

Deed of Covenant

relating to AENA, S.M.E., S.A.

€3,000,000,000 Euro Medium Term Note Programme

arranged by Banco Bilbao Vizcaya Argentaria, S.A. and BNP Paribas

Dated 27 July 2023

AENA, S.M.E., S.A.

as Issuer

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This Deed of Covenant is made on 27 July 2023 by:

(1) **AENA S.M.E., S.A.** (the “**Issuer**”)

IN FAVOUR OF

(2) **THE ACCOUNT HOLDERS** from time to time (the “**Account Holders**”) shown in (a) the central registry maintained by the Spanish *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (“**Iberclear**”) and (b) the registries maintained by each of the participant entities of Iberclear (the “**Iberclear Participants**”) as being a holder of the Notes.

Whereas:

- (A) The Issuer has established a Euro Medium Term Note Programme (the “**Programme**”) for the issuance of notes in uncertificated, dematerialised book-entry form (*anotaciones en cuenta*) (each Series of notes, the “**Notes**”), in connection with which it has entered into a dealer agreement dated 27 July 2023 (the “**Dealer Agreement**”), and an agency agreement entered into by the Issuer and CaixaBank, S.A. (the “**Paying Agent**”) dated 27 July 2023 in respect of the Notes (the “**Agency Agreement**”).
- (B) The Issuer will at the appropriate time apply for Notes to be admitted to listing and trading on the Spanish AIAF Fixed Income Securities Market (*AIAF, Mercado de Renta Fija*) (“**AIAF**”).
- (C) In connection with the Programme, the Issuer has prepared a Base Prospectus dated 27 July 2023 (the “**Base Prospectus**”) which has been approved by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (the “**CNMV**”) as a base prospectus issued in compliance with Regulation (EU) 2017/1129 of the European Parliament and of the Council.
- (D) Notes issued under the Programme will be issued pursuant to the Conditions (as defined below) as completed by the relevant Final Terms specifying the relevant details of that particular Tranche of Notes.

Now this Deed of Covenant Witnesses as follows:

1 Interpretation

1.1 References to Conditions

In this Deed of Covenant, “**Conditions**” means the Terms and Conditions of the Notes contained in the Schedule hereto, as the same may be modified from time to time, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof.

1.2 Definitions

All terms and expressions which have defined meanings in the Base Prospectus, the Dealer Agreement or the Agency Agreement shall have the same meanings in this Deed of Covenant except where the context requires otherwise or unless otherwise stated.

1.3 Clauses

Any reference in this Deed of Covenant to a Clause is, unless otherwise stated, to a clause hereof.

1.4 Other agreements

All references in this Deed of Covenant to an agreement, instrument or other document (including the Base Prospectus, the Dealer Agreement and the Agency Agreement) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time. In addition, in the context of any particular Tranche of Notes, each reference in this Deed of Covenant to the Conditions shall be construed as a reference to the Conditions as completed by the relevant Final Terms.

1.5 Legislation

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

1.6 Headings

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Deed of Covenant.

2 The Notes

Each Tranche of Notes shall be constituted in accordance with the requirements of Spanish law.

The Issuer hereby covenants in favour of each Account Holder that it will duly perform and comply with the obligations expressed to be undertaken by it in the Conditions and the relevant Final Terms (and for this purpose any reference in the Conditions to any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to this provision).

3 Evidence

The records of Iberclear and/or, as the case may be, the relevant Iberclear Participant shall, in the absence of manifest error, be conclusive as to the identity of each Account Holder and the principal amount of rights in respect of the Notes credited to the relevant securities account of each such Account Holder at any time. Any statement issued by Iberclear, or, as the case may be, an Iberclear Participant as to its records according to applicable Spanish law shall, in the absence of manifest error, be conclusive evidence of the records of Iberclear or such Iberclear Participant for the purposes of this Clause 3 (but without prejudice to any other means of producing such records in evidence).

4 No Further Action

No further action is required on the part of the Issuer or any other person for each Account Holder to have the benefit of the Conditions as if they had been incorporated *mutatis mutandis* into this Deed of Covenant, provided however, that nothing herein shall entitle

any Account Holder to receive any payment in respect of any Note which has already been made.

5 Deposit of Deed of Covenant

This Deed of Covenant shall be deposited with and held by the Issuer for so long as the Programme remains in effect and thereafter until the date on which all the obligations of the Issuer under or in respect of the Notes (including, without limitation, its obligations under this Deed of Covenant) have been discharged in full. The Issuer hereby acknowledges the right of every Account Holder to the production of this Deed of Covenant. A certified copy of this Deed of Covenant may be obtained by any Account Holder from the Issuer at its specified office at the expense of such Account Holder.

6 Stamp Duties

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

7 Benefit of Deed of Covenant

7.1 Deed Poll

This Deed of Covenant shall take effect as a deed poll for the benefit of the Account Holders from time to time.

7.2 Benefit

Any Notes issued under the Programme on or after the date of this Deed shall have the benefit of this Deed but shall not have the benefit of any subsequent deed of covenant relating to the Programme (unless expressly so provided in any such subsequent deed).

This Deed of Covenant shall enure to the benefit of each Account Holder and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Covenant against the Issuer.

7.3 Assignment

The Issuer shall not be entitled to assign or transfer all or any of its rights, benefits and obligations under this Deed of Covenant. Each Account Holder shall be entitled to assign all or any of its rights and benefits under this Deed of Covenant.

8 Partial Invalidity

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

9 Notices

9.1 Address for notices

All notices and other communications to the Issuer hereunder shall be made in writing (by letter) and shall be sent to the Issuer at:

Address: Aena S.M.E., S.A.
Calle Peonías 12
28043 Madrid
Spain
Attention: División de Tesorería y Financiación

or to such other address or for the attention of such other person or department as the Issuer has notified to the Account Holders in the manner prescribed for the giving of notices in connection with the Notes.

9.2 Effectiveness

Every notice or other communication sent in accordance with Clause 9.1 (*Address for notices*) shall be effective upon receipt by the Issuer provided, however, that any such notice or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Issuer.

10 Law and Jurisdiction

10.1 Governing law

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

10.2 English courts

The courts of England have exclusive jurisdiction to settle any dispute (a “**Dispute**”), arising out of or in connection with this Deed of Covenant (including a dispute relating to the existence, validity or termination of this Deed of Covenant or any non-contractual obligation arising out of or in connection with this Deed of Covenant) or the consequences of its nullity.

10.3 Appropriate forum

The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

10.4 Rights of the Account Holders to take proceedings outside England

Clause 10.2 (*English courts*) is for the benefit of the Account Holders only. As a result, nothing in this Clause 10 (*Law and jurisdiction*) prevents the Account Holders from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, the Account Holders may take concurrent Proceedings in any number of jurisdictions.

10.5 Service of process

The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the Legal Department at London Luton Airport Operations Limited, Percival House, 134 Percival Way, London Luton Airport, Luton, LU2 9NU, United Kingdom, or to such other person with an address in England or Wales as the Issuer may specify by prior written notification to the Account Holders in the manner prescribed for the giving of notices in connection with the Notes. Nothing in this paragraph shall affect the right of any Account Holder to serve process in any other manner permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.

11 Modification

The Conditions contain provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of this Deed of Covenant. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Account Holders.

In witness whereof this Deed of Covenant has been executed by the Issuer and is intended to be and is hereby delivered on the date first before written.

Executed as a deed by
AENA S.M.E., S.A.
acting by

Schedule Terms and Conditions of the Notes

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes representing each Series. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by Aena S.M.E., S.A. (the "**Issuer**") and are subject to an agency agreement dated 27 July 2023 agreed between the Issuer and CaixaBank, S.A. as issuing and paying agent (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the "**Deed of Covenant**") dated 27 July 2023 executed by the Issuer in relation to the Notes, by virtue of which the Issuer covenants in favour of each account holder shown in (a) the central registry maintained by the Spanish Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("**Iberclear**") and (b) the registries maintained by each of the participant entities of Iberclear (the "**Iberclear Participants**") as being a holder of the Notes, that it will duly perform and comply with the obligations expressed to be undertaken by it in terms and conditions (the "**Conditions**") and the relevant Final Terms.

The issuing and paying agent and other paying agents (if any) are referred to below respectively as the "**Issuing and Paying Agent**" and the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent).

"**Calculation Agent**" shall mean the entity or entities so specified in the Final Terms.

As used in these Conditions, "**Tranche**" means Notes which are identical in all respects.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents.

1 Form, Denomination(s), Title, Clearing and Transfer

- (a) **Form:** The Notes are issued in uncertified, dematerialised book-entry form (*anotaciones en cuenta*) in each case in the Specified Denomination(s) shown in the relevant Final Terms.
- (b) **Denomination(s):** Notes shall be issued in such denomination(s) as may be specified in the relevant Final Terms as may be agreed between the Issuer and the relevant Dealer(s) (the "**Specified Denomination(s)**").
- (c) **Registration, Clearing and Settlement:** The Notes will be registered with Iberclear, the Spanish central securities depository, with its registered office at Plaza de la Lealtad, 1, 28014, Madrid, Spain, and with the Iberclear Participants. Holders of a beneficial interest in the Notes who do not have, directly or indirectly through their custodians, a securities account with an Iberclear Participant may hold the Notes through bridge accounts maintained by each of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") with Iberclear.

