not be, able to have losses or deductions set against any profits or gains, or profits or gains offset by any losses or deductions, of companies with which it is or would otherwise be so grouped for applicable United Kingdom tax purposes (whether under the group relief system current as at the date of issue of the latest tranche of the relevant subordinated notes or, as the case may be, the relevant senior non-preferred notes or any similar system or systems having like effect as may from time to time exist);
- (iv) (in respect of a series of subordinated notes or senior non-preferred notes only) the relevant subordinated notes or the relevant senior non-preferred notes are or will be prevented from being treated as loan relationships for United Kingdom tax purposes;
- (v) (in respect of a series of subordinated notes or senior non-preferred notes only), a future conversion into equity or write-down of the principal amount of the relevant subordinated notes or, as the case may be, the relevant senior non-preferred notes would result in a United Kingdom tax liability, or the receipt of income or profit which would be subject to United Kingdom tax;
- (vi) (in respect of a series of subordinated notes only) the relevant subordinated notes or any part thereof will or would become treated as a derivative or an embedded derivative for United Kingdom tax purposes; or
- (vii) (in respect of a series of senior preferred notes only) on the next payment due in respect of the relevant senior preferred notes, the Issuer would be required to account to any taxing authority in the United Kingdom for any amount (other than any tax withheld or deducted from interest payable on the Notes) calculated by reference to any amount payable in respect of the relevant senior preferred notes.

As used herein, “**Tax Law Change**” means any change in, or amendment to, the laws or regulations of the United Kingdom (including any treaty to which it is a party) or any political subdivision or any authority thereof or therein having power to tax, or any change in the official interpretation thereof by the relevant tax authority or in the application of such laws or regulations by a decision of any court or tribunal that provides for

a position with respect to such laws or regulations that differs from the previously generally accepted position in relation to similar transactions or any pronouncement of a tax authority in the United Kingdom, which change or amendment becomes effective or, in the case of a change in law, if such change is enacted by a UK Act of Parliament or by Statutory Instrument, on or after the issue date of the latest tranche of the relevant series of notes.

### ***Redemption at Our Option***

If so specified in the applicable Final Terms, the notes of a series will be redeemable at our option (but subject, in the case of subordinated notes, to compliance with “—*Preconditions to Redemption, Purchase, Substitution and Variation of Subordinated Notes*” or, in the case of senior non-preferred notes, to compliance with “—*Preconditions to Redemption, Purchase, Substitution and Variation of Senior Non-Preferred Notes*”) prior to the stated Maturity Date.

If so specified, and subject to the terms set forth in the applicable Final Terms, the notes will be subject to redemption at our option on the applicable Early Redemption Date(s) specified in the applicable Final Terms, in whole or from time to time in part in minimum increments of \$200,000 for senior preferred notes and senior non-preferred notes and \$250,000 for subordinated notes, or the minimum denomination specified in such Final Terms (provided that, in the case of any redemption in part, any remaining principal amount thereof shall be at least \$200,000 for senior preferred notes and senior non-preferred notes and \$250,000 for subordinated notes, or such minimum denomination), at the Redemption Price specified in the applicable Final Terms. Any such redemption will be subject to notice being given not more than the maximum period specified in the applicable Final Terms (or, if no maximum period is specified in the applicable Final Terms, 60 days, if the notes are being redeemed in whole, or 45 days, if the notes are being redeemed in part), nor less than the minimum period specified in the applicable Final Terms (or, if no minimum period is specified in the applicable Final Terms, 30 days), prior to the relevant date of redemption and in accordance with the provisions of the Indenture.

The notes will not be subject to any sinking fund.

### ***Regulatory Event Redemption of Subordinated Notes***

This provision “—*Regulatory Event Redemption of Subordinated Notes*” applies only to subordinated notes.

Subject to compliance with “—*Preconditions to Redemption, Purchase, Substitution and Variation of Subordinated Notes*”, the Issuer may, in its sole discretion, if a Regulatory Event has occurred in respect of a series of subordinated notes, having given notice of not more than 30 days nor less than 15 days prior to the date of redemption to the Trustee and, in accordance with “—*Notices*”, the noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem at any time (if such notes are not Floating Rate Notes or Reset Notes (other than Reset Notes which reset only once)) or on any Interest Payment Date (if such notes are Floating Rate Notes or Reset Notes (other than Reset Notes which reset only once)) all (but not some only) of the subordinated notes of that series at their early redemption amount as provided under “—*Early Redemption Amounts*” together, if applicable, with interest accrued to (but excluding) the date fixed for redemption.

Prior to the publication of any notice of early redemption pursuant to the paragraph above, the Issuer shall deliver to the Trustee a certificate signed by any two authorized signatories of the Issuer confirming that a Regulatory Event has occurred. The Trustee shall be entitled, without liability to any person, to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the relevant conditions precedent, in which event it shall be conclusive and binding on the Trustee and the noteholders. Upon the expiry of such notice the Issuer shall be bound to redeem the relevant subordinated notes accordingly.

### ***Loss Absorption Disqualification Event Redemption of Senior Non-Preferred Notes***

This provision “—*Loss Absorption Disqualification Event Redemption of Senior Non-Preferred Notes*” applies to all senior non-preferred notes except for any series where “*Senior Non-Preferred Notes: Loss*

*Absorption Disqualification Event Redemption*” is expressly specified to be not applicable in the applicable Final Terms.

Subject to compliance with “—*Preconditions to Redemption, Purchase, Substitution and Variation of Senior Non-Preferred Notes*”, the Issuer may, in its sole discretion, if a Loss Absorption Disqualification Event has occurred in respect of any series of senior non-preferred notes, having given notice of not more than 30 days nor less than 15 days prior to the date of redemption to the Trustee and, in accordance with “—*Notices*”, the noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem at any time (if such notes are not Floating Rate Notes or Reset Notes (other than Reset Notes which reset only once)) or on any Interest Payment Date (if such notes are Floating Rate Notes or Reset Notes (other than Reset Notes which reset only once)) all (but not some only) of the senior non-preferred notes of that series at their early redemption amount as provided under “—*Early Redemption Amounts*” together, if applicable, with interest accrued to (but excluding) the date fixed for redemption.

Prior to the publication of any notice of early redemption pursuant to the paragraph above, the Issuer shall deliver to the Trustee a certificate signed by any two authorized signatories of the Issuer confirming that a Loss Absorption Disqualification Event has occurred. The Trustee shall be entitled, without liability to any person, to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the relevant conditions precedent, in which event it shall be conclusive and binding on the Trustee and the noteholders. Upon the expiry of such notice the Issuer shall be bound to redeem the relevant senior non-preferred notes accordingly.

#### ***Repayment at the Option of the Holders***

This provision “—*Repayment at the Option of the Holders*” does not apply to subordinated notes.

If so specified in the applicable Final Terms, the notes of a series will be repayable by the Issuer in whole or in part at the option of the holders thereof on their respective optional repayment dates (“**Optional Repayment Dates**”) specified in such Final Terms, upon not more than the maximum period specified in the applicable Final Terms (or, if no maximum period is specified in the applicable Final Terms, 30 days), nor less than the minimum period specified in the applicable Final Terms (or, if no minimum period is specified in the applicable Final Terms, 15 days), notice prior to such Optional Repayment Dates. If no Optional Repayment Date is specified with respect to a note, such note will not be repayable at the option of the holder thereof prior to the stated Maturity Date. Any repayment in part will be in increments of \$200,000, or the minimum denomination specified in the applicable Final Terms (provided that any remaining principal amount thereof shall be at least \$200,000 or such minimum denomination). Unless otherwise specified in the applicable Final Terms, the repayment price for any note to be repaid means an amount equal to the sum of the unpaid principal amount thereof or the portion thereof plus accrued interest to the date of repayment. Exercise of the repayment option is irrevocable.

#### ***Late Payment on Zero Coupon Notes***

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to this subsection or upon its becoming due and repayable as provided upon the occurrence of any Event of Default under the Indenture is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided under “—*Early Redemption Amounts*” below as though the references therein to the date fixed for redemption or the date upon which such Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (b) the date on which the full amount of the moneys payable has been received by the Paying Agent or the Trustee and notice to that effect has been given to the holders.

#### ***Early Redemption Amounts***

For the purposes of redemption for tax reasons or following (in respect of subordinated notes) a Regulatory Event or (in respect of senior non-preferred notes) a Loss Absorption Disqualification Event and, in

any case, redemption upon the occurrence of any Event of Default under the Indenture, each note will be redeemed at an amount calculated as follows, together with interest, if any, to the date fixed for redemption (the amount in (a) or, as the case may be, (b) below being the “**early redemption amount**”):

- (a) (in the case of notes other than Zero Coupon Notes) at 100% of the principal amount (and premium, if any, thereon); or
- (b) in the case of Zero Coupon Notes, at an amount equal to the sum of:
  - A. the Reference Price; and
  - B. the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Original Issue Date of the notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such note becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made (i) in the case of a Zero Coupon Note other than a Zero Coupon Note payable in euro, on the basis of a 360 day year consisting of 12 months of 30 days each or (ii) in the case of a Zero Coupon Note payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (A) the number of those days falling in a leap year divided by 366 and (B) the number of those days falling in a non-leap year divided by 365).

#### ***Selection of Notes for Partial Redemption***

In the case of any partial redemption of notes, and subject to the terms specified in the applicable Final Terms, the notes to be redeemed shall be selected by the Trustee individually by lot not more than 60 days prior to the Redemption Date from the outstanding notes not previously called for redemption, provided that partial redemption of Global Notes shall be effected in accordance with DTC’s procedures.

#### ***Repurchase***

We may (subject, in the case of subordinated notes, to compliance with “—*Preconditions to Redemption, Purchase, Substitution and Variation of Subordinated Notes*” and prevailing Regulatory Capital Requirements or, in the case of senior non-preferred notes, to compliance with “—*Preconditions to Redemption, Purchase, Substitution and Variation of Senior Non-Preferred Notes*” and prevailing Loss Absorption Regulations) at any time purchase or otherwise acquire notes at any price or prices in the open market or otherwise. Notes so purchased may be held or resold or, at our discretion, surrendered to the Trustee for cancellation.

#### ***Preconditions to Redemption, Purchase, Substitution and Variation of Subordinated Notes***

Any redemption or purchase prior to the Maturity Date, or any substitution or variation, of subordinated notes in accordance with any applicable subsection of this section “—*Redemption, Repurchase, Substitution and Variation*” is subject to:

- (a) the Issuer having obtained Relevant Supervisory Consent therefor;
- (b) in the case of a redemption or purchase, the Issuer having demonstrated to the satisfaction of the relevant Supervisory Authority that either: (A) the Issuer has (or before or at the same time as the relevant redemption or purchase will have) replaced the relevant subordinated notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or (B) the own funds and eligible liabilities of the Issuer would, following such redemption or purchase, exceed its minimum requirements (including any buffer requirements) by a margin that the relevant Supervisory Authority considers necessary at such time; and

- (c) in the case of any redemption or purchase prior to the fifth anniversary of the issue date of the latest tranche of the relevant series of subordinated notes:
  - A. in the case of redemption upon a Tax Event, the Issuer having demonstrated to the satisfaction of the relevant Supervisory Authority that the change in tax treatment is material and was not reasonably foreseeable as at the issue date of such latest tranche;
  - B. in the case of redemption upon the occurrence of a Regulatory Event, the Issuer having demonstrated to the satisfaction of the relevant Supervisory Authority that the relevant change or pending change in the regulatory classification of the relevant subordinated notes is sufficiently certain and was not reasonably foreseeable as at the issue date of such latest tranche;
  - C. in the case of a purchase, the Issuer having demonstrated to the satisfaction of the relevant Supervisory Authority that the Issuer has (or, before or at the same time as the relevant purchase, will have) replaced the relevant subordinated notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and the relevant Supervisory Authority having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
  - D. in the case of a purchase (and subject to the Issuer then being permitted to conduct market-making activity under the Act), the relevant subordinated notes being purchased for market-making purposes in accordance with the prevailing Regulatory Capital Requirements.

Notwithstanding the foregoing, if, at the time of any redemption, purchase, substitution or variation of any subordinated notes the prevailing Regulatory Capital Requirements permit such redemption, purchase, substitution or, as the case may be, variation only after compliance with one or more additional or alternative preconditions to those set out above in this subsection, the Issuer shall comply (in addition or in the alternative, as the case may be) with such additional and/or alternative precondition(s).

***Preconditions to Redemption, Purchase, Substitution and Variation of Senior Non-Preferred Notes***

Any redemption or purchase prior to the Maturity Date, or any substitution or variation, of senior non-preferred notes in accordance with any applicable subsection of this section “—*Redemption, Repurchase, Substitution and Variation*” is subject to:

- (a) the Issuer having obtained Relevant Supervisory Consent therefor; and
- (b) compliance with any other pre-conditions to, or requirements applicable to, such redemption, purchase, substitution or variation as may be required by the relevant Supervisory Authority or the Loss Absorption Regulations at such time, including, in the case of a redemption or purchase and to the extent then so required, the Issuer having demonstrated to the satisfaction of the relevant Supervisory Authority that:
  - (A) it has (or, before or at the same time as the relevant redemption or purchase, will have) replaced the relevant senior non-preferred notes with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or
  - (B) the own funds and eligible liabilities of the Issuer would, following such redemption or purchase, exceed its minimum requirements for own funds and eligible liabilities by a margin that the relevant Supervisory Authority considers necessary at such time; or

- (C) the partial or full replacement of the relevant senior non-preferred notes with own funds instruments is necessary to ensure compliance with the own funds requirements laid down in the prevailing Regulatory Capital Requirements for continuing authorization.

***Substitution and Variation in Respect of Subordinated Notes and Senior Non-Preferred Notes***

This provision “*Substitution and Variation in Respect of Subordinated Notes and Senior Non-Preferred Notes*” applies to (i) each series of subordinated notes and (ii) unless “*Senior Non-Preferred Notes: Substitution and Variation*” is expressly specified to be not applicable in the applicable Final Terms, each series of senior non-preferred notes.

Upon the occurrence of (in the case of a series of subordinated notes or senior non-preferred notes) a Tax Event, (in the case of a series of subordinated notes only) a Regulatory Event or (in the case of a series of senior non-preferred notes only) a Loss Absorption Disqualification Event (as applicable) in respect of a series of notes, the Issuer (in its sole discretion but subject to (in the case of a series of subordinated notes) “*—Preconditions to Redemption, Purchase, Substitution and Variation of Subordinated Notes*”) or (in the case of a series of senior non-preferred notes) “*—Preconditions to Redemption, Purchase, Substitution and Variation of Senior Non-Preferred Notes*”, having given notice of not more than 30 days nor less than 15 days prior to the date of substitution or variation (as the case may be) to the Trustee and, in accordance with “*—Notices*”, the noteholders (which notice shall be irrevocable and shall specify the date fixed for substitution or variation, as applicable) may, without any requirement for the consent or approval of the noteholders, either substitute all (but not some only) of that series of subordinated notes or, as the case may be, senior non-preferred notes for, or vary the terms of that series of subordinated notes or, as the case may be, senior non-preferred notes so that they remain or, as appropriate, become, Compliant Notes. Upon the expiry of the notice referred to above, the Issuer shall either substitute or, as the case may be, vary the terms of the relevant series of subordinated notes or, as the case may be, the relevant series of senior non-preferred notes.

In connection with any substitution or variation in accordance with this provision “*Substitution and Variation in Respect of Subordinated Notes and Senior Non-Preferred Notes*”, the Issuer shall comply with the rules of any stock exchange on which the relevant subordinated notes or, as the case may be, senior non-preferred notes are for the time being listed or admitted to trading.