Iberclear and the relevant Iberclear Participants will manage the settlement of the Notes, notwithstanding the Issuer's commitment to assist, when appropriate, with the settlement of the Notes through Euroclear and Clearstream, Luxembourg.

If the Notes are admitted to trading on AIAF in any other Specified Currency other than euro and, if it is operationally possible, the entity through which the registration, clearing and settlement of the Notes will be carried out, will be an entity with an agreement with AIAF which will be specified in the relevant Final Terms.

- (d) **Title and Transfer:** Title to the Notes will be evidenced by book-entries and each person shown in the central registry managed by Iberclear (the "**Spanish Central Registry**") and in the registries maintained by the respective Iberclear Participants as being the holder of the Notes shall be (except as otherwise required by Spanish law) considered the holder of the nominal amount of the Notes recorded therein. In these Conditions, the "**Noteholder**" means the person in whose name such Note is for the time being registered in the Spanish Central Registry or, as the case may be, the relevant Iberclear Participant's accounting book.

One or more certificates (each, a "**Certificate**") attesting the holding of the Notes by the relevant Noteholder in the relevant registry will be delivered by the relevant Iberclear Participant or, where the Noteholder is itself an Iberclear Participant, by Iberclear (in each case, in accordance with the requirements of Spanish law and the relevant Iberclear Participant's or, as the case may be, Iberclear's procedures) to such Noteholder upon such Noteholder's request.

The Notes will be issued without any restrictions on their free transferability. Consequently, the Notes may be transferred and title to the Notes may pass (subject to Spanish law and to compliance with all applicable rules, restrictions and requirements of Iberclear or, as the case may be, the relevant Iberclear Participant) upon registration in the relevant book-entry registry of each Iberclear and/or the relevant Iberclear Participant, as applicable. Each Noteholder will be (except as otherwise required by Spanish law) treated as the absolute owner of the relevant Notes for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the Noteholder.

2 Status

The payment obligations of the Issuer pursuant to the Notes constitute direct, general, unconditional, unsubordinated and (subject to the provisions of Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer and upon the insolvency (*concurso*) of the Issuer (and unless they qualify as subordinated claims (*créditos subordinados*) under Article 281 of the restated text of the Spanish insolvency law, approved by Royal Legislative Decree 1/2020 of 5 May 2020 (the "**Insolvency Law**") or equivalent legal provision which replaces it in the future and subject to any legal and statutory exceptions and to any other ranking that may apply as a result of any mandatory provision of law (or otherwise)) will qualify as ordinary claims (*créditos ordinarios*) as defined in the Insolvency Law and will rank (i) *pari passu* without any preference among themselves and with all other outstanding unsecured and unsubordinated claims against the Issuer, present and future; (ii) below claims against the insolvency estate (*créditos contra la masa*) and claims with special privilege (*créditos con privilegio especial*) or general privilege (*créditos con privilegio general*); and (iii) above subordinated claims (*créditos subordinados*) and the rights of shareholders.

Interest on the Notes accrued but unpaid as at the commencement of any insolvency proceeding (concurso) relating to the Issuer under the Insolvency Law shall thereupon constitute subordinated obligations (créditos subordinados) of the Issuer ranking below its unsecured and unsubordinated obligations. Under the Insolvency Law, accrual of interest on the Notes shall be suspended from the date of any declaration of insolvency.

3 Negative Pledge

So long as any Note remains outstanding, the Issuer will not create or have outstanding, and will ensure that none of its Material Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**") upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, unless in any such case:

- (a) before or at the same time as the creation of the Security Interest, any and all action necessary shall have been taken to ensure that:
 - (i) all amounts payable by the Issuer under the Notes are secured equally and rateably with such Relevant Indebtedness or guarantee or indemnity, as the case may be; or
 - (ii) such other Security Interest or guarantee or other arrangement (whether or not including the giving of a Security Interest) is provided in respect of all amounts payable by the Issuer under the Notes as shall be approved by an Extraordinary Resolution of the Noteholders;
- (b) the Security Interest is to secure any Relevant Indebtedness (or any guarantee or indemnity in respect of such Relevant Indebtedness) of a Subsidiary that became a Subsidiary after the Issue Date of the most recent Tranche of the Notes, so long as:
 - (i) such Security Interest was outstanding on the date on which such Subsidiary became a Subsidiary and was not created in contemplation of such Subsidiary becoming a Subsidiary; and
 - (ii) the principal amount of such Relevant Indebtedness (or any guarantee or indemnity in respect of such Relevant Indebtedness) is not increased after the date that such Subsidiary became a Subsidiary; or
- (c) the Security Interest does not fall within paragraphs (a) or (b) above and secures Relevant Indebtedness which, when aggregated with Relevant Indebtedness secured by all other Security Interests permitted under this paragraph, does not exceed 15% of the consolidated assets of the Group as calculated by reference to the then latest audited consolidated annual accounts of the Issuer.

For the purposes of these Conditions:

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

"**Group**" means the Issuer and its consolidated Subsidiaries;

"**outstanding**" means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid to the Issuing and Paying Agent as provided in the Agency Agreement and remain available for payment, (c) those which have become void or in respect of which claims have become prescribed and (d) those which have been purchased and cancelled as provided in these Conditions; provided that, for the purposes of (i) ascertaining the right to attend and vote at any meeting of Noteholders and (ii) the

determination of how many Notes are outstanding for the purposes of Conditions 9 and 10, those Notes that are beneficially held by, or are held on behalf of, the Issuer, or any of its Subsidiaries and not cancelled shall (unless and until ceasing to be so held) be deemed not to be outstanding;

"Material Subsidiary" means, at any relevant time, a Subsidiary of the Issuer:

- (i) whose total net assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 15 per cent. of the consolidated total net assets of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the latest financial statements (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated financial statements of the Issuer; provided that in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Issuer relate for the purpose of applying the foregoing test, the reference to the Issuer's latest audited consolidated financial statements shall be deemed to be a reference to such financial statements as if such Subsidiary had been shown therein by reference to its then latest relevant financial statements, adjusted as deemed appropriate by the auditors of the Issuer for the time being after consultation with the Issuer; or
- (ii) to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon (a) in the case of a transfer by a Material Subsidiary, the transferor Material Subsidiary shall immediately cease to be a Material Subsidiary and (b) the transferee Subsidiary shall immediately become a Material Subsidiary, provided that on or after the date on which the relevant financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of sub-paragraph (i) above.

A certificate signed by two directors of the Issuer that in their opinion (making such adjustments (if any) as they shall deem appropriate) a Subsidiary of the Issuer is or is not, or was or was not, at any particular time or during any particular period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer and the Noteholders;

"Project" means any project carried out, directly and/or indirectly, by an Entity pursuant to one or more contracts for (a) the ownership, acquisition (in each case, in whole or in part), development, design, construction, upgrading, operation and/or maintenance of any asset(s) (including, without limitation, concessions granted by public entities and authorities), infrastructure or businesses reasonably related thereto, incidental thereto or in furtherance thereof and/or (b) the ownership and/or acquisition (in each case, in whole or in part) of any interest or equity participations in, or shareholder loans to, one or more Entities, directly and/or indirectly, holding and/or managing such assets, infrastructure or concessions and/or operating such businesses, where any member of the Group has an interest in the Entity (whether alone or together with other partners) and any member of the Group finances and/or refinances the investment required in the Project with Project Finance Indebtedness, shareholder loans and/or its share capital or other equity contributions;

"Project Finance Indebtedness" means indebtedness where the recourse of the creditors thereof is limited to any or all of (a) the relevant Project (including, for the avoidance of doubt, the concession(s) or assets related thereto and the cash flows arising therefrom), (b) the share capital of, or other equity contribution to, the Entity or Entities developing, financing or otherwise directly or indirectly involved in the relevant Project, (c) the proceeds deriving from the enforcement of any security taken over all or any part of the assets relating to the Project (including, for the avoidance of doubt, any interest or equity participations in the relevant Entity or Entities holding, directly and/or indirectly, the relevant assets or concessions and/or operating the relevant business) and (d) other credit support (including,

without limitation, completion guarantees and contingent equity obligations) customarily provided in support of such indebtedness;

"Relevant Indebtedness" means any present or future indebtedness (whether being principal, interest or other amounts), in the form of or evidenced by notes, bonds, debentures, loan stock or other similar debt instruments, whether issued for cash or in whole or in part for a consideration other than cash, and which are, or are capable of being (with the consent of the Issuer), quoted, listed or ordinarily dealt in or traded on any regulated or unregulated stock exchange, over-the-counter or other securities market, excluding in all circumstances Project Finance Indebtedness; and

a **"Subsidiary"** means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer.

4 Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"2006 ISDA Definitions" means, in relation to a Series of Notes, the 2006 ISDA Definitions as amended, supplemented or updated as at the Issue Date of the first Tranche of the Notes of the relevant Series, as published by the International Swaps and Derivatives Association, Inc. (copies of which may be obtained at www.isda.org).