Any substitution or variation in accordance with this provision is subject to the following conditions:

- (a) the Issuer complying with (in the case of a series of subordinated notes) “*—Preconditions to Redemption, Purchase, Substitution and Variation of Subordinated Notes*” or (in the case of a series of senior non-preferred notes) “*—Preconditions to Redemption, Purchase, Substitution and Variation of Senior Non-Preferred Notes*” above;
- (b) such substitution or variation not resulting in any event or circumstance which at or around that time gives the Issuer a redemption right in respect of the resulting Compliant Notes; and
- (c) prior to the publication of any notice of substitution or variation, the Issuer having delivered to the Trustee a certificate signed by two authorized signatories of the Issuer stating that the relevant Tax Event, Regulatory Event or Loss Absorption Disqualification Event, as applicable, giving rise to the right to substitute or vary the relevant series of subordinated notes or, as the case may be, senior non-preferred notes has occurred as at the date of the certificate and that the conditions set out (a) and (b) immediately above have been satisfied, and the Trustee shall be entitled to accept such certificate as sufficient evidence thereof, and such certificate shall be conclusive and binding on the Trustee and all noteholders.

The Trustee shall, subject to the Issuer’s compliance with the foregoing conditions and the provision of the certificate signed by two authorized signatories of the Issuer as referred to in the definition of ‘Compliant Notes’ and at the expense and cost of the Issuer, use reasonable endeavors to assist the Issuer in any substitution or variation of the relevant subordinated notes or, as the case may be, senior non-preferred notes in accordance

with this provision, except that the Trustee shall not be obliged to assist in any such substitution or variation if either such substitution or variation itself or the terms of the proposed Compliant Notes would impose, in the Trustee's sole determination, more onerous obligations upon it or require the Trustee to incur any liability for which it is not indemnified and/or secured and/or pre-funded to its sole satisfaction.

#### **Agreement with Respect to the Exercise of UK Bail-in Power**

Notwithstanding, and to the exclusion of, any other term of any notes or any other agreements, arrangements or understandings between the Issuer and any noteholder (or the Trustee on behalf of any noteholder), by its acquisition of any note (or any interest therein), 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:

- (a) the effect of the exercise of the UK Bail-in Power by the Resolution Authority, that may include and result in (without limitation) 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 on the notes into shares, deferred shares (including core capital deferred shares), other securities or other obligations of the Issuer or another person (and the issue to or conferral on the noteholder of such shares, deferred shares (including core capital deferred 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; and/or
  - D. the amendment or alteration of the maturity of the notes or amendment of the amount of interest payable on the notes, and/or the date on which the interest becomes payable, including by suspending payment for a temporary period; and
- (b) the variation of the terms of the notes and the Indenture, if necessary, to give effect to the exercise of the UK Bail-in Power by the Resolution Authority.

No repayment or payment of Amounts Due on 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, cancelled, suspended (for so long as such suspension or moratorium is outstanding), amended or altered as a result of such exercise.

Neither a reduction or cancellation, in part or in full, of the Amounts Due or 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 be an Event of Default or otherwise constitute a breach of or default under the terms of the notes or the Indenture nor a default or event of default for any other purpose.

Upon the exercise of the UK Bail-in Power by the Resolution Authority with respect to any notes, the Issuer shall promptly give notice to the noteholders in accordance with “—Notices” and to the Trustee and the Paying Agents. Any delay or failure by the Issuer in delivering any notice referred to in this section “—*Agreement with Respect to the Exercise of UK Bail-in Power*” shall not affect the validity or enforceability of the UK Bail-in Power.

For the purposes of this section “—*Agreement with Respect to the Exercise of UK Bail-in Power*”:

- (a) “**Amounts Due**” means the principal amount of, any premium on, and any accrued but unpaid interest on, the notes. References to such amounts will include (but will not be limited to)

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;

- (b) “**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; and
- (c) “**UK Bail-in Power**” means any write-down, conversion, transfer, modification, moratorium and/or suspension power (including, without limitation, any write-down or conversion powers which may be exercised by the Resolution Authority independently of resolution proceedings) existing from time to time under, and exercised in compliance with, any laws, regulations, rules, instruments, standards, guidelines or requirements relating to the recovery and resolution of banks, building societies, financial holding companies, mixed financial holding companies, credit institutions and/or investment firms (and/or certain group companies of any of the foregoing) (“**relevant entities**”) incorporated in the United Kingdom in effect and applicable in the United Kingdom to the Issuer or other members of its group, including but not limited to any such laws, regulations, rules, instruments, standards, guidelines or requirements that are implemented, adopted or enacted within the context of the Banking Act 2009 and/or the Loss Absorption Regulations, in each case as amended from time to time, and pursuant to which, *inter alia*, any obligation of a relevant entity (or an affiliate thereof) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of the relevant entity or any other person (or suspended for a temporary period) and any right in a contract governing obligations of a relevant entity may be deemed to have been exercised.

By its acquisition of the notes, each holder of the notes waives any and all claims against the Trustee for, agrees not to initiate a suit against the Trustee in respect of, and agrees that the Trustee will not be liable for, any action that the Trustee takes, or abstains from taking, in either case in accordance with the exercise of the UK Bail-in Power by the relevant Resolution Authority with respect to the notes.

Upon the exercise of the UK Bail-in Power by the Resolution Authority with respect to the notes, we will provide a written notice to DTC as soon as practicable regarding such exercise of the UK Bail-in Power for purposes of notifying holders of the notes of such occurrence. We will also deliver a copy of such notice to the Trustee for information purposes.

Our obligations to indemnify the Trustee shall survive the exercise of the UK Bail-in Power by the Resolution Authority with respect to any notes.

By its acquisition of the notes, each noteholder acknowledges and agrees that, upon the exercise of any UK Bail-in Power by the relevant Resolution Authority with respect to such notes, (a) the Trustee shall not be required to take any further directions from noteholders of the affected notes and (b) the Indenture shall impose no duties upon the Trustee whatsoever with respect to the exercise of any UK Bail-in Power by the relevant Resolution Authority. Notwithstanding the foregoing, if, following the completion of the exercise of the UK Bail-in Power by the Resolution Authority, any notes remain outstanding (for example, if the exercise of the UK Bail-in Power results in only a partial write-down of the principal of the notes), then the Trustee's duties under the Indenture shall remain applicable with respect to any notes following such completion to the extent that the issuer and the Trustee shall agree pursuant to another supplemental indenture or an amendment to the Indenture; provided, however, that notwithstanding the exercise of the UK Bail-in Power by the Resolution Authority, there shall at all times be a Trustee for the notes in accordance with the Indenture, and the resignation and/or removal of the Trustee and the appointment of a successor trustee will continue to be governed by the Indenture, including to the extent no additional supplemental indenture or amendment is agreed upon in the event the notes remain outstanding following the completion of the exercise of the UK Bail-in Power.

By its acquisition of the notes, each noteholder (a) acknowledges and agrees to be bound by and consents to the exercise of any UK Bail-in Power as it may be imposed without any prior notice by the Resolution Authority of its decision to exercise such power with respect to such notes and (b) shall be deemed to have authorized,

directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such notes to take any and all necessary action, if required, to implement the exercise of any UK Bail-in Power with respect to such notes as it may be imposed, without any further action or direction on the part of such holder or the Trustee.

References in this section “*Agreement with Respect to the Exercise of UK Bail-in Power*” to any note or noteholder shall be deemed to include beneficial interests in any note and the holder of such beneficial interests, respectively.

For a discussion of certain risk factors relating to the UK bail-in power, see “*Risk Factors—Risks Related to the Notes*.”

### **Negative Pledge**

The negative pledge applies to the senior preferred notes only.

So long as any of the senior preferred notes remain outstanding, we will not, and will not suffer or permit any of our subsidiaries to, create or have outstanding any mortgage, lien (other than a lien arising by operation of law), pledge or other charge or security interest upon the whole or any part of our or its business or assets, present or future (for the purposes of this subsection, a “**Security Interest**”), to secure any of our Loan Stock or the Loan Stock of any of our subsidiaries or any of our or our subsidiaries’ obligations under any guarantee of or indemnity in respect of the Loan Stock of any other person, without at the same time or prior thereto securing the senior preferred notes equally and ratably therewith to the satisfaction of the Trustee or providing such other security for the senior preferred notes which the Trustee in its absolute discretion shall deem to be not materially less beneficial to the holders of senior preferred notes or which shall be approved by a majority of the holders of senior preferred notes then outstanding, provided that we or any of our subsidiaries may create or have outstanding Security Interests with respect to Loan Stock (without the obligation to secure the senior preferred notes as aforesaid) if at the date of the creation thereof we or any of our subsidiaries have and thereafter maintain free and clear of Security Interests assets the fair market value of which (calculated on a consolidated basis) is at least equal to the aggregate principal amount of all Loan Stock which is not secured by any such Security Interest. As used in this subsection, “**Loan Stock**” means indebtedness for the time being outstanding which is in the form of or represented or evidenced by bonds, notes, debentures, loan stock or other similar securities.

### **Events of Default—Senior Preferred Notes**

The following shall constitute “**Events of Default**” with respect to each series of senior preferred notes and references to “notes” shall be construed accordingly:

- (1) we fail to pay any principal within three days of the due date or interest within seven days of the due date in respect of the notes of such series; or
- (2) we default in performance or observance of or compliance with any of our other obligations set out in the notes of such series or the Indenture which default is incapable of remedy or which, if capable of remedy, is not, in the opinion of the Trustee, remedied within 30 days (or such longer period as the Trustee may permit) after notice requiring remedy of such default shall have been given to us by the Trustee; or
- (3)
  - (a) any other present or future indebtedness in respect of moneys borrowed or raised in an amount of £40,000,000 or more (or its equivalent in any other currency) of us or any Material Subsidiary becomes due and payable prior to its stated maturity pursuant to a default; or
  - (b) any such indebtedness is not paid when due or (as the case may be) within any applicable grace period therefor; or

- (c) we fail or any Material Subsidiary fails to pay when due or (as the case may be) within any applicable grace period therefor any amount payable by us or it under any present or future guarantee in an amount of £40,000,000 or more (or its equivalent in any other currency) (other than any guarantee given in the ordinary course of our or its business) for any indebtedness in respect of moneys borrowed or raised; or
- (d) any mortgage, charge, pledge, lien or other encumbrance present or future securing an amount of £40,000,000 or more (or its equivalent in any other currency) and created or assumed by us or any Material Subsidiary becomes enforceable and the holder thereof takes any steps to enforce the same; or
- (4) a distress or execution or other similar legal process in respect of a claim for £20,000,000 or more is levied or enforced or sued out upon or against any part of our property, assets or revenues or the property, assets or revenues of any Material Subsidiary and is not discharged or stayed within 30 days of having been so levied, enforced or sued out; or
- (5) we become, or any Material Subsidiary becomes, insolvent or unable to pay our or its debts as they mature; or we apply, or any Material Subsidiary applies, for or consents to or suffers the appointment of a liquidator or trustee or receiver or administrator or similar officer of ourselves or itself or the whole or any substantial part of our or its undertaking, property, assets or revenues; or we take, or any Material Subsidiary takes, any proceeding under any law for a readjustment or deferment of our or its obligations or any part thereof, or we make or enter, or any Material Subsidiary makes or enters, into a general assignment or an arrangement or composition with or for the benefit of our or its creditors, except in any case in connection with a substitution pursuant to the Consolidation, Merger and Sale or Lease of Assets provisions of the Indenture (see the subsection entitled “—*Consolidation, Merger and Sale or Lease of Assets*”) or for the purpose of a reconstruction, union, transfer, merger or amalgamation effected with the prior written consent of the Trustee, or in the case of a Material Subsidiary in connection with the transfer of all or the major part of its business, undertaking and assets; or
- (6) an order is made or an effective resolution is passed to wind up or dissolve us or any Material Subsidiary or our authorization or registration is, or is proposed to be canceled, suspended or revoked or anything analogous or similar to any of the foregoing occurs (except in any case for the purposes of a substitution pursuant to the Consolidation, Merger and Sale or Lease of Assets provisions of the Indenture (see the subsection entitled “—*Consolidation, Merger and Sale or Lease of Assets*”), a reconstruction, union, transfer, merger or amalgamation effected with the consent of the Trustee or in the case of a voluntary solvent winding up of a wholly-owned Material Subsidiary).

“**Material Subsidiary**” means a Subsidiary of ours who’s total assets (attributable to us) represent 10% or more of our and our subsidiaries’ consolidated total assets (all as more particularly described in the Indenture).

If an Event of Default (other than an Event of Default specified in sections (5) or (6) above) with respect to notes of any series of senior preferred notes at the time outstanding occurs and is continuing, then in every such case the Trustee or the holders of not less than 25% in principal amount of the outstanding notes of such series may declare all of the notes of that series to be due and payable immediately at their early redemption amount together with accrued interest by a notice in writing to us. If an Event of Default specified in section (5) or (6) above with respect to notes of any series of senior preferred notes at the time outstanding occurs, then all of the notes of that series shall, without any act by the Trustee or the holders, become immediately due and payable without presentment, demand, protest or other notice of any kind at their early redemption amount together with accrued interest.

At any time after such an acceleration or declaration of acceleration with respect to any series of senior preferred notes has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee, the holders of a majority in principal amount of the outstanding notes of that series, by written

notice to us and the Trustee, may rescind and annul such acceleration or declaration of acceleration and its consequences if:

- (a) we have paid or deposited with the Trustee a sum sufficient to pay:
  - A. all overdue interest, if any, on all notes of that series;
  - B. the principal of and premium, if any, on any notes of that series which have become due otherwise than by such acceleration or declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such notes;
  - C. to the extent that payment of such interest is lawful, interest upon any overdue interest at the rate or rates prescribed therefor in such notes; and
  - D. all sums paid or advanced by the Trustee under the Indenture and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and
- (b) all Events of Default with respect to notes of that series, other than the non-payment of the principal of and accrued interest on notes of that series which have become due solely by such acceleration, have been cured or waived.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

If any series of Zero Coupon Notes shall have been accelerated and become due and payable, then, from and after such acceleration, unless such acceleration has been rescinded and annulled, the principal amount of such Zero Coupon Notes shall be deemed to be such portion of the principal thereof as shall be due and payable as a result of such acceleration, and payment of such portion of the principal thereof as shall be due and payable as a result of such acceleration, together with interest, if any, thereon and all other amounts owing thereunder, shall constitute payment in full of such Zero Coupon Notes.

#### **Events of Default—Subordinated Notes and Senior Non-Preferred Notes**

The following shall apply with respect to:

- (i) each series of subordinated notes; and
- (ii) each series of senior non-preferred notes

and references to “notes” shall be construed accordingly:

- (a) *Non-payment when due:* If default is made for a period of seven days or more in the payment of any principal due on the notes or any of them or for a period of 14 days or more in the payment of any interest due on the notes or any of them, the Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter of the nominal amount of notes then outstanding shall (subject to being indemnified and/or secured and/or prefunded to its satisfaction), institute proceedings for the winding up of the Issuer in England (but not elsewhere) to enforce the obligations of the Issuer in respect of the notes and the Indenture in so far as it relates to the notes, but may take no other action in respect of such default (except as provided in paragraph (b) below).
- (b) *Winding up or dissolution:* In the event of a winding up or dissolution of the Issuer (subject as otherwise provided in an Excluded Dissolution), whether or not instituted by the Trustee pursuant to paragraph (a) above, the Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter of the nominal amount of notes then outstanding shall (subject to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer (or the relevant official presiding over such winding up or dissolution) that the notes

are, and they shall accordingly immediately become, due and repayable at their early redemption amount together with accrued interest as provided in the Indenture, and shall claim and/or prove in such winding up or dissolution in respect of the notes (such claim ranking as provided in “—*Status and ranking of senior non-preferred notes*” or “—*Status and subordination of subordinated notes*”, as applicable).

- (c) *Enforcement:* Without prejudice to paragraphs (a) and (b) above, the Trustee may at its discretion and without notice institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Indenture or the notes (other than any payment obligation of the Issuer under or arising from the notes or the Indenture, including, without limitation, payment of any principal or interest in respect of the notes, including any damages awarded for breach of any obligations) and in no event shall the Issuer, by virtue of the institution of any such steps, actions or proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it pursuant to the Indenture, nor will the Trustee accept the same, otherwise than during or after a winding up or dissolution of the Issuer.
- (d) *Rights of holders:* No noteholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, (i) fails to do so, or (ii) is unable for any reason to do so, in each case for a reasonable period, and such failure or inability is continuing, in which case any such holder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise. No such holder shall be entitled to institute proceedings for the winding up of the Issuer, or to prove in any winding up or dissolution of the Issuer, except that if the Trustee, having become bound to proceed against the Issuer as aforesaid, fails to do so or is unable for any reason to do so, or being able to prove in any winding up or dissolution of the Issuer, fails to do so, in each case for a reasonable period, and such failure or inability is continuing, then any such holder may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise) itself institute proceedings for the winding up in England (but not elsewhere) of the Issuer and/or prove in any winding up or dissolution of the Issuer to the same extent (but not further or otherwise) that the Trustee would have been entitled so to do in respect of such notes held by him.
- (e) *Extent of remedy:* No remedy against the Issuer, other than the institution of proceedings for the winding up in England of the Issuer and/or the proving or claiming in any winding up or dissolution of the Issuer, shall be available to the Trustee or the noteholders for the recovery of amounts owing in respect of such notes or under the Indenture in so far as it relates to the notes.
- (f) *Rights of the Trustee:* The Trustee may at its discretion institute such proceedings as are contemplated by this subsection against the Issuer to enforce the obligations of the Issuer under the Indenture in so far as it relates to the notes, but it shall not be bound to institute any such proceedings unless (a) it shall have been so requested in writing by noteholders holding at least one-quarter in nominal amount of the notes then outstanding and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

#### **Collection of Indebtedness and Suits for Enforcement by the Trustee**

If any Event of Default has occurred and is continuing with regard to senior preferred notes of any series, the Trustee may, at its discretion and without further notice, take such proceedings against us as it may think fit to enforce payment on such notes. However, the Trustee will not be bound to take any action with respect to such series of senior preferred notes unless:

- (1) it shall have been so requested in writing by holders of at least 25% of the nominal amount of the Outstanding Notes of such series of senior preferred notes; and
- (2) it shall have been indemnified to its satisfaction.

If any Event of Default (which, for these purposes, shall mean that default is made for a period of seven days or more in the payment of any principal due on the notes or any of them or for a period of 14 days or more in the payment of any interest due on the notes or any of them) has occurred and is continuing with regard to subordinated notes or senior non-preferred notes of any series, the Trustee may at its discretion institute proceedings for our winding up in England (but not elsewhere) to enforce our obligations in respect of such notes and the Indenture insofar as it relates to such notes. However, we may not make any payment of principal or any other amount in respect of subordinated notes or senior non-preferred notes, nor will the Trustee accept any such payment of principal or any other amount from us, other than during or after our winding up or dissolution, unless a Relevant Supervisory Consent has been granted. For the purposes of the foregoing, a payment shall be deemed to be due even if we are not solvent.

## **Judgments**

Under current New York law, a state court in the State of New York rendering a judgment in respect of a note denominated in other than U.S. dollars would be required to render such judgment in the Specified Currency, and such judgment would be converted into U.S. dollars at the Market Exchange Rate prevailing on the date of entry of such judgment. Accordingly, the holder of such note denominated in other than U.S. dollars would be subject to exchange rate fluctuations between the date of entry of a judgment in a currency other than U.S. dollars and the time the amount of such judgment is paid to such holder in U.S. dollars and converted by such holder into the Specified Currency. It is not certain, however, whether a non-New York state court would follow the same rules and procedures with respect to conversions of judgments in currency other than U.S. dollars.

We will indemnify the holder of any note against any loss incurred by such holder as a result of any judgment or order being given or made for any amount due under such note and such judgment or order requiring payment in a currency (the “**Judgment Currency**”) other than the Specified Currency, and as a result of any variation between (i) the rate of exchange at which the Specified Currency amount is converted into the Judgment Currency for the purpose of such judgment or order, and (ii) the rate of exchange at which the holder of such note, on the date of payment of such judgment or order, is able to purchase the Specified Currency with the amount of the Judgment Currency actually received by such holder, as the case may be.

## **Consolidation, Merger and Sale or Lease of Assets**

So long as any note of a series remains outstanding, we will not consolidate or amalgamate with or merge into any other Person or convey, transfer or lease our properties and assets substantially as an entirety to any Person unless:

- (1) the Person formed by such consolidation or amalgamation or into which we are merged or the Person which acquired by conveyance or transfer, or which leases, our properties and assets substantially as an entirety shall be a Person organized and validly existing under the laws of the United Kingdom which shall expressly assume, by an amendment to the Indenture that is executed and delivered to the Trustee and is in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any, on) and interest, if any, on all of the notes of such a series and the performance of every covenant of the Indenture (other than a covenant included in the Indenture solely for the benefit of notes of another series) and of such notes to be performed, and such assumption shall provide that such Person shall pay to the holder of any such notes such additional amounts as may be necessary in order that every net payment of the principal of (and premium, if any, on) and interest, if any, on such notes will not be less than the amounts provided for in such notes to be then due and payable and such obligations shall extend to any deduction or withholding for or on account of any present or future tax, assessment or governmental charge imposed upon such payment (it being understood that, except as aforesaid, no such Person shall be obligated to make any indemnification or payment in respect of any tax consequences to any holder as a result of such assumption of rights and obligations if such Person would not be obligated to pay an additional amount pursuant to the Indenture if such corporation or Person were us);

- (2) immediately after giving effect to such transaction, no Event of Default with respect to notes of such series, and no event which, after notice or lapse of time, or both, would become an Event of Default with respect to such notes, shall have occurred and be continuing; and
- (3) we have delivered to the Trustee a certificate signed by two duly authorized officers and an opinion of counsel each stating that such consolidation, amalgamation, merger, conveyance, transfer or lease and such amendment to the Indenture evidencing the assumption by such Person comply with the Indenture and that all conditions precedent provided for in the Indenture relating to such transaction have been complied with.

Upon any such consolidation, amalgamation or merger, or any such conveyance, transfer or lease, the successor Person (the “**Successor Person**”) will succeed to, and be substituted for, and may exercise every right and power of ours, under the Indenture with the same effect as if such Successor Person has been named as the issuer thereunder, and thereafter, except in the case of a lease, the predecessor corporation shall be relieved of all obligations and covenants under the Indenture and such notes.

### **Satisfaction and Discharge**

The satisfaction and discharge provisions described below do not apply to subordinated notes or senior non-preferred notes unless the Issuer has obtained Relevant Supervisory Consent therefor.

The Indenture provides that we will be discharged from our obligations under the notes of a series (with certain exceptions) at any time prior to the stated Maturity Date, or redemption of such notes when (i) we have irrevocably deposited with or to the order of the Trustee, in trust, (a) sufficient funds in the currency, currencies, currency unit or units in which such notes are payable (without consideration of any reinvestment thereof) to pay the principal of (and premium, if any, on) and interest, if any, on such notes to the stated Maturity Date (or Redemption Date), or (b) such amount of U.S. Government Obligations (as defined below) as will, together with the predetermined and certain income to accrue thereon (without consideration of any reinvestment thereof), be sufficient to pay when due the principal of (and premium, if any, on) and interest, if any, to the stated Maturity Date (or Redemption Date), on such notes, or, (c) such amount equal to the amount referred to in clause (a) or (b) in any combination of currency or currency unit of U.S. Government Obligations; (ii) we have paid all other sums payable with respect to such notes; (iii) we have delivered to the Trustee an opinion of counsel to the effect that (a) we have received from, or there has been published by, the U.S. Internal Revenue Service a ruling, or (b) since the date of the Indenture there has been a change in applicable U.S. federal income tax law, in either case to the effect that, and based upon which such opinion of counsel shall confirm that, the holders of such notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such discharge and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same time as would have been the case if such discharge had not occurred; and (iv) certain other conditions are met. Upon such discharge, the holders of the notes of such a series shall no longer be entitled to the benefits of the terms and conditions of the Indenture and notes, except for certain provisions including registration of transfer and exchange of such notes and replacement of mutilated, destroyed, lost or stolen notes of such series, and shall look for payment only to such deposited funds or obligations.

“**U.S. Government Obligations**” means non-callable (i) direct obligations (or certificates representing an ownership interest in such obligations) of the United States for which its full faith and credit are pledged or (ii) obligations of a Person controlled or supervised by, and acting as an agency or instrumentality of, the United States, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation of the United States.

### **Supplemental Indentures**

The Indenture contains provisions permitting us and the Trustee (i) without the consent of the holders of any notes issued under the Indenture, to execute supplemental indentures for certain enumerated purposes, such as to cure any ambiguity or inconsistency or to make any change that does not have a materially adverse effect on the rights of any holder of such notes, and (ii) with the consent of the holders of not less than a majority in

aggregate principal amount of the Outstanding Notes of each series of notes issued under the Indenture and affected thereby, to execute supplemental indentures for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of modifying in any manner the rights of holders of any such note under the Indenture; provided, that no such supplemental indenture may, without the consent of the holder of each such Outstanding Note affected thereby (a) change the stated Maturity Date or the principal of or interest on any such note, or reduce the principal amount of any such note or the rate of interest thereon, if any, or any premium or principal payable upon redemption thereof, or change any obligation of ours to pay additional amounts thereon, or change any Place of Payment where, or change the currency in which, any such note or the interest, if any, thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated Maturity Date, if any, thereof or the date any such payment is otherwise due and payable (or, in the case of redemption, on or after the redemption date); or (b) reduce the percentage in aggregate principal amount of such Outstanding Notes of any particular series, the consent of whose holders is required for any such supplemental indenture, or the consent of whose holders is required for any waiver (of compliance with certain provisions of the Indenture or certain defaults thereunder and their consequences) provided for in the Indenture; or (c) change any obligation we have to maintain an office or agency in the places and for the purposes specified in the Indenture; or (d) modify certain of the provisions of the Indenture pertaining to the waiver by holders of such notes of past defaults, supplemental indentures with the consent of holders of such notes and the waiver by holders of such notes of certain covenants, except to increase any specified percentage in aggregate principal amount required for any actions by holders of notes or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the holder of each such note affected thereby; or (e) in the case of any subordinated notes or any senior non-preferred notes, change in any manner adverse to the interests of the holders of such Outstanding Notes the subordination or ranking provisions of such notes.

The foregoing paragraph is without prejudice to our rights and the rights of the Trustee, without any requirement for the consent or approval of any holders of any notes, to make any other amendments to the Indenture and/or the terms of any notes as may be expressly provided for in the Indenture and under this section “*Terms and Conditions of the Notes*” (including, without limitation, as provided under “*Benchmark discontinuation*”, “*Substitution and Variation in Respect of Subordinated Notes and Senior Non-Preferred Notes*” and “*Agreement with Respect to the Exercise of UK Bail-in Power*”).

In addition, variations in the terms and conditions of the subordinated notes or senior non-preferred notes of any series, which may include modifications relating to the status, subordination, ranking, redemption, repurchase or Events of Default with respect to such notes, may require Relevant Supervisory Consent.

## **Waivers**

The holders of not less than a majority in aggregate principal amount of the Outstanding Notes of a series of notes affected thereby, may on behalf of the holders of all notes of such series waive compliance by us with certain restrictive provisions of the Indenture as pertain to the corporate existence of us, the maintenance of certain agencies by us or, solely with respect to senior preferred notes, as pertain to the negative pledge covenant as described under the subsection entitled “*Negative Pledge*.”

The holders of a majority in aggregate principal amount of the Outstanding Notes of a series of notes may waive on behalf of the holders of all notes of such series, any past default and its consequences under the Indenture, except a default in the payment of the principal of (or premium, if any, on) or interest, if any, on any such note of that series or a default in respect of a covenant or a provision which under the Indenture cannot be modified or amended without the consent of the holder of each Outstanding Note of such series.

In addition to our and the Trustee's rights to modify and amend the Indenture as described above, modifications of and amendments to the terms of the Indenture or the notes may be made by us and the Trustee, without the further consent of the noteholders, to the extent necessary to give effect to the exercise by the relevant UK resolution authority of the UK bail-in power.

## **Notices**

Notices to holders of notes will be given by mail to addresses of such holders as they appear in the notes' register.

## **Governing Law**

The Indenture and the notes shall be governed by and construed in accordance with the laws of the State of New York; except that Section 11.1 of the Indenture (which contains the subordination provisions in respect of the subordinated notes) and Section 12.1 of the Indenture (which explains the priority of the senior non-preferred notes under the Insolvency Act and any other Ranking Legislation) and the corresponding subordination and ranking provisions, respectively, of each series of such notes pursuant to Section 3.1 of the Indenture and in the terms of such notes will be governed by and construed in accordance with the laws of England, with the intention that such provisions be given full effect in any insolvency proceeding relating to us in England.

## **Consent to Service**

We have designated and appointed CT Corporation System at 111 Eighth Avenue, in the Borough of Manhattan, New York City, New York 10011 as our authorized agent upon which process may be served in any suit or proceeding arising out of or relating to the notes or the Indenture which may be instituted in any State or Federal court located in the Borough of Manhattan, City of New York, State of New York, and have submitted (for the purposes of any such suit or proceeding) to the jurisdiction of any such court in which any such suit or proceeding is so instituted. We have agreed, to the fullest extent that we lawfully may do so, that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon us and may be enforced in the courts of England (or any other courts to the jurisdiction of which it is subject).

Notwithstanding the foregoing, any actions arising out of or relating to the notes or the Indenture may be instituted by us, the Trustee or the holder of any note in any competent court in England or such other competent jurisdiction, as the case may be.

## **Concerning the Trustee**

The Indenture provides that, except during the continuance of an Event of Default for a series of notes, the Trustee will have no obligations other than the performance of such duties and only such duties as are specifically set forth in the Indenture and no implied covenants or obligations shall be read into the Indenture against the Trustee. If an event of default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

## **Prescription**

Claims for payment of principal in respect of the notes shall become void upon the expiry of ten years, and claims for payment of interest (if any) in respect of the notes shall become void upon the expiry of five years, in each case from the Relevant Date therefor, subject to the terms and conditions described under the subsection entitled "*—Payment of Principal, Premium, if any, and Interest, if any.*"

## DESCRIPTION OF THE GLOBAL NOTES

Unless otherwise specified in the Final Terms for a particular series of notes, DTC will act as securities depository for the notes. The following discussion relates solely to DTC and notes for which it is the securities depository.

### Global Notes

So long as DTC or its nominee is the holder of the Global Notes, any owner of a beneficial interest in the notes of a series must rely upon the procedures of DTC and institutions having accounts with DTC to exercise or be entitled to any rights of a holder of such Global Notes. See the subsection entitled “—*Book-Entry System*” for a further description of DTC’s procedures.

### Book-Entry System

The Global Notes will be issued as fully-registered securities registered in the name of Cede (DTC’s partnership nominee), unless otherwise specified. No Global Note may be transferred except by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or any successor thereof.

We have been advised by DTC that upon the deposit of a Global Note with DTC, DTC will immediately credit, on its book-entry registration and transfer system, the respective principal amounts of such beneficial interests in that Global Note to the accounts of the DTC Participants. The accounts to be credited shall be designated by the soliciting Placement Agent or, to the extent that the notes are offered and sold directly, by us.

We understand that DTC is a limited-purpose trust company organized under the laws of the State of New York, a “**Banking Organization**” within the meaning of the New York Banking Law, a member of the 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 holds securities that its participants (“**Participants**”) deposit with DTC. DTC also facilitates the clearance and settlement among Participants of transactions in such securities through electronic book-entry changes in Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants (“**Direct Participants**”) include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to DTC’s system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). The rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

Ownership of beneficial interests in a Global Note in respect of a series of notes will be limited to DTC Participants, including Clearstream and Euroclear, or persons who hold interests through DTC Participants. In addition, ownership of beneficial interests will be evidenced only by, and the transfer of that ownership interest will be effected only through, records maintained by DTC or its nominee and DTC Participants until such time, if any, as Certificated Notes are issued, as set forth above under the subsection entitled “*Terms and Conditions of the Notes—Form, Transfer, Exchange and Denomination*.” The laws of some states require that certain purchasers of notes take physical delivery of such notes in certificated form. Such laws may impair the ability to transfer beneficial interests in a Global Note.