"2021 ISDA Definitions" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of the Notes of the relevant Series, as published by the International Swaps and Derivatives Association, Inc. (copies of which may be obtained at www.isda.org).

"Business Day" means:

- (i) in the case of euro, a day on which the real time gross settlement system operated by the Eurosystem, or any successor system ("**T2**") is operating (a "**T2 Business Day**");
- (ii) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (iii) in the case of a currency and/or one or more Business Centre(s), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centre(s).

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

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

actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).

- (ii) if "**Actual/Actual-ICMA**" is specified in the relevant Final Terms:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"Determination Period" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

"Determination Date" means the date specified in the relevant Final Terms or, if none is specified, the Interest Payment Date.

- (iii) if "**Actual/365 (Fixed)**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iv) if "**Actual/360**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if "**30/360**" or "**360/360**" or "**(Bond Basis)**" is specified in the relevant Final Terms, the number of days in the Calculation Period 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:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30.

- (vi) if "30E/360" or "Eurobond Basis" is specified in the relevant 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:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"Interest Accrual Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

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

"Interest Commencement Date" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the

day falling two T2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro.

"Interest Payment Date" means the date(s) specified in the relevant Final Terms.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Interest Period Date" means each Interest Payment Date or such other date(s) specified in the relevant Final Terms.

"ISDA Definitions" means the 2006 ISDA Definitions or the 2021 ISDA Definitions, as specified in the relevant Final Terms.

"Rate of Interest" means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

"Reference Banks" means in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market or, if otherwise, the principal offices of five major banks in the Relevant Inter-Bank Market, in each case selected by the Issuer or as specified in the relevant Final Terms.

"Reference Rate" means the rate specified as such in the relevant Final Terms (e.g. EURIBOR, SONIA, SOFR or €STR), or any Successor Rate or Alternative Reference Rate.

"Relevant Inter-Bank Market" means such inter-bank market as may be specified in the relevant Final Terms.

"Relevant Screen Page" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

"Relevant Screen Page Time" means such relevant Screen Page Time as may be specified in the relevant Final Terms.

"Specified Currency" means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.

- (b) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate *per annum* (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(i) (*Accrual of Interest*) and Condition 4(j) (*Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding*).

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

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

- (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate *per annum* (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(i) (Accrual of Interest) and Condition 4(j) (Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding). Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (B), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) If the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:
- (I) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;

- (II) the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the relevant Final Terms;
- (III) the relevant Reset Date (as defined in the ISDA Definitions) unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions;
- (IV) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Compounding is specified to be applicable in the relevant Final Terms and:
 - a) Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms;
 - b) Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or
 - c) Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;
- (V) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Averaging is specified to be applicable in the relevant Final Terms and:
 - a) Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) as specified in relevant Final Terms;
 - b) Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or
 - c) Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms; and

- (VI) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the ISDA Definitions) and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms.
- (ii) in connection with any Compounding Method, Averaging Method or Index Method specified in the relevant Final Terms, references in the ISDA Definitions to:
- (a) "Confirmation" shall be references to the relevant Final Terms;
 - (b) "Calculation Period" shall be references to the relevant Interest Period;
 - (c) "Termination Date" shall be references to the Maturity Date; and
 - (d) "Effective Date" shall be references to the Interest Commencement Date.
- (iii) if the Final Terms specify "2021 ISDA Definitions" as the applicable ISDA Definitions,
- (a) "Administrator/ Benchmark Event" shall be disappplied; and
 - (b) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication– Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

In the applicable Final Terms, when the paragraph "Floating Rate Option" specifies that the rate is determined by linear interpolation, in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate Option, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period, and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate in accordance with the process specified in sub-paragraph (C) below as if such rate(s) were the Reference Rate.

For the purposes of this sub-paragraph (B), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR or €STR

(I) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate *per annum*) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either (i) 11.00 a.m. (Brussels time in the case of EURIBOR) or (ii) if otherwise, the Relevant Screen Page Time on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

(II) if the Relevant Screen Page is not available or, if sub-paragraph (C)(I)(1) applies and no such offered quotation appears on the Relevant Screen Page or, if sub-paragraph (C)(I)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, (i) if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, or (ii) if otherwise, each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(III) if paragraph (II) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates *per annum* (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, or, if

otherwise, the Relevant Inter-Bank Market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or, if otherwise, at the Relevant Screen Page Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro zone inter-bank market, or, if otherwise, the Relevant Inter-Bank Market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum 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 or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR or €STR

(I) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, it is specified in the relevant Final Terms that the Reference Rate is SONIA, SOFR or €STR and Index Determination is specified in the relevant Final Terms as not applicable:

1. where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms as being Compounded Daily, the Rate of Interest applicable to the Notes for each Interest Accrual Period will (subject to Condition 4(d) (*Benchmark Replacement*) or Condition 4(e) (*Effect of Benchmark Transition Event*), as the case may be, and subject as provided below) be the Compounded Daily Reference Rate plus or minus (as indicated in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards; and
2. where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms as being Weighted Average, the Rate of Interest applicable to the Notes for each Interest Accrual Period will (subject to Condition 4(d) (*Benchmark Replacement*) or Condition 4(e) (*Effect of Benchmark Transition Event*), as the case may be, and subject as provided below) be the

Weighted Average Reference Rate plus or minus (as indicated in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

(II) Where SONIA is specified as the Reference Rate in the relevant Final Terms, subject to Condition 4(d) (*Benchmark Replacement*), if, in respect of any Business Day, the Calculation Agent determines that the SONIA rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be:

1. the sum of (x) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day; plus (y) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
2. if the Bank Rate is not published by the Bank of England at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day, (x) the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (y) if this is more recent, the latest determined rate under (1),

and, in each case, "r" shall be interpreted accordingly.

Notwithstanding the paragraph above, and without prejudice to Condition 4(d) (*Benchmark Replacement*), in the event of the Bank of England publishing guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Calculation Agent shall, in accordance with the instructions of the Issuer, follow such guidance to the extent practicable and to the extent such guidance does not increase obligations or duties of the Calculation Agent in order to determine the SONIA rate, for purposes of the Notes, for so long as the SONIA rate is not available or has not been published by the authorised distributors.

(III) Where SOFR is specified as the Reference Rate in the relevant Final Terms, subject to Condition 4(e) (*Effect of Benchmark Transition Event*), if, in respect of any Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the SOFR for the first preceding Business Day on which the SOFR was published on the Relevant Screen Page (and "r" shall be interpreted accordingly).

(IV) Where €STR is specified as the Reference Rate in the relevant Final Terms, subject to Condition 4(d) (*Benchmark Replacement*), if, in respect

of any Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the €STR for the first preceding Business Day on which the €STR was published on the Relevant Screen Page (and "r" shall be interpreted accordingly).

(V) In the event that the Rate of Interest for the relevant Interest Accrual Period cannot be determined in accordance with the foregoing provisions by the Calculation Agent, subject to Condition 4(d) (*Benchmark Replacement*) or 5(e), as the case may be, the Rate of Interest for such Interest Accrual Period shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum 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 or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period), (ii) if there is no such preceding Interest Determination Date and the relevant Interest Accrual Period is the first Interest Accrual Period for the Notes, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum or Minimum Rate of Interest applicable to the first Interest Accrual Period) or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Accrual Period is not the first Interest Accrual Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Accrual Period.

(VI) If the relevant Notes become due and payable in accordance with Condition 8 (*Events of Default*), the last Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(VII) For the purposes of this Condition 4(c)(iii)(C):

If "**Payment Delay**" is specified in the relevant Final Terms as being applicable, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead.

"**Applicable Period**" means,

- (i) where Lag, Lock-out or Payment Delay is specified as the Observation Method in the relevant Final Terms, the Interest Accrual Period; and
- (ii) where Observation Shift is specified as the Observation Method in the relevant Final Terms, the Observation Period.

"Business Day" or **"BD"**, means, (i) where SONIA is specified as the Reference Rate, any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London; (ii) where SOFR is specified as the Reference Rate, any day which is a U.S. Government Securities Business Day and is not a legal holiday in New York and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed; and (iii) where €STR is specified as the Reference Rate, a T2 Settlement Day.

"Compounded Daily Reference Rate" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be 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:

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

where:

"D" is the number specified in the relevant Final Terms.

"d" means, for the relevant Applicable Period, the number of calendar days in such Applicable Period.

"d_o" means, for the relevant Applicable Period, the number of Business Days in such Applicable Period.

"€STR" means, in respect of any Business Day, a reference rate equal to the daily euro short-term rate for such euro Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank as at the date of this Base Prospectus at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the **"ECB's Website"**) in each case, on or before 9:00 a.m. (Central European Time) on the Business Day immediately following such Business Day.

"i" means, for the relevant Applicable Period, a series of whole numbers from one to d_o, each representing the relevant Business Day in chronological order from, and including, the first Business Day in such Applicable 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.

"n_i", for any Business Day "i" in the Applicable Period, means the number of calendar days from, and including, such Business Day "i" up to but excluding the following Business Day.