Interests held through Clearstream and Euroclear will be recorded on DTC’s books as being held by the U.S. depository for each of Clearstream and Euroclear, which U.S. depositories will in turn hold interests on behalf of their participants’ customers’ securities accounts.

To facilitate subsequent transfers, all Global Notes deposited with DTC are registered in the name of DTC’s partnership nominee, Cede. DTC has no knowledge of the actual owners of beneficial interests in the Global Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such beneficial

interests in Global Notes are credited, which may or may not be the beneficial owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede and any subsequent nominee of DTC. If less than all of the notes within a series are being redeemed, DTC's current practice is to determine *pro rata* or by lot the amount of the beneficial interest of each Direct Participant in such issue to be redeemed.

Principal and interest payments on the Global Notes will be made to DTC as the registered holder of the Global Notes. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to beneficial owners will be governed by standing instructions and customary practices, as in the case of securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is our responsibility, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the beneficial owners shall be the responsibility of Direct Participants and Indirect Participants.

A beneficial owner shall give notice to elect to have its beneficial interests in the Global Notes purchased or tendered, through its Participant, to the Trustee for a series of notes, and shall effect delivery of such beneficial interests in the Global Notes by causing the Direct Participant to transfer the Participant's beneficial interest in the Global Notes, on DTC's records, to the Trustee.

DTC may discontinue providing its services as securities depository with respect to the Global Notes at any time by giving reasonable notice to us and the Placement Agents. Under such circumstances, in the event that a successor securities depository is not obtained, certificated notes in registered form will be printed and delivered in exchange for beneficial interests in the Global Notes as described under the subsection entitled "*Terms and Conditions of the Notes—Form, Transfer, Exchange and Denomination.*"

We may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificated notes in registered form will be printed and delivered in exchange for beneficial interests in the Global Notes as described under the subsection entitled "*Terms and Conditions of the Notes—Form, Transfer, Exchange and Denomination.*"

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof.

In no event will definitive notes in bearer form representing any series of notes be issued.

None of us, any Trustee, any paying agent, any registrar for the notes or any Placement Agent will have any responsibility or liability for any aspect of DTC's records or any DTC Participant's records relating to or payments made on account of beneficial ownership interests in a Global Note or for maintaining, supervising or reviewing any of DTC's records or any DTC Participant's records relating to such beneficial ownership interests.

The Indenture and the notes require that payments in respect of the notes be made in immediately available funds. Interests in the notes are expected to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in the notes will be required to be settled in immediately available funds. We do not know the effect, if any, of such settlement arrangements on trading activity in the notes or interests in the notes.

## **Issuance of Certificated Notes**

If (i) DTC notifies us and the Trustee that it is unwilling or unable to continue as holder of the Global Notes or if at any time it ceases to be a clearing agency registered under the Exchange Act and, in either case, a successor holder is not appointed by us within 90 days of such notification or of our becoming aware of such ineligibility, (ii) an Event of Default occurs with respect to one or more series of notes, or (iii) we determine in our sole discretion (subject to DTC's procedures) that certificated notes of such series will be issued in registered form, then in any such case, upon the written request of the holder of the Global Note, the Trustee will issue certificated registered notes in the names and in the amounts as specified by the holder of the Global Note. The request for certificated notes may be made by the holder in the circumstances and subject to the conditions described under the subsection entitled "*Terms and Conditions of the Notes—Form, Transfer, Exchange and Denomination.*"

The exchange of interests in the Global Note for certificated notes of a particular series shall be made free of any fees of the Trustee to the holder, provided, however, that such person receiving notes in certificated form will be obligated to pay or otherwise bear the cost of any tax or other governmental charge as required by the Indenture and any cost of insurance, postage, transportation and the like.

## **Repayment**

If a note becomes repayable at the option of the holder on a date or dates specified prior to its maturity date, if any, and the Trustee is so notified, the Trustee will promptly notify the holder of the Global Note that such note has become repayable. In order for the repayment option on any note to be exercised, the owners of beneficial interests in the Global Note must instruct the broker or other DTC Participant through which it holds an interest in the Global Note to notify the Trustee of its desire to exercise that right to repayment. Different firms have different cut-off times for accepting instructions from their customers and, accordingly, each beneficial owner should consult the broker or other DTC Participant through which it holds its beneficial interest in a Global Note in order to ascertain the cut-off time by which such an instruction must be given in order for timely notice to be delivered to the depository.

## **Record Date**

Unless we otherwise instruct the Trustee in writing, the record date for the determination of the holder of Global Notes entitled to receive payment in respect of a Global Note will be the date which is 15 calendar days prior to the applicable payment date on such Global Note in respect of such Global Note, provided that interest payable at Maturity will be payable to the person to whom principal shall be payable. If such 15th day is not a Business Day, the record date for determination will be the next succeeding Business Day. Whenever we or the Trustee deem it appropriate to fix a record date for the determination of the holder of Global Notes who should be entitled to receive payment or take any action in respect of Global Notes, the Trustee, with our consent, will set such record date at least 15 days prior to the date on which such payment is to be made or such action is to be taken.

## **Reports**

The Trustee will send promptly to the applicable holders of the Global Notes any notices, reports and other communications from us that are received by the custodian as holder of the Global Notes and that we make generally available to holders of the notes.

## FORM OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each tranche of notes issued under the medium-term note program described in this Base Prospectus.*

**[MiFID II product governance / Professional investors and ECPs 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**”); 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**”) 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.]<sup>1</sup>

**UK MiFIR product governance / Professional investors and ECPs 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 domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (“**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**”) 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 (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 manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.

**[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/both] of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended, “**MiFID II**”)]/MiFID II]; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EU PRIIPs Regulation**”) for offering or selling the 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 (“**UK**”). For these purposes, a retail investor means a person who is one (or [more/both]) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of 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 domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

---

<sup>1</sup> This legend to be included only where it accurately reflects the determination of the manufacturer(s) for the relevant series of notes.

**[Singapore Securities and Futures Act Product Classification** – In connection with Section 309B of the Securities and Futures Act 2001, as amended, of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), the classification of the notes as [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)]/[ ].]

[Date]

**Nationwide Building Society**

*(incorporated in England under the Building Societies Act 1986, as amended)*

*(Legal Entity Identifier (LEI): 549300XFX12G42QIKN82)*

**[Title of relevant Series of notes (specifying type of notes)]**

issued pursuant to its

**\$25,000,000,000 Senior Preferred, Senior Non-Preferred and Subordinated Medium-Term Notes Program**

**PART A – CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the base prospectus dated [date] (the “**Base Prospectus**”) [and the supplemental prospectus[es] dated [date] [and [date]] [(the “**Supplement[s]**”)] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) (2017/1129) as it forms part of domestic law by virtue of the EUWA (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 [and the Supplement[s]]. Full information on the Issuer and the offer of the notes is only available on the basis of the combination of these Final Terms[, / and] the Base Prospectus [and the Supplement[s]]. The Base Prospectus [and the Supplement[s]] [has/have] been published on the website of the London Stock Exchange through a regulatory information service (<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>) and are available on the website of the Issuer at <https://www.nationwide.co.uk/investor-relations/usmtm-terms-of-access/usmtm-programme/>].

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the base prospectus dated [original date] [and the supplement[s] to it dated [date] [and [date]]] and incorporated by reference into the base prospectus dated [date] [as supplemented by the supplemental prospectus[es] dated [date] [and [date]]]. This document constitutes the Final Terms of the notes described herein for the purposes of Regulation (EU) (2017/1129) as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”) and must be read in conjunction with the base prospectus dated [date] (the “**Base Prospectus**”) [and the supplemental prospectus[es] dated [date] [and [date]]] [(the “**Supplement[s]**”)] which [together] constitute[s] a base prospectus for the purposes of the UK Prospectus Regulation, including the Terms and Conditions incorporated by reference in the Base Prospectus [as so supplemented], in order to obtain all the relevant information. The Base Prospectus [and the Supplement[s]] [has/have] been published on the website of the London Stock Exchange through a regulatory information service (<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>) and are available on the website of the Issuer at <https://www.nationwide.co.uk/investor-relations/usmtm-terms-of-access/usmtm-programme/>].

## TYPE OF NOTE

- |    |                                |                                                           |
|----|--------------------------------|-----------------------------------------------------------|
| 1. | Status of the notes:           | [Senior Preferred / Senior Non-Preferred / Subordinated]  |
| 2. | Interest Basis:                | [Fixed Rate/Reset/Floating Rate/Zero Coupon/Combination]  |
| 3. | Change of Interest Rate Basis: | [Fixed/Floating Rate/Floating/Fixed Rate][Not Applicable] |

## DESCRIPTION OF THE NOTES

- |     |     |                                                                             |                                                       |
|-----|-----|-----------------------------------------------------------------------------|-------------------------------------------------------|
| 4.  | (a) | Series Number:                                                              | [ ]                                                   |
|     | (b) | Tranche Number:                                                             | [ ]                                                   |
| 5.  | (a) | Nominal Amount of notes to be issued:                                       | [ ]                                                   |
|     | (b) | Aggregate nominal amount of Series (if more than one issue for the Series): | [ ]                                                   |
|     | (c) | Specified Currency:                                                         | [ ]                                                   |
|     | (d) | Currency Determination Agent:                                               | [ ] [Not Applicable]                                  |
|     | (e) | Specified Denomination(s):                                                  | [ ] [and integral multiples of [ ] in excess thereof] |
| 6.  |     | Issue Price:                                                                | [ ]                                                   |
| 7.  |     | Issue Date:                                                                 | [ ]                                                   |
| 8.  |     | Original Issue Date:                                                        | [ ]                                                   |
| 9.  |     | Interest Commencement Date:                                                 | [ ] [Issue Date] [Not Applicable]                     |
| 10. |     | Automatic/optional conversion from one Interest Basis to another:           | [ ] [Not Applicable]                                  |
| 11. |     | Additional Business Center(s):                                              | [ ] [Not Applicable]                                  |

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- |     |                             |                             |                                                                                 |
|-----|-----------------------------|-----------------------------|---------------------------------------------------------------------------------|
| 12. | Fixed Rate Note Provisions: | [Applicable/Not Applicable] |                                                                                 |
|     | (a)                         | Fixed Rate(s) of Interest:  | [ ]% per annum payable in arrear on each Fixed Interest Date                    |
|     | (b)                         | Interest Payment Date(s):   | [ ] in each year up to and including the Maturity Date                          |
|     | (c)                         | Day Count Fraction:         | [Actual/Actual (ICMA)] [30/360]                                                 |
|     | (d)                         | Business Day Convention:    | [Following Business Day/Modified Following Business Day/Preceding Business Day] |
|     | (i)                         | Adjusted:                   | [Applicable/Not Applicable]                                                     |

- (ii) Non-Adjusted: [Applicable/Not Applicable]
- (e) Calculation Agent responsible for calculating the amount of interest: [Agent]/ [ ]
- (f) Determination Date(s): [ ] [Not Applicable]
13. Zero Coupon Note Provisions: [Applicable/Not Applicable]
- (a) Accrual Yield: [ ]
- (b) Reference Price: [ ]
- (c) Calculation Agent (if any): [ ]
14. Floating Rate Note Provisions: [Applicable/Not Applicable]
- (a) Calculation Agent responsible for calculating the Interest Rate and Interest Amount: [Agent]/ [ ]
- (b) Interest Period(s) or specified Interest Payment Date(s): [ ]
- (c) Business Day Convention: [Floating Rate/Following Business Day/Modified Following Business Day/Preceding Business Day]
- (d) First Interest Payment Date: [ ]
- (e) Calculation Date: [ ]
- (f) Interest Rate Basis/Bases: [CMT Rate/Compounded Daily SONIA – Non-Index Determination/ Compounded Daily SONIA – Index Determination / [SOFR:][Compounded Daily SOFR – Non-Index Determination/ Compounded Daily SOFR – Index Determination]/[Average SOFR]]/ EURIBOR/Federal Funds Rate/Prime Rate/Treasury Rate]
- (g) Interest Determination Date(s): [ ] [TARGET/[ ]] Business Days [in [ ]] prior to the [ ] day in each Interest Period/each Interest Payment Date][The [first/[ ]] [London Banking Day]/[TARGET Business Day]/[US Government Securities Business Day]/[[City] Banking Day] falling after the last day of the relevant [SOFR] Observation Period][where “[City] Banking Day” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in [City]] / [The date which is [two/[ ]] US Government Securities Business Days before the relevant Interest Payment Date (or other date on which payment of interest falls due)] / [ ]
- (h) Designated CMT Reuters Page: [Not Applicable] [Reuters 7051 Page/Reuters Page T7052]

|     |                                                                   |                                                                                                                                                                                                                                                                                                                                                                                  |
|-----|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) | Designated EURIBOR Page:                                          | [Not Applicable] [EURIBOR 01/[ ]]                                                                                                                                                                                                                                                                                                                                                |
| (j) | Relevant Screen Page in respect of Compounded Daily SONIA [Rate]: | [Not Applicable] [ ]                                                                                                                                                                                                                                                                                                                                                             |
| (k) | Initial Interest Rate:                                            | [ ]                                                                                                                                                                                                                                                                                                                                                                              |
| (l) | Initial Interest Reset Date:                                      | [ ]                                                                                                                                                                                                                                                                                                                                                                              |
| (m) | Interest Reset Period:                                            | [ ]                                                                                                                                                                                                                                                                                                                                                                              |
| (n) | Interest Reset Dates:                                             | [ ]                                                                                                                                                                                                                                                                                                                                                                              |
| (o) | Index Maturity:                                                   | [Not Applicable] [ ]                                                                                                                                                                                                                                                                                                                                                             |
| (p) | Designated CMT Maturity Index:                                    | [Not Applicable] [ ]                                                                                                                                                                                                                                                                                                                                                             |
| (q) | Margin(s):                                                        | [plus/minus] [ ]% per annum                                                                                                                                                                                                                                                                                                                                                      |
| (r) | Minimum Interest Rate (if any):                                   | [ ]% per annum                                                                                                                                                                                                                                                                                                                                                                   |
| (s) | Maximum Interest Rate (if any):                                   | [ ]% per annum                                                                                                                                                                                                                                                                                                                                                                   |
| (t) | Day Count Fraction:                                               | [[Actual/Actual (ISDA)] [Actual/Actual]<br>[Actual/365 (Fixed)]<br>[Actual/365 (Sterling)]<br>[Actual/360]<br>[30/360] [360/360] [Bond Basis]<br>[30E/360] [Eurobond Basis]<br>[30E/360 (ISDA)]]                                                                                                                                                                                 |
| (u) | Observation Method:                                               | [Not Applicable/Lag/Lock-out/Shift]                                                                                                                                                                                                                                                                                                                                              |
|     | -Lag Period:                                                      | [5 / [ ] [London Banking Days] [US Government Securities Business Days] [Not Applicable]                                                                                                                                                                                                                                                                                         |
|     | -Shift Period:                                                    | [5 / [ ] [London Banking Days] [US Government Securities Business Days]] [Not Applicable]<br>(NB: A minimum of 5 London Banking Days if Compounded Daily SONIA, or 2 U.S. Government Securities Business Days if Compounded Daily SOFR, should be specified for the Lag Period or Shift Period, unless otherwise agreed with the Calculation Agent)                              |
| (v) | Index Determination:                                              | [Applicable/Not Applicable]                                                                                                                                                                                                                                                                                                                                                      |
|     | -Relevant Number                                                  | [[5 / [ ] [US Government Securities Business Days]/[London Banking Days]]/[Not Applicable]<br><br>(If 'Index Determination' is 'Not Applicable', delete 'Relevant Number')<br>(If 'Index Determination' is 'Applicable', insert number of days (expected to be five or greater (if Compounded Daily SONIA) or two or greater (if Compounded Daily SOFR)) as the Relevant Number) |
| 15. | Reset Note Provisions:                                            | [Applicable/Not Applicable]                                                                                                                                                                                                                                                                                                                                                      |