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

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

"p" means, for any Interest Accrual Period:

- (i) where Lag is specified as the Observation Method in the relevant Final Terms, the number of Business Days included in the Observation Look-back Period specified in the relevant Final Terms (or, if no such number is specified five Business Days);
- (ii) where Lock-out is specified as the Observation Method in the relevant Final Terms, zero; and
- (iii) where Observation Shift is specified as the Observation Method in the relevant Final Terms, the number of Business Days included in the Observation Look-back Period specified in the relevant Final Terms (or, if no such number is specified, five Business Days).

"r" means:

- (i) where in the relevant Final Terms SONIA is specified as the Reference Rate and either Lag or Observation Shift is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day;
- (ii) where in the relevant Final Terms SOFR is specified as the Reference Rate and either Lag or Observation Shift is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day;
- (iii) where in the relevant Final Terms €STR is specified as the Reference Rate and either Lag or Observation Shift is specified as the Observation Method, in respect of any Business Day, the €STR in respect of such Business Day;
- (iv) where in the relevant Final Terms SONIA is specified as the Reference Rate and Lock-out is specified as the Observation Method:
 - (x) in respect of any Business Day "i" that is a Reference Day, the SONIA rate in respect of the Business Day immediately preceding such Reference Day, and

- (y) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the SONIA rate in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date);
- (v) where in the relevant Final Terms SOFR is specified as the Reference Rate and Lock-out is specified as the Observation Method:
- (x) in respect of any Business Day "i" that is a Reference Day, the SOFR in respect of the Business Day immediately preceding such Reference Day; and
- (y) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the SOFR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date);
- (vi) where in the relevant Final Terms €STR is specified as the Reference Rate and Lock-out is specified as the Observation Method:
- (x) in respect of any Business Day "i" that is a Reference Day, the €STR in respect of the Business Day immediately preceding such Reference Day; and
- (y) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the €STR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date);
- (vii) where in the relevant Final Terms SONIA is specified as the Reference Rate and Payment Delay is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day, provided however that, in the case of the last Interest Accrual Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the SONIA rate in respect of the Rate Cut-off Date;
- (viii) where in the relevant Final Terms SOFR is specified as the Reference Rate and Payment Delay is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day, provided however that, in the case of the last Interest Accrual Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the SOFR in respect of the Rate Cut-off Date; and

- (ix) where in the relevant Final Terms €STR is specified as the Reference Rate and Payment Delay is specified as the Observation Method, in respect of any Business Day, the €STR in respect of such Business Day, provided however that, in the case of the last Interest Accrual Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the €STR in respect of the Rate Cut-off Date.

"Reference Day" means each Business Day in the relevant Interest Accrual Period, other than any Business Day in the Lock-out Period.

"r_{i-pBD}" means the applicable Reference Rate as set out in the definition of "r" above for, (i) where, in the relevant Final Terms, Lag is specified as the Observation Method, the Business Day (being a Business Day falling in the relevant Observation Period) falling "p" Business Days prior to the relevant Business Day "i" or, (ii) otherwise, the relevant Business Day "i".

"SOFR" means, in respect of any Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Federal Reserve's Website, in each case on or about 5.00 p.m. (New York City Time) (the **"SOFR Determination Time"**) on the Business Day immediately following such Business Day.

"SONIA" means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors in each case on the Business Day immediately following such Business Day.

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

"Effective Interest Payment Date" means any date or dates specified as such in the relevant Final Terms.

"Rate Cut-off Date" has the meaning given in the relevant Final Terms.

"T2 Settlement Day" means any day on which T2 is open for the settlement of payments in euro.

"Weighted Average Reference Rate" means:

- (i) where Lag is specified as the Observation Method in the relevant Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate 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 Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day; and

- (ii) where Lock-out is specified as the Observation Method in the relevant Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying each relevant Reference Rate 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 Interest Accrual Period, provided however that for any calendar day of such Interest Accrual Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day.

(D) Index Determination

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and Index Determination is specified in the relevant Final Terms as being applicable, the Rate of Interest applicable to the Notes for each Interest Accrual Period will be the compounded daily reference rate for the relevant Interest Accrual Period, calculated in accordance with the following formula and to the Relevant Decimal Place, all as determined and calculated by the Calculation Agent on the relevant Interest Determination Date plus or minus (as indicated in the relevant Final Terms) the Margin:

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

where:

"**Compounded Index**" shall mean either SONIA Compounded Index, SOFR Compounded Index or €STR Compounded Index, as specified in the relevant Final Terms.

"**Compounded Index End**" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Accrual Period, or 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).

"Compounded Index Start" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Accrual Period.

"d" is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined.

"€STR Compounded Index" means the compounded daily €STR rate as published at 9:15 a.m. (Central European Time) by the European Central Bank (or a successor administrator of €STR) on the European Central Bank's Market Information Dissemination (MID) platform and Statistical Data Warehouse, or any successor source.

"Index Days" means, in the case of the SONIA Compounded Index, London Banking Days, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days and in the case of the €STR Compounded Index, T2 Settlement Days.

"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.

"Numerator" shall, unless otherwise specified in the relevant Final Terms, be 365 in the case of the SONIA Compounded Index, 360 in the case of the SOFR Compounded Index and the €STR Compounded Index.

"Relevant Decimal Place" shall, unless otherwise specified in the relevant Final Terms, be the fifth decimal place in the case of the SONIA Compounded Index and €STR Compounded Index, and the seventh decimal place in the case of the SOFR Compounded Index, in each case rounded up or down, if necessary (with 0.000005 or, as the case may be, 0.0000005 being rounded upwards);

"Relevant Number" shall, unless otherwise specified in the relevant Final Terms, be five in the case of the SONIA Compounded Index and €STR Compounded Index, and two in the case of the SOFR Compounded Index.

"SOFR Compounded Index" means the compounded daily SOFR rate, as published at 3:00 p.m. (New York time) by the Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source.

"SONIA Compounded Index" means the compounded daily SONIA rate as published at 10:00 a.m. (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source.

Provided that a Benchmark Event has not occurred in respect of SONIA or €STR or a Benchmark Transition Event and its related Benchmark Replacement Date has not occurred in respect of SOFR, as the case may be, if, with respect to any Interest Accrual Period, the relevant Compounded Index Start and/or Compounded Index End is not published by the administrator, the Calculation Agent shall calculate the Rate of Interest for that Interest Accrual Period in accordance with Condition 4(c)(iii)(C) as if Index Determination was not specified in the relevant Final Terms as being applicable. For these purposes, (i) the Reference Rate shall be deemed to be SONIA in the case of SONIA Compounded Index, €STR in the case of €STR Compounded Index and SOFR in the case of SOFR Compounded Index, (ii) the Calculation Method shall be deemed

to be Compounded Daily, (iii) the Observation Method shall be deemed to be Observation Shift, (iv) the Observation Look-back Period shall be deemed to be the Relevant Number, (v) D shall be deemed to be the Numerator and (vi) in the case of SONIA, the Relevant Screen Page will be determined by the Issuer in consultation with the Calculation Agent. If a Benchmark Event has occurred in respect of SONIA or €STR, the provisions of Condition 4(d) (*Benchmark Replacement*) shall apply *mutatis mutandis* in respect of this Condition 4(c)(iii)(D) or if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, the provision of Condition 4(e) (*Effect of Benchmark Transition Event*) shall apply *mutatis mutandis* in respect of this Condition 4(c)(iii)(D), as applicable.

- (d) **Benchmark Replacement:** Notwithstanding the provisions above in this Condition 4 (*Interest and other Calculations*), where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and where the relevant Reference Rate applicable to the Notes is not SOFR (nor the then-current Benchmark which has replaced SOFR) and if the Issuer (to the extent practicable, in consultation with the Calculation Agent) determines that a Benchmark Event has occurred, then the following provisions shall apply:
- (i) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner) no later than three Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate and, in either case, an Adjustment Spread and any Benchmark Amendments for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;
 - (ii) if (A) the Issuer is unable to appoint an Independent Adviser, or (B) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate. If the Issuer is unable to determine a Successor Rate or, failing which, an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Reference Rate applicable to the relevant Interest Period shall be the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate applicable to the first Interest Period;
 - (iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, an Adjustment Spread, is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, any Adjustment Spread, shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(d) (*Benchmark Replacement*)); provided, however, that if sub-paragraph (ii) above applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate, prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the preceding Interest Period (subject, where applicable, to substituting the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest that applied to such preceding Interest Period for the Margin, Maximum Rate of Interest

and/or Minimum Rate of Interest that is to be applied to the relevant Interest Period) or, alternatively, if there has not been a first Interest Payment Date, the rate of interest shall be the Rate of Interest for the initial Interest Period; for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(d) (*Benchmark Replacement*);