- (a) Initial Rate of Interest: [ ]% per annum payable in arrear on each Interest Payment Date]
- (b) First Margin: [+/-][ ]% per annum
- (c) Subsequent Margin: [[+/-][ ]% per annum] [Not Applicable]
- (d) Interest Payment Date(s): [[ ] [and [ ]] in each year up to and including the Maturity Date
- (e) Calculation Date: [ ]
- (f) Fixed Coupon Amount to (but excluding) the First Reset Date: [ ] per Calculation Amount
- (g) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]
- (h) Reset Reference Rate: [[CMT Rate / Compounded Daily SONIA – Non-Index Determination / Compounded Daily SONIA – Index Determination / [[Compounded Daily SOFR - Non-Index Determination / Compounded Daily SOFR - Index Determination]/[Average SOFR]] /EURIBOR/Federal Funds Rate/Prime Rate/Treasury Rate]/[Mid-Swaps]/[Reference Bond]]
- (i) Interest Determination Date(s): [ ] [TARGET/[ ]] Business Days [in [ ]] prior to the [ ] day in each Interest Period/each Interest Payment Date][The [first/[ ]] [London Banking Day]/[TARGET Business Day]/[US Government Securities Business Day]/[[City] Banking Day] falling after the last day of the relevant [SOFR] Observation Period][where “[City] Banking Day” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in [City]] / [The date which is [two/[ ]] US Government Securities Business Days before the relevant Interest Payment Date (or other date on which payment of interest falls due)] / [ ]
- (ii) Designated CMT Reuters Page: [Not Applicable] [Reuters 7051 Page/Reuters Page T7052]
- (iii) Designated EURIBOR Page: [Not Applicable] [EURIBOR 01/[ ]]
- (iv) Relevant Screen Page in respect of Compounded Daily SONIA [Rate]: [Not Applicable] [ ]
- (v) Index Maturity: [Not Applicable] [ ]
- (vi) Designated CMT Maturity Index: [Not Applicable] [ ]

- (vii) Margin(s): [plus/minus] [ ]% per annum
- (viii) Minimum Interest Rate (if any): [ ]% per annum
- (ix) Maximum Interest Rate (if any): [ ]% per annum
- (x) Day Count Fraction: [[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]]
- (xi) Observation Method: [Not Applicable/Lag/Lock-out/Shift]
- Lag Period: [5 / [ ] [London Banking Days] [US Government Securities Business Days] [Not Applicable]
- Shift Period: [5 / [ ] [London Banking Days] [US Government Securities Business Days]] [Not Applicable]
- (NB: A minimum of 5 London Banking Days if Compounded Daily SONIA or 2 US Government Securities Business Days, if Compounded Daily SOFR should be specified for the Lag Period or Shift Period, unless otherwise agreed with the Calculation Agent)*
- (xii) Index Determination: [Applicable/Not Applicable]
- Relevant Number [[5 / [ ] [London Banking Days] [US Government Securities Business Days]]/[Not Applicable]
- (If 'Index Determination' is 'Not Applicable', delete 'Relevant Number')*
- (If 'Index Determination' is 'Applicable', insert number of days (expected to be five or greater) as the Relevant Number)*
- (i) First Reset Date: [ ]
- (j) Second Reset Date: [ ]/[Not Applicable]
- (k) Subsequent Reset Date(s): [ ] [and [ ] [Not Applicable]
- (l) Relevant Screen Page: [ ]
- (m) Mid-Swap Rate: [Single Mid-Swap Rate/Mean Mid-Swap Rate] [Not Applicable]
- (n) the Mid-Swap Rate Determination Time: [11.00 a.m.]/[ ] ([city] time)
- (o) Mid-Swap Fallback Rate in respect of the first Reset Determination Date: [[ ] %.] [Not Applicable]

- (p) Fixed Leg Swap Duration: [12 months / 6 months / [ ]] [Not Applicable]
- (q) Floating Leg Swap Duration: [12 months / 6 months / 3 months / [ ]] [Not Applicable]
- (r) Mid-Swap Floating Leg Benchmark Rate: [[6]-month EURIBOR (calculated on an Actual/360 day count basis)] / [Overnight SONIA rate compounded for the Floating Leg Swap Duration (calculated on an Actual/365 day count basis)] / [Overnight SOFR rate compounded for the Floating Leg Swap Duration (calculated on an Actual/360 day count basis)] / [ ] / [Not Applicable]
- (s) Reference Bond Reset Rate Time: [ ]/[Not Applicable]
- (t) Reference Bond Fallback Rate in respect of the first Reset Determination Date: [ ]/[Not Applicable]
- (u) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (v) Determination Date(s): [[ ] in each year][Not Applicable]
- (w) Reset Determination Date(s): [See provisions of “*Interest—Interest on Reset Notes*”][In respect of [any Reset Period/the First Reset Period], the [second/[ ]] Reset Business Day prior to the first day of [such Reset Period/the First Reset Period]
- (x) Business Center(s): [ ]
- (y) Business Day Convention: [Following Business Day/Modified Following Business Day/Preceding Business Day]
- Adjusted: [Applicable]/[Not Applicable]
  - Non-Adjusted: [Applicable]/[Not Applicable]
- (z) Calculation Agent: [ ]
16. Benchmark Replacement: [Applicable/Not Applicable]

#### PROVISIONS REGARDING REDEMPTION/MATURITY

17. Maturity Date: [ ]/[Interest Payment Date falling [in/on] or nearest to [..]]
18. Redemption at Issuer's option: [Applicable/Not Applicable]
- (a) Early Redemption Date(s): [ ]/[Any day falling in the period commencing on (and including) [ ] and ending on ((and including/but excluding)) [the [first] Reset Date]/[the Maturity Date]/[ ]]
- (b) Redemption Price of each note: [[ ] per note of [ ] Specified Denomination]
- (c) Notice Periods: Minimum period: [ ] days

- Maximum period: [ ] days
19. (a) Senior Non-Preferred Notes: Loss Absorption Disqualification Event Redemption: [Applicable/specify if Not Applicable]
- (b) Loss Absorption Disqualification Event: [Full Exclusion / Full or Partial Exclusion / Not Applicable]
- (c) Senior Non-Preferred Notes: Substitution and Variation: [Applicable/specify if Not Applicable]
20. Repayment at holder's option: [Applicable/Not Applicable]
- (a) Optional Repayment Date(s): [ ]
- (b) Repayment price of each note: [ ] per note of [ ] Specified Denomination
- (c) Notice periods: Minimum period: [ ] days  
Maximum period: [ ] days
21. Minimum Denomination for early redemption/repayment: [ ]
22. Regulatory Event (subordinated notes only): [Full Exclusion / Full or Partial Exclusion / Not Applicable]

### 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 **NATIONWIDE BUILDING SOCIETY**

By:

.....  
*Duly Authorized*

By:

.....  
*Duly Authorized*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (a) Listing and Admission to trading: [Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the notes to be admitted to trading on the London Stock Exchange plc's main market and listing on the Official List of the Financial Conduct Authority with effect from [on or around] [ ]/[the Issue Date].]
- (b) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

Ratings: The [Program/notes to be issued] [has/have] been rated:

[Moody's Investors Service Limited: [ ]]

[S&P Global Ratings UK Limited: [ ]]

[Fitch Ratings Ltd.: [ ]]

[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 rating agenc[y/ies] above [has/have] published the following high-level description[s] of such rating[s]:

- A rating of [ ] by Moody's Investors Service Limited is described by it as indicating [ ].

- A rating of [ ] by S&P Global Ratings UK Limited is described by it as indicating [ ].

- A rating of [ ] by Fitch Ratings Ltd. is described by it as indicating [ ].]

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the Placement Agent(s), so far as the Issuer is aware, no person involved in the issue of the notes has an interest material to the offer. The Placement Agent(s) 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. YIELD (*Fixed Rate Notes only*)

Indication of yield: [ ]

[The yield is calculated on the basis of the Rate of Interest [applicable up to (but excluding) the First

Reset Date] and the Issue Price as at the Issue Date.  
It is not an indication of future yield.]

## 5. OPERATIONAL INFORMATION

- (a) CUSIP: ☐
- (b) ISIN Code: ☐
- (c) Common Code: ☐
- (d) Any clearing system(s) other than The Depository Trust Company and the relevant identification number(s): ☐ [Not Applicable]
- (e) Names and addresses of additional Paying Agent(s) (if any): ☐
- (f) Relevant Benchmark[s]: ☐ *[[specify benchmark]* is provided by *[administrator legal name]*. As at the date hereof, *[[administrator legal name]* *[appears]/[does not appear]* in the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 (Register of administrators and benchmarks) of the UK Benchmarks Regulation]/[As far as the Society is aware, as at the date hereof, *[specify benchmark]* does not fall within the scope of the UK Benchmarks Regulation]/[Not Applicable]

## 6. DISTRIBUTION

Prohibition of sales to EEA Retail Investors: ☐ [Applicable/Not Applicable]

Prohibition of sales to UK Retail Investors: ☐ [Applicable/Not Applicable]

## 7. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- (a) Reasons for the offer: ☐ [See ["Use of Proceeds"] in the Base Prospectus /Give details]
- (b) Estimated net proceeds: ☐

## 8. US FEDERAL INCOME TAX CONSIDERATIONS

[Not applicable]/[[For notes issued in compliance with Rule 144A that are contingent payment debt instruments or which are otherwise issued with original issue discount for U.S. federal income tax purposes:][For U.S. federal income tax purposes, the Issuer intends to treat the notes as [Original Issue Discount Notes/fixed-rate debt/fixed-rate debt issued with original issue discount/contingent payment debt instruments, [for which purpose, the comparable yield relating to the notes will be ☐% compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a note consists of the following payments: ☐/for which purpose, the comparable yield and the projected payment schedule are available by contacting ☐ at ☐/Floating Rate Notes/Floating Rate Notes issued with original issue discount/Foreign Currency Notes/Foreign Currency Notes issued with original issue discount/Short-Term Notes.]]

[For a Qualified Reopening of notes issued in compliance with Rule 144A:][Qualified Reopening. The issuance of the notes should be treated as a "qualified reopening" of the notes issued on ☐ within the meaning of the Treasury regulations governing original issue discount on debt instruments (the "OID Regulations").

Therefore, for purposes of the OID Regulations, the notes issued in this offering should be treated as having the same issue date and the same issue price as the notes issued on [ ] and should [not] be considered to have been issued with original issue discount for U.S. federal income tax purposes.]

## TAXATION

### US Federal Income Taxation

The following summary describes certain U.S. federal income tax consequences of the purchase, ownership and disposition of notes. Except where noted, this discussion deals only with holders that acquire the notes at their original issuance and that will hold the notes as capital assets and does not deal with investors subject to special tax rules, such as dealers in securities or currencies, financial institutions, regulated investment companies, real estate investment trusts, tax-exempt entities, individual retirement accounts and other tax-deferred accounts, insurance companies, persons holding notes as a part of a hedging, integrated, conversion or constructive sale transaction or a straddle, entities or arrangements treated as partnerships for U.S. federal income tax purposes, traders in securities that elect to use mark-to-market method of accounting for their securities holdings, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, or U.S. Holders (as defined below) of notes whose “functional currency” is not the U.S. dollar. The discussion below is based upon the provisions of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), its legislative history, final, temporary and proposed U.S. Treasury regulations promulgated thereunder, published rulings and judicial decisions as of the date hereof, all of which are subject to change possibly with retroactive effect or possible differing interpretations so as to result in U.S. federal income tax consequences different from those discussed below. This summary assumes that there will be no substitution of another entity in the place of the Issuer as principal debtor in respect of the notes.

The discussion set forth below only covers notes issued pursuant to the medium-term note program that will constitute debt for U.S. federal income tax purposes. If any note did not constitute debt for U.S. federal income tax purposes, the tax consequences of the ownership of such note could differ materially from the tax consequences described herein. This summary does not address the U.S. federal income tax consequences of every type of note which may be issued under the program, such as notes with an original maturity of more than 30 years or with certain contingent payment features (except to the limited extent discussed below), and additional or modified disclosure concerning certain U.S. federal income tax consequences relevant to such types of notes will be provided as appropriate. Moreover, this summary does not address U.S. federal estate, gift, or alternative minimum tax considerations, the Medicare tax on net investment income, non-U.S., state or local tax considerations or special tax accounting rules as a result of any item of gross income with respect to the notes being taken into account on an applicable financial statement.

As used herein, a “**U.S. Holder**” of a note means a beneficial owner that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation created or organized in or under the laws of the United States or any political subdivision thereof (including the District of Columbia), (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust (X) that is subject to the supervision of a court within the United States and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust or (Y) that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person. A “**Non-U.S. Holder**” is a beneficial owner of notes that is neither a U.S. Holder nor a partnership.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds notes, the tax treatment of a partner in such entity or arrangement will generally depend upon the status of the partner and the activities of the partnership. An entity or arrangement treated as a partnership for U.S. federal income tax purposes considering holding notes should consult its tax advisors concerning the U.S. federal income tax consequences to it and its partners of the acquisition, ownership and disposition of the notes by the partnership.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY AND DOES NOT ADDRESS EVERY TYPE OF NOTE THAT CAN BE ISSUED UNDER THE PROGRAM. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF U.S. FEDERAL, STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

## ***Payments of Interest***

Except as set forth below, interest (including the amount of any taxes withheld and the payment of any additional amounts) on a note, other than interest on an “Original Issue Discount Note” that is not “qualified stated interest” (each as defined below), generally will be taxable to a U.S. Holder as ordinary income at the time it is paid or accrued in accordance with the U.S. Holder’s method of tax accounting, reduced by the allocable amount of amortizable bond premium, if any (discussed below). Interest income (including original issue discount (“OID”), if any, as discussed below) on the notes will generally be treated as foreign source income. Prospective purchasers should consult their tax advisors concerning the applicability of the foreign tax credit and source of income rules to income attributable to the notes.

## ***Original Issue Discount***

U.S. Holders of notes issued with OID will be subject to special tax accounting rules, as described in greater detail below. U.S. Holders of such notes should be aware that they generally must include OID in gross income as ordinary income in advance of the receipt of cash attributable to that income. However, U.S. Holders of such notes generally will not be required to include separately in income cash payments received on the notes, even if denominated as interest, to the extent such payments do not constitute “qualified stated interest” (as defined below) and were previously included in income as OID. Notes issued with OID will be referred to as “**Original Issue Discount Notes**.” The pricing term sheet that is provided to investors in connection with the confirmation of the purchase of their securities and the applicable Final Terms will specify if a series of notes should be treated as Original Issue Discount Notes.

Additional rules applicable to Original Issue Discount Notes that are denominated in or determined by reference to a currency other than the U.S. dollar are described under “—*Foreign Currency Notes*” below.

For U.S. federal income tax purposes, a note, other than a note with a term of one year or less (a “**Short-Term Note**”), with an “issue price” (as defined below) that is less than its stated redemption price at maturity (the sum of all payments to be made on the note other than payments of qualified stated interest) will be issued with OID unless such difference is *de minimis* (i.e., less than 0.25% of the stated redemption price at maturity multiplied by the number of complete years to maturity or, in the case of a note that provides for the payment of amounts other than qualified stated interest before maturity, the weighted average maturity). A note’s weighted average maturity is the sum of the following amounts determined for each payment on a note (other than a payment of “qualified stated interest”): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the note’s stated redemption price at maturity. The “**issue price**” of each note in a particular offering will be the first price at which a substantial amount of that particular offering is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. The term “**qualified stated interest**” means stated interest that is unconditionally payable over the entire term of the note in cash or in property (other than debt instruments of the Issuer) at least annually at a single fixed rate or, subject to certain conditions, based on one or more interest indices. Interest is payable at a single fixed rate only if the rate appropriately takes into account the length of the interval between payments.

In the case of a note issued with *de minimis* OID, the U.S. Holder generally must include such *de minimis* OID in income at the time principal payments on the note are made in proportion to the amount paid for the note. Any amount of *de minimis* OID includable in income will be treated as capital gain.

Certain notes may be redeemed prior to their maturity at the option of the Issuer and/or at the option of the holder. Original Issue Discount Notes containing such features may be subject to rules that differ from the general rules discussed herein. In the case of notes that provide for alternative payment schedules, OID is calculated by assuming that (i) the holder will exercise or not exercise options in a manner that maximizes the holder’s yield and (ii) the Issuer will exercise or not exercise options in a manner that minimizes the holder’s yield.

U.S. Holders of Original Issue Discount Notes with a maturity upon issuance of more than one year must, in general, include OID in income in advance of the receipt of some or all of the related cash payments. The amount of OID includible in income by the initial U.S. Holder of an Original Issue Discount Note is the sum of the “daily portions” of OID with respect to the Original Issue Discount Note for each day during the taxable year or portion of the taxable year in which such U.S. Holder held such Original Issue Discount Note (“**accrued OID**”). The daily portion is determined by allocating to each day in any “accrual period” a *pro rata* portion of the OID allocable to that accrual period. The “accrual period” for an Original Issue Discount Note may be of any length and may vary in length over the term of the Original Issue Discount Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs on either the first day or the final day of an accrual period. The amount of OID allocable to any accrual period is an amount equal to the excess, if any, of (a) the product of the Original Issue Discount Note’s “adjusted issue price” at the beginning of such accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of any qualified stated interest allocable to the accrual period. OID allocable to a final accrual period is the difference between the amount payable at maturity (other than a payment of qualified stated interest) and the adjusted issue price at the beginning of the final accrual period. Special rules will apply for calculating OID for an initial short accrual period. The “**adjusted issue price**” of an Original Issue Discount Note at the beginning of any accrual period is equal to its issue price increased by the amount of accrued OID for each prior accrual period (determined without regard to the amortization of any acquisition or bond premium, as described below) and reduced by any payments made on such note (other than qualified stated interest) on or before the first day of the accrual period. Under these rules, a U.S. Holder will generally have to include in income increasingly greater amounts of OID in successive accrual periods.

In the case of an Original Issue Discount Note that is treated as a “variable rate debt instrument” under U.S. Treasury regulations (a “**Floating Rate Note**”), both the “yield to maturity” and “qualified stated interest” generally will be determined solely for purposes of calculating the accrual of OID as though the Floating Rate Note will bear interest in all periods at a fixed rate generally equal to the value of the rate that would be applicable to interest payments on the note on its date of issue or, in the case of certain Floating Rate Notes, the rate that reflects the yield to maturity that is reasonably expected for the note. Additional rules may apply if interest on a Floating Rate Note is based on more than one interest index or if the principal amount of the Floating Rate Note is indexed in any manner. Different rules may apply if a Floating Rate Note is treated as a contingent payment debt instrument under U.S. Treasury regulations.

Certain notes may be treated as contingent payment debt instruments for U.S. federal income tax purposes. The pricing term sheet that is provided to investors in connection with the confirmation of the purchase of their securities and the applicable Final Terms will specify if a series of notes should be treated as contingent payments debt instruments for U.S. federal income tax purposes. Under applicable U.S. Treasury regulations, interest on contingent payment debt instruments is treated as OID and must be accrued on a constant-yield basis based on a yield to maturity that reflects the rate at which the Issuer would issue a comparable fixed-rate instrument with no contingent payments but with terms and conditions otherwise similar to the contingent payment debt instruments (the “**comparable yield**”), based on a projected payment schedule determined by the Issuer (the “**projected payment schedule**”). This projected payment schedule must include each non-contingent payment on the note and an estimated amount for each contingent payment, and must produce the comparable yield.

The Issuer will be required to provide to holders, solely for U.S. federal income tax purposes, a schedule of the projected amounts of payments on such notes that are treated as contingent payment debt instruments for U.S. federal income tax purposes. The applicable Final Terms will either contain the comparable yield and projected payment schedule, or will provide an address to which a U.S. Holder of a contingent payment debt instrument can submit a written request for this information. A U.S. Holder generally will be bound by the comparable yield and the projected payment schedule determined by the Issuer unless the U.S. Holder determines its own comparable yield and projected payment schedule and explicitly and timely justifies and discloses such schedule to the U.S. Internal Revenue Service (“**IRS**”). The Issuer’s determination, however, is not binding on

the IRS, and it is possible that the IRS could conclude that some other comparable yield or projected payment schedule should be used instead.

THE COMPARABLE YIELD AND PROJECTED PAYMENT SCHEDULE WILL NOT BE DETERMINED FOR ANY PURPOSE OTHER THAN FOR THE DETERMINATION OF INTEREST ACCRUALS AND ADJUSTMENTS THEREOF IN RESPECT OF CONTINGENT NOTES FOR U.S. FEDERAL INCOME TAX PURPOSES AND WILL NOT CONSTITUTE A PROJECTION OR REPRESENTATION REGARDING THE ACTUAL AMOUNTS PAYABLE TO THE HOLDERS OF THE NOTES.

Gain from the sale, exchange, retirement or other disposition of a contingent payment debt instrument will be treated as interest income taxable at ordinary income (rather than capital gains) rates. Any loss will be ordinary loss to the extent that the U.S. Holder's total interest inclusions to the date of sale, exchange or retirement exceed the total net negative adjustments that the U.S. Holder took into account as ordinary loss, and any further loss will be capital loss. Gain or loss realized by a U.S. Holder on the sale, exchange, retirement or other disposition of a note that is treated as a contingent payment debt instrument generally will be treated as foreign source gain or loss. Prospective purchasers should consult their tax advisors as to the U.S. federal income tax consequences of purchasing contingent payment debt instruments.

U.S. Holders may elect to treat all interest on any note as OID and calculate the amount includible in gross income under the constant yield method described above with certain modifications. For the purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortizable bond premium or acquisition premium. The election is to be made for the taxable year in which the U.S. Holder acquired the note, and may not be revoked without the consent of the IRS.

#### ***Notes Subject to Redemption***

Certain of the notes: (i) may be redeemable at the option of the Issuer prior to their maturity, (ii) may be repayable at the option of the holder prior to their stated maturity, or (iii) may be otherwise subject to mandatory redemption. Notes containing such features may be subject to rules that are different from the general rules discussed above, which will depend, in part, on the particular terms and features of such notes.

#### ***Short-Term Notes***

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (calculated as set forth below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realized on the sale, exchange, retirement or other disposition of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale, exchange, retirement or other disposition. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realized.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Note. This election shall apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

### ***Market Discount***

If a U.S. Holder purchases a note (other than a Short-Term Note) for an amount that is less than its stated redemption price at maturity or, in the case of an Original Issue Discount Note, its revised issue price, the amount of the difference will be treated as “market discount” for U.S. federal income tax purposes, unless such difference is less than a specified *de minimis* amount. Under the market discount rules, a U.S. Holder will be required to treat any principal payment on, or any gain on the sale, exchange, retirement or other disposition of, a note as ordinary income to the extent of the market discount which has not previously been included in income and is treated as having accrued on such note at the time of such payment or disposition. In addition, the U.S. Holder generally will be required to defer, until the maturity of the note or its earlier disposition in a taxable transaction, the deduction of all or a portion of the interest expense on any indebtedness incurred or continued to purchase or carry such note. Such interest is deductible when paid or incurred to the extent of income from the note for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such note was held by the U.S. Holder.

Any market discount will be considered to accrue ratably during the period from the date of acquisition to the maturity date of the note on a straight-line basis, unless the U.S. Holder elects to accrue on a constant yield method. This election to accrue market discount on a constant yield method is to be made for the taxable year in which the U.S. Holder acquired the note, applies only to that note, and may not be revoked without the consent of the IRS. A U.S. Holder may elect to include market discount in income currently as it accrues (on either a ratable or constant-yield method), in which case the rule described above regarding deferral of interest deductions will not apply. This election to include market discount in income currently, once made, applies to all market discount obligations acquired on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the IRS.

### ***Acquisition Premium; Amortizable Bond Premium***

A U.S. Holder that purchases an Original Issue Discount Note for an amount that is greater than its adjusted issue price but equal to or less than the sum of all amounts payable on the note after the purchase date other than payments of qualified stated interest will be considered to have purchased such note at an “acquisition premium.” Under the acquisition premium rules, if the U.S. Holder does not make the election to treat all interest as OID (as described above) then the amount of OID which such U.S. Holder must include in its gross income with respect to such note for any taxable year will be reduced by the portion of such acquisition premium properly allocable to such year.

A U.S. Holder that purchases a note (including an Original Issue Discount Note), for an amount in excess of the sum of all amounts payable on the note after the purchase date other than qualified stated interest will be considered to have purchased the note at a “bond premium.” A U.S. Holder generally may elect to amortize bond premium over the remaining term of the note on a constant yield method as an offset to interest when includible in income under the U.S. Holder’s regular tax accounting method. In the case of instruments that provide for alternative payment schedules, bond premium is calculated by assuming that (i) the holder will exercise or not exercise options in a manner that maximizes the holder’s yield and (ii) the Issuer will exercise or not exercise options in a manner that minimizes the holder’s yield. Bond premium on a note held by a U.S. Holder that does not make such an election will decrease the gain or increase the loss otherwise recognized on disposition of the note. The election to amortize premium on a constant yield method once made applies to all debt obligations held or subsequently acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the IRS.

### ***Sale, Exchange and Retirement or Other Disposition of Notes***

Upon the sale, exchange, retirement or other disposition of a note, a U.S. Holder generally will recognize gain or loss equal to the difference between the amount realized upon the sale, exchange, retirement or other disposition (less an amount equal to any accrued but unpaid qualified stated interest, which will be treated as a payment of interest for U.S. federal income tax purposes) and the adjusted tax basis of the note. A U.S. Holder’s

adjusted tax basis in a note will, in general, be the U.S. Holder's cost therefor, increased by the amount of any OID, market discount or any income attributable to *de minimis* OID or *de minimis* market discount previously included in income by the U.S. Holder and reduced by any amortizable bond premium applied to reduce interest on the note and any payments on the note other than qualified stated interest. Except as with respect to certain Short-Term Notes or notes with market discount as described above, with respect to gain or loss attributable to changes in exchange rates, with respect to certain Foreign Currency Notes as described below, and with respect to contingent payment debt instruments as described above, such gain or loss will be capital gain or loss. Except with respect to notes that are treated as contingent payment debt instruments as described above, gain or loss realized by a U.S. Holder on the sale, exchange, retirement or other disposition of a note generally will be treated as U.S. source gain or loss. Capital gains of individuals derived from capital assets held for more than one year may be eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

### ***Foreign Currency Notes***

The following is a summary of the principal U.S. federal income tax consequences to a U.S. Holder of the ownership of a note denominated in a currency other than the U.S. dollar (a “**Foreign Currency Note**”).

#### ***Qualified Stated Interest Payments***

Cash basis U.S. Holders are required to include in income the U.S. dollar value of the amount of interest received, based on the “spot rate” for such foreign currency in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. No exchange gain or loss is recognized with respect to the receipt of such payment.

Accrual basis U.S. Holders may determine the amount of income recognized with respect to such interest payment in accordance with either of two methods. Under the first method, the U.S. Holder will be required to include in income for each taxable year the U.S. dollar value of the interest that has accrued during such year, determined by translating such interest at the average rate of exchange for the period or periods during which such interest accrued (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part within each taxable year). Under the second method, an accrual basis holder may elect to translate interest income at the spot rate on the last day of the accrual period (or last day of the taxable year in the case of a portion of an accrual period that straddles the holder's taxable year) or on the date the interest payment is received if such date is within five days of the end of the accrual period. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by such holder and will be irrevocable without the consent of the IRS. Upon receipt of an interest payment on such Foreign Currency Note (including, upon the sale of or other disposition such Foreign Currency Note, the receipt of proceeds that include amounts attributable to accrued interest previously included in income), the accrual basis U.S. Holder will recognize U.S. source ordinary income or loss in an amount equal to the difference between the U.S. dollar value of such payment (determined by translating any foreign currency received at the spot rate for such foreign currency on the date received) and the U.S. dollar value of the interest income that such U.S. Holder has previously included in income with respect to such payment, regardless of whether the payment is in fact converted into U.S. dollars.

#### ***Original Issue Discount***

OID on a Foreign Currency Note will be determined for any accrual period in the applicable foreign currency and then translated into U.S. dollars in the same manner as interest income accrued by an accrual basis holder, as described above. Additionally, a U.S. Holder will recognize exchange gain or loss (which will be treated as ordinary income or loss) when the OID is paid (including, upon the sale, exchange, retirement or other disposition of such Foreign Currency Note, the receipt of proceeds that include amounts attributable to OID previously included in income) to the extent of the difference between the U.S. dollar value of such payment (determined by translating any foreign currency received at the spot rate for such foreign currency on the date of payment) and the U.S. dollar value of the accrued OID (determined in the same manner as for accrued interest). For these purposes, all receipts on a Foreign Currency Note will be viewed: first, as the receipt of any stated interest payments called for under the terms of the Foreign Currency Note; second, as receipts of previously

accrued OID (to the extent thereof), with payments considered made for the earliest accrual periods first; and third, as the receipt of principal.

#### *Market Discount*

The amount of market discount on Foreign Currency Notes includible in income will generally be determined by translating the market discount determined in the foreign currency into U.S. dollars at the spot rate on the date the Foreign Currency Note is retired or otherwise disposed of. If the U.S. Holder has elected to accrue market discount currently, then the amount which accrues is determined in the foreign currency and then translated into U.S. dollars on the basis of the average exchange rate in effect during such accrual period (or portion thereof within the U.S. Holder's taxable year), and the U.S. Holder will recognize exchange gain or loss with respect to market discount determined using the approach applicable to the accrual of interest income described above.

#### *Amortizable Bond Premium*

Bond premium on a Foreign Currency Note will be computed in the applicable foreign currency. With respect to a U.S. Holder that elects to amortize the premium, the amortizable bond premium will reduce interest income in the applicable foreign currency. At the time bond premium is amortized, exchange gain or loss (which is generally taxable as ordinary income or loss) will be realized based on the difference between spot rates at such time and at the time of acquisition of the Foreign Currency Note. A U.S. Holder that does not elect to amortize bond premium will translate the bond premium, computed in the applicable foreign currency, into U.S. dollars at the spot rate on the maturity date and such bond premium will constitute a market loss which may be offset or eliminated by exchange gain.

#### *Sale, Exchange and Retirement or Other Disposition of Foreign Currency Notes*

Upon the sale, exchange, retirement or other disposition of a Foreign Currency Note, a U.S. Holder generally will recognize gain or loss equal to the difference between the amount realized upon the sale, exchange, retirement or other disposition (less an amount equal to any accrued and unpaid interest, which will be treated as a payment of interest for U.S. federal income tax purposes) and the U.S. Holder's adjusted tax basis in the Foreign Currency Note.

If a U.S. Holder receives foreign currency on the sale, exchange, retirement or other disposition of a Foreign Currency Note, then the amount realized generally will be based on the spot rate of the foreign currency on the date of sale. For purchases and sales of Foreign Currency Notes traded on an established securities market as defined in applicable U.S. Treasury regulations by a cash method taxpayer, however, foreign currency paid or received is translated into U.S. dollars at the spot rate on the settlement date of the purchase or sale. An accrual method taxpayer may elect the same treatment with respect to the purchase and sale of Foreign Currency Notes traded on an established securities market, provided that the election is applied consistently from year to year. This election cannot be changed without the consent of the IRS.