- (iv) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, an Adjustment Spread, in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Day, Interest Determination Date, and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable);
- (v) if a Successor Rate or Alternative Reference Rate is determined in accordance with this Condition 4(d) (*Benchmark Replacement*) and the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines the specified quantum or a formula or methodology for determining the applicable Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Reference Rate (as applicable), subject to any further operation and adjustment as provided in this Condition 4(d) (*Benchmark Replacement*);
- (vi) for the avoidance of doubt, the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread and to give effect to this Condition 4(d) (*Benchmark Replacement*) (such amendments, the "**Benchmark Amendments**"). Consent of the holders of the relevant Notes shall not be required in connection with effecting the Successor Rate, Alternative Reference Rate (as applicable) or Adjustment Spread or such other changes set out in this Condition 4(d) (*Benchmark Replacement*), including for the execution of any documents or other steps by the Issuing and Paying Agent (if required);
- (vii) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and, in each case, an Adjustment Spread, give notice thereof to the Calculation Agent, the Issuing and Paying Agent and the Noteholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential changes made to these Conditions;
- (viii) No later than notifying the Issuing and Paying Agent of the same, the Issuer shall deliver to the Issuing and Paying Agent a certificate signed by two authorised signatories of the Issuer:
 - (A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Reference Rate and, (z), in each case, the relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(d) (*Benchmark Replacement*); and

- (B) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate or Alternative Reference Rate and Adjustment Spread.
- (ix) The Successor Rate or Alternative Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Reference Rate and such Adjustment Spread and such Benchmark Amendments (if any)), and without prejudice to the Calculation Agent's or the Paying Agent's ability to rely on such certificate as aforesaid, be binding on the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Paying Agents and the Noteholders.

"Adjustment Spread" means a spread (which may be positive, negative or zero) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

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

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

"Benchmark Event" means:

- (i) the Reference Rate has ceased to be published on the Relevant Screen Page as a result of such Reference Rate ceasing to be calculated or administered; or
- (ii) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased or will cease, by a specified

future date (the "Specified Future Date"), publishing such Reference Rate permanently or indefinitely; or

- (iii) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the "Specified Future Date"), be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Reference Rate that means that such Reference Rate will, by a specified future date (the "Specified Future Date"), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes;
- (v) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, (i) such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), no longer representative of an underlying market or (ii) the methodology to calculate such Reference Rate has materially changed; or
- (vi) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (including, without limitation, under the Benchmark Regulation (EU) 2016/1011, if applicable);

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (ii), (iii), (iv) or (v) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date.

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

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

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

- (i) the central bank for the currency to which the reference rate relates, any central bank which is responsible for supervising the administrator of the reference rate, or any other relevant supervisory or regulatory authority or national legislative body of the country for the currency to which the reference rate relates; or
 - (ii) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (A) the central bank for the currency to which the reference rate relates, (B) any central bank which is responsible for supervising the administrator of the reference rate, (C) any other relevant supervisory or regulatory authority or national legislative body of the country for the currency to which the reference rate relates, (D) a group of the aforementioned central banks or other authorities, or (E) the Financial Stability Board or any part thereof.
- (e) **Effect of Benchmark Transition Event:** Where the relevant Reference Rate applicable to the Notes is SOFR (or the then-current Benchmark which has replaced SOFR), in addition and

notwithstanding the provisions above in Condition 4(d) (*Benchmark Replacement*), as applicable, this Condition 4(e) (*Effect of Benchmark Transition Event*) shall apply.

- (i) **Benchmark Replacement:** If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.
- (ii) **Benchmark Replacement Conforming Changes:** In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.
- (iii) **Decisions and Determinations:** Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(e) (*Effect of Benchmark Transition Event*), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, will be made in the sole discretion of the Issuer or its designee, as applicable, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the Noteholders or any other party. None of the Issuing and Paying Agent, the Calculation Agent nor any Paying Agents will have any liability for any determination made by or on behalf of Issuer or its designee in connection with a Benchmark Transition Event or a Benchmark Replacement.

In no event shall the Issuing and Paying Agent, the Calculation Agent nor any Paying Agents be responsible for determining if a Benchmark Transition Event has occurred or any substitute for SOFR, or for making any adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, the Issuing and Paying Agent, the Calculation Agent and each Paying Agent will be entitled to conclusively rely on any determinations made by Issuer or its designee and will have no liability for such actions taken at the direction of the Issuer or its designee.

In the event that the Rate of Interest for the relevant Interest Accrual Period, as applicable, cannot be determined in accordance with the foregoing provisions by the Issuer or its designee, the Rate of Interest for such Interest Accrual Period shall be (i) that determined as at the immediately preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest (as specified in the relevant Final Terms) is to be applied to the relevant Interest Accrual Period from that which applied to the immediately preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that immediately preceding Interest Accrual Period), or (ii) if there is no such preceding Interest Determination Date and the relevant Interest Accrual Period is the first Interest Accrual Period for the Notes, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum or Minimum Rate of Interest applicable to the first Interest Accrual Period), or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Accrual Period is not the

first Interest Accrual Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Accrual Period.

For the purposes of this Condition 4(e) (*Effect of Benchmark Transition Event*):

"Benchmark" means, initially, SOFR; provided that if the Issuer or its designee determines on or prior to the Reference Time that 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 or its designee as of the Benchmark Replacement Date.

- (i) the sum of: (I) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (II) the Benchmark Replacement Adjustment;
- (ii) the sum of: (I) the ISDA Fallback Rate and (II) the Benchmark Replacement Adjustment;
or
- (iii) the sum of: (I) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. Dollar-denominated floating rate notes at such time and (II) the Benchmark Replacement Adjustment.

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

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar-denominated floating rate notes at such time.

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

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

- (i) in the case of sub-paragraph (i) or (ii) of the definition of Benchmark Transition Event, the later of (x) the date of the public statement or publication of information referenced therein and (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of sub-paragraph (iii) of the definition of Benchmark Transition Event, the date of the public statement or publication of information referenced therein.

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

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

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

"designee" means a designee as selected and separately appointed by the Issuer as designee for the Notes in writing.

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

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

"**Reference Time**" with respect to any determination of the Benchmark means (I) if the Benchmark is SOFR, the SOFR Determination Time, and (II) if the Benchmark is not SOFR, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes.

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

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

(f) **Fixed/Floating Rate Notes**

Fixed/Floating Rate Notes may bear interest at a rate that will automatically change from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms.

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

(h) **Dual Currency Notes**

In the case of Dual Currency Notes, the Issuer may issue Fixed Rate Notes or Floating Rate Notes with interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. In such case, the relevant Final Terms will specify the relevant currency(ies) in which interest is/are payable and the applicable Rate(s) of Exchange or a method of calculating Rate(s) of Exchange.

- (i) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 (*Interest and other Calculations*) to the Relevant Date (as defined in Condition 7 (*Taxation*)).

(j) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding:**

- (i) If any Margin is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point

(with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

- (k) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the relevant Final Terms and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (l) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts and Early Redemption Amounts:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount to be notified to the Issuing and Paying Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the applicable rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(c)(ii) (*Business Day Convention*), the Interest Amounts and the Interest Payment Date so published 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 Interest Period. If the Notes become due and payable under Condition 8 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (m) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are listed on any stock exchange and the rules applicable to that stock exchange so require, notice of any change of Calculation Agent shall be given in accordance with Condition 12 (*Notices*).

5 Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount).
- (b) **Redemption at the Option of the Issuer and Partial Redemption:** If a Call Option is specified as applicable in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 12 (*Notices*) to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified in the relevant Final Terms (which may be the Make-Whole Redemption Price (as described in Condition 5(c) (*Make-Whole Redemption by the Issuer*)) below or the Early Redemption Amount (as described in Condition 5(j) (*Early Redemption of Zero Coupon Notes*)) below) together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

If the Notes are to be redeemed in part only, each Note shall be redeemed in part in the proportion which the nominal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date bears to the Aggregate Nominal Amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount shall in no event be greater than the maximum or be less than the minimum so specified.

- (c) **Make-Whole Redemption by the Issuer:** If Make-Whole Redemption by the Issuer is specified as applicable in the relevant Final Terms, in respect of any issue of Notes, the Issuer may, in accordance with Condition 5(b) (*Redemption at the Option of the Issuer and*

Partial Redemption), redeem the Notes at their Optional Redemption Amount, which shall be the Make-Whole Redemption Price.

For the purposes of these Conditions:

"Make-Whole Redemption Price" means, in respect of each Note, an amount determined by the Determination Agent after consultation with the Issuer and will be the greater of (x) 100 per cent. of the nominal amount of the Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes (excluding any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date) discounted to the relevant Optional Redemption Date on an annual basis (based on the relevant day count basis) at the Reference Dealer Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in the case of either (x) or (y) above, any interest accrued on the Notes to, but excluding, the Optional Redemption Date.

If a Residual Maturity Call Option is specified as applicable in the relevant Final Terms and if the Issuer decides to redeem the Notes pursuant to the Make-Whole Redemption by the Issuer before the Call Option Date (as specified in the relevant Final Terms) pursuant to Condition 5(d) (*Residual Maturity Call Option*), the Optional Redemption Amount in respect of the Make-Whole Redemption by the Issuer will be calculated by reference to the Call Option Date pursuant to Condition 5(d) (*Residual Maturity Call Option*) and not by reference to the Maturity Date;

"Determination Agent" means a financial adviser or bank which is independent of the Issuer, appointed by the Issuer for the purpose of determining the Make-Whole Redemption Price;

"Reference Dealers" means five credit institutions or financial services institutions that regularly deal in bonds and other debt securities as selected by Determination Agent after consultation with the Issuer;

"Reference Dealer Rate" means with respect to the Reference Dealers and the Optional Redemption Date (i) the arithmetic average of the five quotations of the mid-market annual yield to maturity of the Reference Security at 11.00 a.m. Central European time on the third (3rd) business day in Madrid, Spain preceding the Optional Redemption Date quoted in writing to the Determination Agent after consultation with the Issuer by the Reference Dealers after excluding the highest and lowest of such quotations; or (ii) if the Determination Agent obtains fewer than five quotations, the arithmetic average of all quotations obtained;

"Reference Security" means the security specified in the relevant Final Terms;

If the Reference Security is no longer outstanding, a similar security will be chosen by the Determination Agent after prior consultation with the Issuer if practicable under the circumstances at 11.00 a.m. (Central European time (CET)) on the third (3rd) business day in Madrid, Spain preceding the Optional Redemption Date, quoted in writing by the Determination Agent to the Issuer and notified in accordance with Condition 12 (*Notices*); and

The Reference Dealer Rate will be notified by the Paying Agents in accordance with Condition 12 (*Notices*).

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Determination Agent shall (in the absence of wilful default, bad faith or manifest error) be final and binding upon all parties.

The Determination Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

- (d) **Residual Maturity Call Option:** If Residual Maturity Call Option by the Issuer is specified as applicable in the relevant Final Terms, the Issuer may, on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice (which notice shall specify the date fixed for redemption) in accordance with Condition 12 (*Notices*) to the Noteholders redeem the Notes (or such other notice period as may be specified in the relevant Final Terms), in whole but not in part, at par together with interest accrued to, but excluding, the date fixed for redemption, at any time as from the Call Option Date (included and as specified in the Final Terms), which shall be no earlier than (i) one (1) month before the Maturity Date in respect of Notes having a maturity of less than five years or (ii) three (3) months before the Maturity Date in respect of Notes having a maturity of five years or more.

For the purpose of the preceding paragraph, the maturity of not more than five years or the **maturity** of more than five years (or such shorter maturity as may be specified in the Final Terms) shall be determined as from the Issue Date of the first Tranche of the relevant Series of Notes.

- (e) **Substantial Purchase Event:** If Substantial Purchase Event is specified as applicable in the relevant Final Terms, in the event that 25 per cent. or less of the initial aggregate nominal amount of a particular Series of Notes (including any further Notes issued pursuant to Condition 11 (*Further Issues*)) remains outstanding, the Issuer may, at its option but subject to having given not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Noteholders (which notice shall specify the date fixed for redemption) in accordance with Condition 12 (*Notices*) redeem all, but not some only, of the outstanding Notes in that Series at their Substantial Purchase Event Redemption Amount together with any interest accrued to the date set for redemption, provided that those Notes of such Series that are no longer outstanding have not been redeemed (and subsequently cancelled) by the Issuer at the option of the Issuer pursuant to Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*) or Condition 5(c) (*Make-Whole Redemption by the Issuer*), in each case, at an amount exceeding the Substantial Purchase Event Redemption Amount.

"**Substantial Purchase Redemption Amount**" means the principal amount of each Note or, if higher, such other amount as may be specified in the relevant Final Terms.

- (f) **Redemption for Tax Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note), on giving not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount, together with interest accrued to the date fixed for redemption, if:
- (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of

competent jurisdiction), which change or amendment becomes effective on or after the Issue Date of the most recent Tranche of the Notes; and

- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than ninety (90) calendar days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Issuing and Paying Agent:

- (A) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and
 - (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.
- (g) **Redemption or Purchase at the option of Noteholders following a Change of Control Put Event:** If a Change of Control Put Option is specified as applicable in the relevant Final Terms and at any time while any Note remains outstanding a Change of Control occurs, and during the Change of Control Period there is a Rating Event (a "**Change of Control Put Event**") each Noteholder will have the option (the "**Change of Control Put Option**") (unless, before the giving of the Change of Control Put Option Notice (as defined below), the Issuer shall have given notice of its intention to redeem the Notes under this Condition 5 (*Redemption, Purchase and Options*)) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note at the nominal amount of such Note, together with (or, where purchased, together with an amount equal to) interest accrued to, but excluding, the Change of Control Put Date (as defined below).

If a Change of Control Put Event occurs, then, within fourteen (14) calendar days of the occurrence of the Change of Control Put Event, the Issuer shall give notice (a "**Change of Control Put Option Notice**") to the Noteholders in accordance with Condition 12 (*Notices*) specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option contained in this Condition 5(g).

To exercise the Change of Control Put Option a Noteholder must, during the period commencing on the occurrence of a Change of Control Put Event and ending sixty (60) calendar days after such occurrence or, if later, sixty (60) calendar days after the date on which the Change of Control Put Option Notice is given to Noteholders as required by this Condition 5(g) (the "**Change of Control Put Period**") give written notice to the Issuer through Iberclear or the relevant Iberclear Participant (a "**Change of Control Put Option Notice**"). No duly completed Change of Control Put Option Notice, once delivered in accordance with this Condition 5(g), may be withdrawn without the prior consent of the Issuer and provided that such withdrawal is permitted by the procedures of Iberclear.

The Issuer shall redeem or, at its option, purchase or procure the purchase of the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above (the "**Change of Control Put Date**") which is seven (7) calendar days after the expiration of the Change of Control Put Period unless previously redeemed or purchased

and cancelled. Payment in respect of any Note so transferred will be made on the Change of Control Put Date in accordance with the procedures of Iberclear.

For the purposes of these Conditions:

A "**Change of Control**" shall be deemed to have occurred each time (whether or not approved by the board of directors of the Issuer) that any person or persons acting in concert or any person acting on behalf of such person(s) (other than a holding company whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer) shall acquire or control (i) more than 50 per cent. of the Voting Rights or (ii) the right to appoint and/or remove all or the majority of the members of the Issuer's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Rights, contract or otherwise. References to acquiring, having or ceasing to have "**control**" in these Conditions shall be interpreted accordingly;

"**Change of Control Period**" means the period commencing on the date that is the earlier of: (i) the date of the occurrence of a Change of Control; and (ii) the date of the first Potential Change of Control Announcement (if any), and ending ninety (90) calendar days after the Change of Control (or such longer period for which any Notes are under consideration (such consideration having been announced publicly within the period ending ninety (90) calendar days after the Change of Control) for Rating review or, as the case may be, Rating by a Rating Agency, such period not to exceed sixty (60) calendar days after the public announcement of such consideration);

"**Investment Grade Rating**" means, any Rating which is (i) with respect to S&P, within any of the categories from and including AAA to and including BBB- (or equivalent successor categories), (ii) with respect to Moody's, within any of the categories from and including Aaa to and including Baa3 (or equivalent successor categories) or (iii) with respect to Fitch Ratings, within any of the categories from and including AAA to and including BBB- (or equivalent successor categories);

"**Potential Change of Control Announcement**" means any public announcement or public statement by the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control;

"**Rating**" means a long term credit rating assigned to the Issuer and/or any Notes by a Rating Agency which has been solicited by, or assigned with the cooperation of, the Issuer;

"**Rating Agency**" means any of the following: (a) S&P Global Ratings Europe Limited ("**S&P**"); (b) Moody's Investors Service España S.A. ("**Moody's**"); or (c) Fitch Ratings Ireland Limited ("**Fitch Ratings**"), and, in each case, their respective successors and affiliates;

A "**Rating Event**" shall be deemed to have occurred in respect of a Change of Control if:

- (i) there is a Rating by any Rating Agency at the time the Change of Control Period begins and within the Change of Control Period the Rating by any Rating Agency is: (1) withdrawn (and is not, during the Change of Control Period, subsequently reinstated); (2) ceases to be an Investment Grade Rating (and is not, during the Change of Control Period, subsequently upgraded to an Investment Grade Rating); or (3) if the Rating assigned to the Issuer and/or any Notes by any Rating Agency which is current at the time the Change of Control Period begins is below an Investment Grade Rating, that Rating is lowered one full rating notch by any Rating

Agency (for example, BB+ to BB by S&P) (and is not, during the Change of Control Period, subsequently upgraded to its previous rating level), *provided that* a Rating Event shall be deemed not to have occurred in respect of a particular Change of Control if the relevant Rating Agency, despite withdrawing or lowering the ratings does not publicly announce or confirm in writing to the Issuer that the reduction or withdrawal was the result, in whole or part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control; or

- (ii) there is no Rating by any Rating Agency at the time the Change of Control Period begins and by the time the Change of Control Period ends (A) there is still no Rating by any Rating Agency, or (B) there is a Rating by any Rating Agency but that Rating is not an Investment Grade Rating,

save that no Rating Event shall be deemed to have occurred in respect of a Change of Control if, on the last day of the Change of Control Period, there is a Rating by any Rating Agency that is an Investment Grade Rating; and

"Voting Rights" means the right generally to vote at a general meeting of shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

- (h) **Redemption of Dual Currency Notes:** The Issuer may issue Fixed Rate Notes or Floating Rate Notes with principal payable in one or more currencies which may be different from the currency in which the Notes are denominated. In such case, the relevant Final Terms will specify the relevant currency(ies) in which principal is payable and the applicable Rate(s) of Exchange.