A U.S. Holder's adjusted tax basis in a Foreign Currency Note generally will be the U.S. Holder's cost therefore, which, in the case of a U.S. Holder that purchases a Foreign Currency Note with foreign currency, will be the U.S. dollar value of the foreign currency amount paid for such Foreign Currency Note determined at the time of such purchase. If the Foreign Currency Notes are traded on an established securities market, as defined in applicable U.S. Treasury regulations, cash method taxpayers (and electing accrual method taxpayers) will determine the U.S. dollar cost of the Foreign Currency Note on the settlement date. A U.S. Holder that purchases a Foreign Currency Note with previously owned foreign currency will recognize U.S. source exchange gain or loss at the time of purchase attributable to the difference at the time of purchase, if any, between the U.S. Holder's tax basis in such foreign currency and the fair market value of the Foreign Currency Note in U.S. dollars on the date of purchase. Such gain or loss will be treated as ordinary income or loss.

Gain or loss recognized by a U.S. Holder on the sale, exchange, retirement or other disposition of a Foreign Currency Note will generally be treated as U.S. source gain or loss. Subject to the foreign currency rules discussed below, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if at the

time of sale, exchange, retirement or other disposition, the Foreign Currency Note has been held for more than one year. Capital gains of individuals derived with respect to capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

A U.S. Holder will recognize exchange gain or loss attributable to the movement in exchange rates between the time of purchase and the time of disposition (including the sale, exchange, retirement or other disposition) of a Foreign Currency Note. Such gain or loss will be treated as ordinary income or loss (and will not be taxable as interest income or expense, except to the extent provided in U.S. Treasury regulations or administrative pronouncements of the IRS) and generally will be U.S. source gain or loss. The realization of such gain or loss (including any exchange gain or loss attributable to interest or OID realized in connection with the disposition) will be limited to the amount of overall gain or loss realized on the disposition of a Foreign Currency Note.

#### *Exchange Gain or Loss With Respect to Foreign Currency*

A U.S. Holder's tax basis in foreign currency received as interest on (or OID with respect to), or received on the sale, exchange, retirement or other disposition of, a Foreign Currency Note will be the U.S. dollar value thereof at the spot rate at the time the holder received such foreign currency. As discussed above, if the Foreign Currency Notes are traded on an established securities market, a cash basis U.S. Holder (or, upon election, an accrual basis U.S. Holder) will determine the U.S. dollar value of the foreign currency by translating the foreign currency received at the spot rate of exchange on the settlement date of the sale. Accordingly, no foreign currency gain or loss will result from currency fluctuations between the trade date and settlement date of a sale. Any gain or loss recognized by a U.S. Holder on a sale, exchange, retirement or other disposition of foreign currency will be ordinary gain or loss and generally will be U.S. source gain or loss.

#### *Non-U.S. Holders*

Subject to the discussion of backup withholding and the Foreign Account Tax Compliance Act below, Non-U.S. Holders generally should not be subject to U.S. federal income or withholding tax on any payments on the notes and gain from the sale, exchange, retirement or other disposition of the notes unless: (i) that payment and/or gain is effectively connected with the conduct by that Non-U.S. Holder of a trade or business in the United States; (ii) in the case of any gain realized on the sale, exchange, retirement or other disposition of a note by an individual Non-U.S. Holder, that holder is present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition and certain other conditions are met; or (iii) the Non-U.S. Holder is subject to tax pursuant to provisions of the Code applicable to certain persons that have ceased to be U.S. citizens or lawful permanent residents of the United States.

Non-U.S. Holders should consult their own tax advisors regarding the U.S. federal income and other tax consequences of owning notes.

#### *Information Reporting and Backup Withholding*

In general, payments of principal, interest and accrued OID on, and the proceeds of a sale, exchange, retirement or other disposition of, the notes, by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments, including payments of accrued OID, if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise fails to comply with the applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. Non-U.S. Holders may be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of such information reporting requirements and backup withholding.

#### *Tax Return Disclosure Requirements*

U.S. Treasury regulations requiring the reporting of certain tax shelter transactions ("**Reportable Transactions**") could be interpreted to cover and require reporting of transactions that are generally not regarded

as tax shelters, including certain foreign currency transactions. Under these regulations, certain transactions may be characterized as Reportable Transactions based upon any of several indicia, including, in certain circumstances, a sale, exchange, retirement or other disposition of a Foreign Currency Note or foreign currency received in respect of a Foreign Currency Note to the extent that such sale, exchange, retirement or other disposition results in a tax loss in excess of a threshold amount. Persons considering the purchase of Foreign Currency Notes should consult with their tax advisors to determine the tax return obligations, if any, with respect to an investment in such notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

### ***Foreign Financial Asset Reporting***

Certain U.S. Holders that own “specified foreign financial assets” that meet certain U.S. dollar value thresholds generally are required to file an information report with respect to such assets with their tax returns. The notes generally will constitute specified foreign financial assets subject to these reporting requirements unless the notes are held in an account at certain financial institutions (in which case the account may be reportable if maintained by a foreign financial institution). U.S. Holders are urged to consult their tax advisors regarding the application of these disclosure requirements to their ownership of the notes.

### **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the Code, commonly known as the Foreign Account Tax Compliance Act (“**FATCA**”), a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and notes characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under “*Terms and Conditions of the Notes—Additional Notes*”) that are not distinguishable from previously issued notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all notes, including the notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the notes, no person will be required to pay additional amounts as a result of the withholding.

### **UK Taxation**

The following is a summary of our understanding of current United Kingdom (“**UK**”) law and HM Revenue and Customs (“**HMRC**”) published practice (which may or may not be binding on HMRC) relating to the UK withholding taxation treatment as at the date of this Base Prospectus in relation to payments of principal and interest in respect of the notes issued by Nationwide and does not deal with other UK tax aspects of acquiring, holding or disposing of the notes. This summary relates only to the position of persons who are absolute beneficial owners of the notes. Prospective holders should be aware that the particular terms of issue of any series of the notes as specified in the relevant Final Terms may affect the tax treatment of that and other series of notes. This summary is a general guide and does not purport to be a complete analysis of all tax considerations relating to the notes, and you should treat it with appropriate caution.

The comments below are of a general nature and are not intended to be exhaustive. You should seek independent professional advice should you have any doubt as to your tax position. If you may be liable to taxation in jurisdictions other than the UK in respect of your acquisition, ownership, holding and disposition of notes, you are particularly advised to consult your professional advisors as to whether you are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain UK taxation aspects of payments in respect of the notes. In particular, you should be aware that you may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the notes, even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the UK.

The references to “interest” in this UK Taxation summary mean “interest” as understood in UK tax law. The statements in this summary do not take any account of any different definitions of “interest” or “principal” which may prevail under any other law or which may be created by the Terms and Conditions of the Notes or any related documentation. This description of the UK withholding tax position assumes that there will be no substitution of the Issuer of the notes pursuant to the Terms and Conditions of the Notes and does not consider the tax consequences of any such substitution.

### ***UK Withholding Tax on Interest***

#### *Notes which are listed on a Recognized Stock Exchange*

Notes issued by Nationwide which carry a right to interest will constitute “**quoted Eurobonds**” provided they are and continue to be listed on a recognized stock exchange within the meaning of section 1005 of the Income Tax Act 2007. The main market of the London Stock Exchange is a recognized stock exchange for those purposes. Notes will be treated as listed on the main market of the London Stock Exchange if they are included in the Official List of the Financial Conduct Authority (within the meaning of and in accordance with the provisions of Part 6 of the FSMA) and admitted to trading on the main market of the London Stock Exchange. HMRC guidance as at the date of this Base Prospectus is that securities admitted to trading on the main market (excluding the High Growth Segment) or the Professional Securities Market of the London Stock Exchange satisfy this requirement. Provided that the notes are and continue to be quoted Eurobonds, payments of interest on the notes may be made without withholding or deduction for or on account of UK income tax.

#### *Other Cases*

If the notes do not qualify as quoted Eurobonds, as described in “—*Notes which are listed on a Recognized Stock Exchange*”, and are capable of being listed on a recognized stock exchange at the time the interest on the notes becomes payable, interest on the notes will generally (subject to certain other exemptions which may be available in certain circumstances) be paid under deduction of UK income tax at the rate of (currently) 20%, subject to any direction to the contrary from HMRC in respect of such relief as may be available under the provisions of any applicable double taxation treaty.

#### *Other Rules Relating to UK Withholding Tax*

Where notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount for tax purposes, then any such element of premium may constitute a payment of interest. The discount element on notes which are issued at a discount will not generally constitute a payment of interest for these purposes. Payments of interest are subject to UK withholding tax as outlined above.

In addition to the above, in relation to UK withholding tax, where interest has been paid under deduction of UK income tax, holders of notes who are not resident in the UK may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

## TRANSFER RESTRICTIONS

We have not registered the notes under the Securities Act or any other applicable securities laws, and they may not be offered or sold except pursuant to an effective registration statement or in accordance with an applicable exemption from the registration requirements of the Securities Act. Accordingly, the notes are being offered and sold only:

- in the United States, to qualified institutional buyers, commonly referred to as “QIBs,” in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A; or
- outside of the United States, to certain persons, other than U.S. persons within the meaning of Regulation S, in offshore transactions meeting the requirements of Rule 903 of Regulation S.

### *Purchasers’ Representations and Restrictions on Resale*

Each purchaser of notes (other than a Placement Agent in connection with the initial issuance and sale of notes) and each owner of any beneficial interest therein, will be deemed, by its acceptance or purchase thereof, to have represented and agreed as follows:

- (1) It is purchasing the notes for its own account or an account with respect to which it exercises sole investment discretion and it and any such account is either (a) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A or (b) a non-U.S. person that is outside the United States within the meaning of Regulation S;
- (2) It is not an “affiliate” (as defined in Rule 144 under the Securities Act (“**Rule 144**”)) of the Issuer and is not acting on the Issuer’s behalf;
- (3) It acknowledges that the notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (4) It understands and agrees that notes initially offered in the United States to QIBs will be represented by U.S. Global Notes and that notes offered outside the United States to non-U.S. persons in reliance on Regulation S will be represented by International Global Notes;
- (5) If the purchaser is in the United States or is a U.S. person, it shall not resell or otherwise transfer any of such notes except (a) to Nationwide or a Placement Agent or by, through, or in a transaction approved by a Placement Agent, (b) within the United States to a QIB in a transaction complying with Rule 144A under the Securities Act, (c) outside the United States, in compliance with Rule 903 or 904 of Regulation S under the Securities Act, (d) pursuant to the exemption from registration provided by Rule 144 (if available) or (e) pursuant to an effective registration statement under the Securities Act;
- (6) If the purchaser is outside the United States and is not a U.S. person, if it should resell or otherwise transfer the notes prior to the expiration of the Distribution Compliance Period (as defined in Regulation S) applicable to such notes, it will do so only (a) outside the United States in compliance with Rule 903 or 904 of Regulation S under the Securities Act or (b) to a QIB in compliance with Rule 144A;
- (7) It agrees that it will give to each person to whom it transfers the notes notice of any restrictions on transfer of such notes;

- (8) It acknowledges that prior to any proposed transfer of notes (other than pursuant to an effective registration statement) the holder of such notes may be required to provide certifications relating to the manner of such transfer as provided in the Indenture;
- (9) It acknowledges that the Trustee for the notes will not be required to accept for registration transfer of any notes acquired by it, except upon presentation of evidence satisfactory to Nationwide and such Trustee that the restrictions set forth herein have been complied with; and
- (10) It acknowledges that Nationwide, the Placement Agents and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and agreements deemed to have been made by its purchase of the notes are no longer accurate, it shall promptly notify Nationwide and the Placement Agents. If it is acquiring the notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations, and agreements on behalf of each account.

A legend to the following effect will appear on the face of notes, other than International Global Notes, and which will be used to notify transferees of the foregoing restrictions on transfer. Additional copies of this notice may be obtained from the Trustee.

“THE SECURITIES EVIDENCED HEREBY (THE “**NOTES**”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**U.S. SECURITIES ACT**”), OR ANY OTHER SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. THE HOLDER HEREOF, BY PURCHASING THE NOTES, (1) REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT (“**RULE 144A**”)), (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED NOTES THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THE NOTES EXCEPT (I) TO THE ISSUER OR ONE OR MORE PLACEMENT AGENTS FOR THE NOTES (EACH, A “**PLACEMENT AGENT**” AND COLLECTIVELY, THE “**PLACEMENT AGENTS**”) OR BY, THROUGH OR IN A TRANSACTION APPROVED BY A PLACEMENT AGENT, (II) SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) IN ACCORDANCE WITH RULE 144A, (III) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (IV) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 (IF AVAILABLE), (V) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT OR (VI) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, AND IN EACH OF SUCH CASES IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION. THE HOLDER OF THE NOTES, BY PURCHASING THE NOTES, REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOTIFY ANY PURCHASER OF THE NOTES FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. THE ISSUER SHALL HAVE THE RIGHT PRIOR TO ANY OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (VI) ABOVE, TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER. AS USED HEREIN, THE TERMS “OFFSHORE TRANSACTION,” “UNITED STATES” AND “U.S. PERSON” HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE U.S. SECURITIES ACT.”

“THE FOREGOING LEGEND MAY BE REMOVED FROM THIS NOTE ON SATISFACTION OF THE CONDITIONS SPECIFIED IN THE INDENTURE REFERRED TO HEREIN.”

A legend to the following effect will appear on the face of the International Global Notes.

“THE SECURITIES EVIDENCED HEREBY (THE “**NOTES**”) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.”

For further discussion of the requirements (including the presentation of transfer certificates) under the Indenture to effect exchanges or transfers of interest in global notes and certificated notes, see the subsection entitled “*Terms and Conditions of the Notes—Form, Transfer, Exchange and Denomination.*”

## PLAN OF DISTRIBUTION

The notes are being offered on a continuous basis for sale by us to or through Barclays Capital Inc., BofA Securities, Inc., Deutsche Bank Securities Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC, HSBC Securities (USA) Inc., J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, NatWest Markets Securities Inc., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC together with such other Placement Agent as may be appointed by us with respect to a particular tranche of notes. We refer collectively to these entities as the “Placement Agents.” One or more Placement Agents may purchase notes, as principal, from us from time to time for resale to investors and other purchasers at varying prices relating to prevailing market prices at the time of resale as determined by any Placement Agent, or, if so specified in the applicable Final Terms, for resale at a fixed offering price. If we and a Placement Agent agree, a Placement Agent may also utilize its reasonable efforts on an agency basis to solicit offers to purchase the notes. Any Placement Agents of the notes that are not U.S. registered broker-dealers will agree that they will offer and sell the notes within the United States only through U.S. registered broker-dealers. Unless otherwise described in the applicable Final Terms, we will pay a commission to a Placement Agent depending upon its stated maturity for notes sold through such Placement Agent as agent. Commissions with respect to notes with stated maturities in excess of 30 years that are sold through a Placement Agent as an agent of ours will be negotiated between us and that Placement Agent at the time of such sale.

Unless otherwise specified in the applicable Final Terms, any note sold to one or more Placement Agents as principal will be purchased by such Placement Agents at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission applicable to an agency sale of a note of identical maturity. A Placement Agent may sell notes it has purchased from us as principal to certain dealers less a concession equal to all or any portion of the discount received in connection with such purchase. The Placement Agent may allow, and such dealers may re-allow, a discount to certain other dealers. After the initial offering of notes, the offering price (in the case of notes to be resold at a fixed offering price), the concession and the reallocation may be changed.

We may withdraw, cancel or modify the offering contemplated hereby without notice and may reject offers to purchase notes in whole or in part. Each Placement Agent shall have the right to reject in whole or in part any offer to purchase notes received by it on an agency basis.