- (i) **Early Redemption of Zero Coupon Notes:**

- (i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*), Condition 5(d) (*Residual Maturity Call Option*), Condition 5(e) (*Substantial Purchase Event*), Condition 5(f) (*Redemption for Tax Reasons*), Condition 5(g) (*Redemption or Purchase at the option of Noteholders following a Change of Control Put Event*) or upon it becoming due and payable as provided in Condition 8 (*Events of Default*) shall be the Amortised Nominal Amount (calculated as provided below) of such Note.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate *per annum* (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*), Condition 5(c) (*Make-Whole Redemption by the Issuer*), Condition 5(d) (*Residual Maturity Call Option*), Condition 5(e) (*Substantial Purchase Event*), Condition 6(f) (*Redemption for Tax Reasons*), Condition 5(g)

(Redemption or Purchase at the option of Noteholders following a Change of Control Put Event) or upon it becoming due and payable as provided in Condition 8 *(Events of Default)* is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(g) *(Zero Coupon Notes)*. Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

(ii) Other Notes:

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(b) *(Redemption at the Option of the Issuer and Partial Redemption)*, Condition 5(c) *(Make-Whole Redemption by the Issuer)*, Condition 5(d) *(Residual Maturity Call Option)*, Condition 5(e) *(Substantial Purchase Event)*, Condition 5(f) *(Redemption for Tax Reasons)*, Condition 5(g) *(Redemption or Purchase at the option of Noteholders following a Change of Control Put Event)* or upon it becoming due and payable as provided in Condition 8 *(Events of Default)* shall be the Final Redemption Amount, unless otherwise specified in the applicable Final Terms.

- (j) **Purchases:** The Issuer and its Subsidiaries shall have the right at all times to purchase Notes in the open market or otherwise at any price subject to the applicable laws and/or regulations.
- (k) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries shall, together with all Notes redeemed by the Issuer, be cancelled forthwith. Any Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6 Payments

- (a) **Principal and Interest:** Payments in respect of the Notes in euro (in terms of both principal and interest) shall be made by transfer to the registered account of the relevant Noteholder maintained by or on behalf of it with a bank that processes payments in a city in which banks have access to T2, details of which appear in the records of Iberclear or, as the case may be, the relevant Iberclear Participant at close of business on the day immediately preceding the Business Day on which the payment of principal or interest, as the case may be, falls due. In respect of payments in any currency, Noteholders must rely on the procedures of Iberclear or, as the case may be, the relevant Iberclear Participant to receive payments under the relevant Notes. None of the Issuer or, if applicable, any Dealer(s) will have any responsibility or liability for the records relating to payments made in respect of the Notes.
- (b) **Payments Subject to Laws:** All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the

provisions of Condition 7 (*Taxation*) 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 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders in respect of such payments.

- (c) **Appointment of Agents:** The Issuing and Paying Agent and any Paying Agents act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each such case, do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) such Paying Agent(s) or other agents as may be required by the applicable rules of any other stock exchange on which the Notes may be listed, quoted and/or admitted to trading.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 12 (*Notices*).

- (d) **Non-Business Days:** If any date for payment in respect of any Note is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) in such jurisdictions as shall be specified as "**Financial Centres**" in the relevant Final Terms and (B) (i) (in the case of a payment in a currency other than euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in euro), which is a T2 Business Day.

7 Taxation

- (a) All payments in respect of the Notes by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed ("**Taxes**") in the Kingdom of Spain or any political subdivision thereof or taxing authority therein ("**Tax Jurisdiction**"). If the Issuer is required by law or regulation to make any deduction or withholding for or on account of Taxes, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable in respect of any Note:
- (i) to, or to a third party on behalf of, a Noteholder who is liable for such taxes or duties in respect of such Notes by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note; or
- (ii) to, or to a third party on behalf of, a Noteholder in respect of whom withholding is to be levied as a consequence of the Issuer having not received, within the time period established by applicable law, the relevant duly executed and completed certificate

required in order to comply with the Spanish Law 10/2014 as well as Royal Decree 1065/2007 (each, as amended from time to time), and any other implementing legislation or regulation; or

- (iii) to, or to a third party on behalf of, a Noteholder in respect of whose Notes the Issuer (or an agent acting on behalf of the Issuer) has not received information as may be necessary to allow payments on such Note to be made free and clear of withholding tax or deduction on account of any taxes imposed by a Tax Jurisdiction, including when the Issuer (or an agent acting on behalf of the Issuer) does not receive such information concerning such Noteholder's identity and tax residence as may be required in order to comply with the procedures that may be implemented provided that the Issuer has informed the Noteholders of the relevant information procedures in advance; or
 - (iv) related to (a) any estate, inheritance, gift, sales, transfer, personal property or similar taxes imposed by a Tax Jurisdiction; or (b) solely due to the appointment by an investor in the Notes, or any person through which an investor holds Notes, of a custodian, collection agent, person or entity acting on behalf of the investor of the Notes or similar person in relation to such Notes; or
 - (v) presented for payment more than thirty (30) calendar days after the Relevant Date except to the extent that the holder of such Note would have been entitled to such additional amounts on presenting such Note for payment on the last day of such period of thirty (30) days.
- (b) As used in these Conditions, "**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition.
- (c) Notwithstanding any other provision of these Conditions, any amounts to be paid by or on behalf of the Issuer on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (or any law implementing such an intergovernmental agreement) (a "**FATCA Withholding Tax**"), and neither the Issuer nor any other person will be required to pay additional amounts on account of any FATCA Withholding Tax.
- (d) If the Issuer becomes subject at any time to any taxing jurisdiction other than the Kingdom of Spain, references in these Conditions to the Kingdom of Spain shall be construed as references to the Kingdom of Spain and/or such other jurisdiction.

8 Events of Default

If any of the following events (each an "**Event of Default**" and together "**Events of Default**") occurs and is continuing, any Noteholder may give written notice to the Issuer and Issuing and Paying Agent at its specified office that each of its Notes is immediately repayable, whereupon the Early Redemption Amount of such Notes together (if applicable) with accrued interest to the date of payment shall become immediately due and payable without further action or formality:

- (a) **Non-payment:** the Issuer fails to pay any amount of principal in respect of the Notes within seven (7) calendar days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within fourteen (14) calendar days of the due date for payment thereof; or
- (b) **Breach of other obligations:** the Issuer does not perform or comply with any of its other obligations under or in respect of the Notes which default is incapable of remedy or is not remedied within thirty (30) calendar days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Issuing and Paying Agent; or
- (c) **Cross default of Issuer or Material Subsidiary:**
 - (i) any present or future indebtedness (other than Project Finance Indebtedness) of the Issuer or any of its Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;
 - (ii) any such indebtedness (other than Project Finance Indebtedness) becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described); or
 - (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any guarantee for, or indemnity in respect of, any indebtedness (other than Project Finance Indebtedness),
provided that the amount of indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any guarantee or indemnity referred to in sub-paragraph (iii) above equals or exceeds, in the aggregate, €150,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates); or
- (d) **Insolvency, etc:** the Issuer or any of its Material Subsidiaries is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or substantially all of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of its debts generally or a moratorium is agreed or declared in respect of or affecting all or substantially all of the debts of the Issuer or any of its Material Subsidiaries, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) while solvent or (ii) otherwise on terms approved by an Extraordinary Resolution of the Noteholders; or
- (e) **Winding up:** an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Material Subsidiaries, or the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation,

reorganisation, merger or consolidation (i) while solvent or (ii) otherwise on terms approved by an Extraordinary Resolution of the Noteholders; or

- (f) **Enforcement Proceedings:** a distress, attachment, execution or other legal process for an amount equal to or in excess of €150,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates) is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries (other than any distress, attachment, execution or other legal process under or in connection with any Project Finance Indebtedness) and is not discharged or stayed within thirty (30) calendar days; or
- (g) **Enforcement of charges:** any mortgage, charge, pledge, lien or other encumbrance (other than any mortgage, charge, pledge, lien or other encumbrance securing Project Finance Indebtedness) present or future securing an amount equal to or in excess of €150,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates), created or assumed by the Issuer or any of its Material Subsidiaries becomes enforceable or any step is taken to enforce it (including by the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person); or
- (h) **Illegality:** it is or becomes unlawful for the Issuer to perform or comply with any one or more of its obligations under or in respect of any of the Notes; or
- (i) **Analogous event:** any event occurs has a similar effect to any of the events referred to in paragraphs (d), (e), (f) and (g) above.