In connection with an offering of notes purchased by one or more Placement Agents as principal on a fixed offering price basis, such Placement Agent(s) will be permitted to engage in transactions that stabilize the price of notes. These transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of notes. If the Placement Agent creates or the Placement Agents create, as the case may be, a short position in notes, that is, if it sells or they sell notes in an aggregate principal amount exceeding that set forth in the applicable Final Terms, such Placement Agent(s) may reduce that short position by purchasing notes in the open market. In general, purchase of notes for the purpose of stabilization or to reduce a short position could cause the price of notes to be higher than it might be in the absence of such purchases.

Neither we nor any of the Placement Agents makes any representation or prediction as to the direction or magnitude of any effect that the transactions described in the immediately preceding paragraph may have on the price of notes. In addition, neither we nor the Placement Agents makes any representation that the Placement Agents will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice.

We have agreed to indemnify the Placement Agents against some liabilities (including liabilities under the Securities Act) or to contribute to payments the Placement Agents may be required to make in respect thereof. We have also agreed to reimburse the Placement Agents for some other expenses.

The Placement Agents may from time to time purchase and sell notes in the secondary market, but they are not obligated to do so and may discontinue any such activities at any time and there can be no assurance that there will be a secondary market for the notes or liquidity in the secondary market if one develops. From time to time, the Placement Agents may make a market in the notes.

The Placement Agents and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financial and brokerage activities. Certain of the Placement Agents and/or their affiliates have, directly or indirectly, performed investment and commercial banking or financial advisory services for us, for which they have received customary fees and commissions, and they expect to provide these services to us and our affiliates in the future, for which they also expect to receive customary fees and commissions.

In the ordinary course of their various business activities, the Placement Agents and certain of 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, and such investment and securities activities may involve securities and/or instruments of the issuer or its affiliates. If the Placement Agents or their affiliates have a lending relationship with us, certain of the Placement Agents or their affiliates may hedge their credit exposure to us consistent with their customary risk management policies. Typically, the Placement Agents 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 position in our securities or the securities of our affiliates, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby. The Placement Agents and certain of their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

#### **United States**

Each Placement Agent subscribing for or purchasing notes will be required to represent and agree (i) that it will not offer or sell notes (a) as part of its distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Placement Agent or, in the case of an issue of notes on a syndicated basis, the relevant lead manager, of all notes of the tranche of which such notes are a part (such period, the “**Distribution Compliance Period**”), within the United States or to, or for the account or benefit of, U.S. persons other than in accordance with Rule 144A and (ii) that it will send to each dealer to which it sells any notes during the Distribution Compliance Period 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.

#### **United Kingdom**

Each Placement Agent subscribing for or purchasing notes will be required to represent and agree that:

- (1) it has complied and will comply with all applicable provisions of the UK Financial Services and Markets Act 2000, as amended (the “**FSMA**”), with respect to anything done by it in relation to any notes in, from or otherwise, involving the UK; and
- (2) it has only communicated or caused to be communicated and it will only communicate or cause to be communicated an 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 the notes in circumstances in which section 21(1) of the FSMA would not, if Nationwide was not an authorized person, apply to Nationwide.

#### **Prohibition of sales to EEA retail investors**

Unless the Final Terms in respect of any notes specifies “*Prohibition of sales to EEA retail investors*” as “*Not Applicable*”, each Placement Agent subscribing for or purchasing notes will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final

Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
- (b) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

#### **Prohibition of sales to UK retail investors**

Unless the Final Terms in respect of any notes specifies “*Prohibition of sales to UK retail investors*” as “*Not Applicable*”, each Placement Agent subscribing for or purchasing notes will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (8) of Article (2) of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
- (b) a customer within the meaning of the provisions of FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of EUWA.

#### **Australia**

This Base Prospectus and offers of notes are only made available in Australia to persons to whom a disclosure document such as a prospectus or product disclosure statement is not required to be given under either Chapter 6D or Part 7.9 of the Australian Corporations Act 2001 (Cth) (the Australian Corporations Act). This document is not a prospectus, product disclosure or any other form of formal “disclosure document” for the purposes of Australian law, and is not required to, and does not, contain all the information which would be required in a product disclosure statement or prospectus under Australian law. No prospectus or other disclosure document (as defined in the Australian Corporations Act) in relation to the medium-term note program described in this Base Prospectus or any notes has been, or will be, lodged with the Australian Securities and Investments Commission (ASIC), or the ASX Limited or any other regulatory body or agency in Australia. The persons referred to in this document may not hold Australian financial services licenses and may not be licensed to provide financial product advice in relation to the securities. No cooling off regime applies to an acquisition of the notes. In no circumstances is this document to be used by a “retail client” (for the purposes of the Australian Corporations Act) for the purposes of making a decision about a financial product.

This Base Prospectus contains general advice only and does not take into account the investment objectives, financial situations or needs of any particular person.

Each Placement Agent subscribing for or purchasing notes will be required to represent and agree that it:

- (a) has not made or invited, and will not make or invite, an offer of the notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
  - (b) has not distributed or published, and will not distribute or publish, this Base Prospectus or any other offering material or advertisement relating to the notes in Australia,
- unless:

- A. the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternative currency, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Australian Corporations Act;
- B. the offer or invitation does not constitute an offer to a “retail client” for the purposes of section 761G and 761GA of the Australian Corporations Act;
- C. such action complies with any applicable laws, regulations and directives (including without limitation, the licensing requirements set out in Chapter 7 of the Australian Corporations Act) in Australia; and
- D. such action does not require any document to be lodged with ASIC.

There may be restrictions on the offer for re-sale of any notes in Australia for a period of 12 months after their issue. Because of these restrictions, investors are advised to consult legal counsel prior to making any offer for re-sale of any notes in Australia.

### **Canada**

Each Placement Agent subscribing for or purchasing notes will be required to represent and agree that the notes may be sold only to purchasers in Canada 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.

### **Hong Kong**

Each Placement Agent subscribing for or purchasing notes will be required to represent and agree that:

- A. 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 C(WUMP)O) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- B. 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.

### **Italy**

Each Placement Agent subscribing for or purchasing notes 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 to any investor in Italy.

## Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the FIEA). Accordingly, each Placement Agent subscribing for or purchasing notes will be required to represent and agree that it has not and will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended), or to others for reoffering 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 FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## Singapore

Each Placement Agent subscribing for or purchasing notes will be required to acknowledge that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Placement Agent subscribing for or purchasing notes 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 Base 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 or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

In connection with Section 309B of the SFA and the CMP Regulations 2018, the Issuer has, unless otherwise specified before an offer of notes, determined the classification of all notes to be issued under the medium-term note program described in this Base Prospectus as 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).

## Switzerland

Each Placement Agent subscribing for or purchasing notes will be required to represent and agree that, except where explicitly permitted by the relevant Final Terms:

- (i) except as set out below, it will not make a public offer of the notes, directly or indirectly, in Switzerland, as such terms are defined or interpreted under the Swiss Financial Services Act (“**FinSA**”);
- (ii) the notes will not be admitted by it to trading on a trading venue (exchange or multilateral trading facility) in Switzerland;
- (iii) it will not offer, sell, advertise or distribute the notes, directly or indirectly, in Switzerland, as such terms are defined or interpreted under the FinSA, except to professional clients as such term is defined or interpreted under the FinSA (the “**Professional Investors**”); and
- (iv) no key information document pursuant to article 58(1) FinSA (or any equivalent document under the FinSA) has been or will be prepared in relation to any Notes and, therefore, any notes with a derivative character within the meaning of article 86(2) of the Swiss Financial Services Ordinance may not be offered or recommended to private clients within the meaning of the FinSA in Switzerland.

The notes may not be publicly offered, directly or indirectly, in Switzerland, except (i) to Professional Investors or (ii) in the case of notes, the Final Terms of which explicitly permit a public offer in Switzerland. Offering or marketing material relating to notes, the Final Terms of which do not explicitly permit a public offer in Switzerland, may not be distributed or otherwise made available in Switzerland, except to Professional Investors.

The notes shall not be admitted to trading on a trading venue (exchange or multilateral trading facility) in Switzerland except in the case of notes, the Final Terms of which explicitly provide for such an admission to trading in Switzerland.

The notes do not constitute participations in a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act (“**CISA**”). Therefore, the notes are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority (“**FINMA**”), and investors in the notes will not benefit from protection under the CISA or supervision by FINMA.

## SETTLEMENT

Unless otherwise agreed between the relevant Placement Agents and Nationwide, you must pay the purchase price of the notes in immediately available funds in the applicable specified currency in New York City five U.S. business days (as such term is used for purposes of Rule 15c6-1 of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) after the trade date (such settlement cycle being referred to as “T+5”). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in one business days unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the securities on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the securities initially will settle in T+5 to specify an alternative settlement cycle at the time of any such trade to prevent failed settlement. Purchasers of the securities who wish to make such trades should consult their own advisors.

## INDEPENDENT AUDITORS

The financial statements as at April 4, 2024, 2023 and 2022, and for the years then ended, incorporated by reference in this Base Prospectus, have been audited by Ernst & Young LLP, independent auditors, as stated in their reports incorporated by reference herein.

## LEGAL MATTERS

Certain legal matters will be passed upon for us by Allen Overy Shearman Sterling LLP, our United States and English counsel, with respect to matters of New York law, U.S. federal law and English law and for the Placement Agents by Linklaters LLP, London, England with respect to matters of New York law, U.S. federal law and English law.

## GENERAL INFORMATION

1. Our principal office is Nationwide House, Pipers Way, Swindon SN38 1NW, England.
2. The admission of the medium-term note program described in this Base Prospectus to trading on the main market of the London Stock Exchange is expected to take effect on or around June 27, 2024. The price of the notes on the price list of the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). Any series of notes will be admitted to trading on the main market of the London Stock Exchange upon submission to the London Stock Exchange of the relevant Final Terms and any other information required by the London Stock Exchange, subject to the issue of the relevant notes. Prior to admission to trading, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in New York after the day of the transaction, unless otherwise agreed between the relevant Placement Agents and Nationwide.
3. The Global Notes have been accepted for clearance through DTC or its nominees. If the Global Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the relevant Final Terms.
4. Any indication of yield given in any Final Terms will be calculated at the Issue Date for the relevant notes on the basis of the issue price. It is not an indication of future yield.
5. There are no governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened) of which the Society is aware in the 12 months preceding the date of this document which may have or have had in such period a significant effect on the financial position or profitability of the Group.
6. Since April 4, 2024, there has been no significant change in the financial performance or financial position of the Society or the Group. There has been no material adverse change in our prospects since April 4, 2024.
7. For so long as the medium-term note program described in this Base Prospectus remains in effect or any notes shall be outstanding, copies and, where appropriate, the following documents may be inspected at <https://www.nationwide.co.uk/about/investor-relations/funding-programmes/us-mtn-programme>:
  - (a) our constitutive documents;
  - (b) this Base Prospectus in relation to the senior and subordinated medium-term note program, together with any amendments and any documents incorporated by reference in this Base Prospectus;
  - (c) the Private Placement Agency Agreement;
  - (d) the Indenture;
  - (e) our most recent publicly available audited consolidated financial statements beginning with such financial statements as of and for the years ended April 4, 2024, 2023 and 2022;
  - (f) the audit report of EY in respect of our audited consolidated financial statements as of and for the year ended April 4, 2024; and
  - (g) any Final Terms relating to notes issued under the medium-term note program described in this Base Prospectus.
8. There are no material contracts having been entered into outside the ordinary course of our business, and which could result in any group member being under an obligation or entitlement that is material to our ability to meet our obligation to noteholders in respect of the notes being issued.

9. Issue of notes under the medium-term note program described in this Base Prospectus have been authorized by resolutions of our Board of Directors passed on June 19, 2024 and minutes of delegation of our Chief Financial Officer dated June 19, 2024.

## GLOSSARY OF FINANCIAL TERMS

Certain financial terminology used by building societies in the UK differs from that used by financial institutions in the United States. The following is a summary of such differences as they relate to our consolidated financial statements. We have used some of the following U.S. terms and descriptions throughout this Base Prospectus.

| <b>UK Term used in financial statements</b>                     | <b>U.S. equivalent or brief description</b>                     |
|-----------------------------------------------------------------|-----------------------------------------------------------------|
| Accounts                                                        | Financial statements                                            |
| Allotted                                                        | Issued                                                          |
| Amounts written off                                             | Amounts charged off, or written-off                             |
| Cash in hand                                                    | Cash                                                            |
| Debt securities in issue                                        | Debt                                                            |
| Fees and commissions payable                                    | Fees and commissions expense                                    |
| Fees and commissions receivable                                 | Fees and commissions income                                     |
| Freehold                                                        | Ownership with absolute rights in perpetuity                    |
| General reserve                                                 | Retained earnings                                               |
| Income and Expenditure Account                                  | Income Statement                                                |
| Interest payable                                                | Interest expense                                                |
| Interest receivable                                             | Interest income                                                 |
| Life assurance                                                  | Life insurance                                                  |
| Loans and advances                                              | Loans or Lendings                                               |
| Loans fully secured on residential property                     | Residential mortgage loans                                      |
| Loans in arrears                                                | Past due loans                                                  |
| Loans in repossession                                           | Acquired property, foreclosed assets or Other Real Estate Owned |
| Loans with interest suspended                                   | Loans in non-accrual status                                     |
| Permanent interest bearing shares and subscribed capital        | No direct U.S. equivalent                                       |
| Profit                                                          | Income                                                          |
| Provisions for bad and doubtful debts (in the balance sheet)    | Allowance for loan losses                                       |
| Provisions for bad and doubtful debts (in the income statement) | Provisions for loan losses                                      |
| Revaluation reserve                                             | No direct U.S. equivalent                                       |
| Shares (UK retail member deposits)                              | No direct U.S. equivalent                                       |
| Tangible fixed assets                                           | Property, Plant & Equipment or Fixed Assets                     |

## **PRINCIPAL OFFICE OF THE ISSUER**

Nationwide House  
Pipers Way  
Swindon SN38 1NW  
England

## **PLACEMENT AGENTS**

**Barclays Capital Inc.**  
745 Seventh Avenue  
New York, New York 10019  
U.S.A.

**BofA Securities, Inc.**  
One Bryant Park  
New York, New York 10036  
U.S.A.

**Citigroup Global Markets Inc.**  
388 Greenwich Street  
New York, New York 10013  
U.S.A.

**Deutsche Bank Securities Inc.**  
1 Columbus Circle  
New York, New York 10019  
U.S.A.

**Goldman Sachs & Co. LLC**  
200 West Street  
New York, New York 10282  
U.S.A.

**HSBC Securities (USA) Inc.**  
452 Fifth Avenue  
New York, New York 10018  
U.S.A.

**J.P. Morgan Securities LLC**  
383 Madison Avenue  
New York, New York 10179  
U.S.A.

**Morgan Stanley & Co. LLC**  
1585 Broadway, 29th Floor  
New York, New York 10036  
U.S.A.

**NatWest Markets Securities Inc.**  
600 Washington Boulevard  
Stamford, Connecticut 06901  
U.S.A.

**RBC Capital Markets, LLC**  
Brookfield Place, 200 Vesey Street, 8th Floor  
New York, New York 10281  
U.S.A.

**UBS Securities LLC**  
1285 Avenue of the Americas  
New York, New York 10019  
U.S.A.

**Wells Fargo Securities, LLC**  
550 South Tryon Street  
Charlotte, North Carolina 28202  
U.S.A.

## **TRUSTEE**

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL  
England

## **PAYING AGENT**

**The Bank of New York Mellon, London Branch**  
One Canada Square  
London E14 5AL

England

#### **LEGAL ADVISERS**

*To Nationwide  
as to New York, U.S. federal and English law:*

**Allen Overy Shearman Sterling LLP**  
One Bishops Square  
London E1 6AD  
England

*To the Placement Agents  
as to New York, U.S. federal and English law:*

**Linklaters LLP**  
One Silk Street  
London EC2Y 8HQ  
England

#### **INDEPENDENT AUDITORS TO NATIONWIDE**

**Ernst & Young LLP**  
25 Churchill Place  
Canary Wharf  
London E14 5EY  
United Kingdom