Insolvency Law provides, among other things, that: (i) any claim may become subordinated if it is not reported to the insolvency administrator (administrador concursal) within one month from the announcement of the insolvency declaration in the Spanish Official Gazette (Boletín Oficial del Estado), (ii) actions deemed detrimental for the insolvent estate of the insolvency debtor carried out during the two year period preceding the date of its declaration of insolvency may be subject to claw-back, (iii) provisions in a contract granting one party the right to terminate by reason only of the other's insolvency may not be enforceable, and (iv) accrual of interest (other than (i) legal interests in respect of wage credits in favour of employees and (ii) ordinary interest –i.e. not default interests- accruing under secured liabilities, reported to the insolvency administrator (administrador concursal) as contingent credits, which will accrue up to the lower of the value of the asset subject to the security or the maximum secured liabilities under the relevant security interests) shall be suspended from the date of the declaration of insolvency and any amount of interest accrued up to such date and unpaid (other than ordinary interest –i.e. not default interests- accruing under secured liabilities, reported to the insolvency administrator (administrador concursal) as contingent credits, which will accrue up to the lower of the value of the asset subject to the security or the maximum secured liabilities under the relevant security interests) shall become subordinated.

9 Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Meeting of Noteholders and Modifications

- (a) **Powers of meetings:** A meeting shall, subject to these Conditions, have power by Extraordinary Resolution:
- (i) to sanction any proposal by the Issuer or any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer whether or not those rights arise under the Notes;
 - (ii) to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity;
 - (iii) to assent to any modification of these Conditions proposed by the Issuer;
 - (iv) to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
 - (v) to give any authority, direction or sanction required to be given by Extraordinary Resolution; and
 - (vi) to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution,

provided that the special quorum provisions in Condition 10(h) (*Quorum and Adjournment*) shall apply to any Extraordinary Resolution (a "**Reserved Matter**") for the purpose of making a modification to the Notes which would have the effect of:

- (1) amending the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes;
- (2) reducing or cancelling the nominal amount of or any premium payable on redemption of, the Notes;
- (3) reducing the rate or rates of interest in respect of the Notes or varying the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes;
- (4) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, reducing any such Minimum and/or Maximum;
- (5) varying any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Nominal Amount;
- (6) varying the currency or currencies of payment or denomination of the Notes;
- (7) modifying the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution; or
- (8) amending this proviso.

- (b) **Convening a meeting:** The Issuer may at any time convene a meeting. If it receives a written request by Noteholders holding at least 10 per cent in nominal amount of the Notes for the time being outstanding and is indemnified to its satisfaction against all costs and expenses, the Issuer shall convene a meeting of the Noteholders (which may be a physical, virtual or hybrid meeting).
- (c) **Notice of meeting:** At least 21 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) shall be given to the Noteholders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day, time and place of meeting (or the details of the electronic platform to be used in the case of a virtual meeting or a hybrid meeting) and the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives and the details of the time limits applicable. With respect to a virtual meeting, each such notice shall set out such other and further details as are required under Condition 10(h) (*Additional provisions applicable to Virtual Meetings and/or Hybrid Meetings*).
- (d) **Cancellation of meeting:** A meeting that has been validly convened in accordance with Condition 10(b) (*Convening a meeting*) above, may be cancelled by the person who convened such meeting by giving at least 7 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) to the Noteholders. Any meeting cancelled in accordance with this Condition 10(d) shall be deemed not to have been convened.
- (e) **Appointment of Proxy or Representative:** A proxy or representative may be appointed in the following circumstances:
- (i) *Proxy:* A Noteholder may, by an instrument in writing in the English language (a "**form of proxy**") signed by the Noteholder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Issuing and Paying Agent not less than 48 hours before the time fixed for the relevant meeting, appoint one or more persons (each a "**proxy**") to act on their or its behalf in connection with any meeting of the Noteholders and any adjourned such meeting.
 - (ii) *Representative:* A Noteholders which is a corporation may, by delivering to the Issuing and Paying Agent not later than 48 hours before the time fixed for any meeting a resolution of its directors or other governing body, authorise any person to act as its representative (a "**representative**") in connection with any meeting of the Noteholders and any adjourned such meeting.
 - (iii) Any proxy appointed or representative appointed pursuant to this Condition shall, so long as such appointment remains in full force, be deemed, for all purposes in connection with the relevant meeting or adjourned meeting of the Noteholders, to be the Noteholder to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder or owner, respectively. A proxy or representative need not be a Noteholder.

- (f) **Chairperson:** The chairperson of a meeting shall be such person as the Issuer may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairperson, failing which the Issuer may appoint a chairperson. The chairperson need not be a Noteholder or agent. The chairperson of an adjourned meeting need not be the same person as the chairperson of the original meeting.
- (g) **Attendance:** The following may attend and speak at a meeting:
- (i) Noteholders and agents;
 - (ii) the chairperson;
 - (iii) the Issuer and the Issuing and Paying Agent (through their respective representatives) and their respective financial and legal advisers; and
 - (iv) any Dealer(s) and their advisers.

No-one else may attend or speak.

(h) **Quorum and Adjournment**

- (i) No business (except choosing a chairperson) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairperson may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.
- (ii) The quorum:
 - (A) to pass a Reserved Matter, shall be Noteholders representing 75 per cent of the Notes, except in respect of a meeting convened for such purpose previously adjourned through want to quorum where it shall be Noteholders representing 25 per cent of the Notes; and
 - (B) to pass any other Extraordinary Resolution, shall be Noteholders representing 50 per cent of the Notes, except in respect of a meeting convened for such purpose previously adjourned through want to quorum where it shall be two or more Noteholders whatever the proportion of the Notes which they represent.
- (iii) The chairperson may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this Condition 10(h) (*Quorum and Adjournment*).
- (iv) At least 10 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

(i) **Voting**

- (i) At a meeting which is held only as a physical meeting, each question submitted to such meeting shall be decided by a show of hands unless a poll is (before, or on the declaration

of the result of, the show of hands) demanded by the chairperson, the Issuer or one or more persons representing not less than 2 per cent of the Notes.

- (ii) Unless a poll is demanded a declaration by the chairperson that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
- (iii) If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairperson directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
- (iv) A poll demanded on the election of a chairperson or on a question of adjournment shall be taken at once.
- (v) On a show of hands every person who is a proxy or representative has one vote. On a poll every such person has one vote in respect of each integral currency unit of the Specified Currency of the Notes for which they are a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
- (vi) In case of equality of votes the chairperson shall both on a show of hands and on a poll have a casting vote in addition to any other votes which they may have.
- (vii) At a virtual meeting or a hybrid meeting, a resolution put to the vote of the meeting shall be decided on a poll in accordance with Condition 10(i)(v), and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.
- (j) **Effect and Publication of an Extraordinary Resolution:** An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to Noteholders within 14 days but failure to do so shall not invalidate the resolution.
- (k) **Minutes:** Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairperson of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.
- (l) **Additional provisions applicable to Virtual Meetings and/or Hybrid Meetings**
 - (i) The Issuer may decide to hold a virtual meeting or a hybrid meeting and, in such case, shall provide details of the means for Noteholders or their proxies or representatives to attend and participate in the meeting, including the electronic platform to be used.
 - (ii) The Issuer or the chairperson may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting or hybrid meeting and the security of the electronic platform. All

documentation that is required to be passed between persons present at the virtual meeting or hybrid meeting (in whatever capacity) shall be communicated by email.

- (iii) All resolutions put to a virtual meeting or hybrid meeting shall be voted on by a poll in accordance with Condition 10(i) (*Voting*) above and such poll votes may be cast by such means as the Issuer considers appropriate for the purposes of the virtual meeting or hybrid meeting.
- (iv) Persons seeking to attend or participate in a virtual meeting or hybrid meeting shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so.
- (v) In determining whether persons are attending or participating in a virtual meeting or hybrid meeting, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other.
- (vi) Two or more persons who are not in the same physical location as each other attend a virtual meeting or hybrid meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.
- (vii) The Issuer may make whatever arrangements they consider appropriate to enable those attending a virtual meeting or hybrid meeting to exercise their rights to speak or vote at it.
- (viii) A person is able to exercise the right to speak at a virtual meeting or hybrid meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Condition 10 (*Meeting of Noteholders and Modifications*).
- (ix) A person is able to exercise the right to vote at a virtual meeting or hybrid meeting when:
 - (A) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (B) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting who are entitled to vote at such meeting.
- (m) **Modification:** These Conditions may be amended without the consent of the Noteholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.
- (n) For the purposes of this Condition 10 (*Meeting of Noteholders and Modifications*):
references to a meeting are to a physical meeting, a virtual meeting or a hybrid meeting of Noteholders of a single Series of Notes and include, unless the context otherwise requires, any adjournment;

references to "Notes" and "Noteholders" are only to the Notes of the Series in respect of which a meeting has been, or is to be, called and to the Noteholders of such Series, respectively;

"agent" means a proxy for, or representative of, a Noteholder;

"electronic platform" means any form of telephony or electronic platform or facility and includes, without limitation, telephone and video conference call and application technology systems;

"Extraordinary Resolution" means a resolution passed at (a) a meeting duly convened and held in accordance with these Conditions by a majority of the votes cast, or (b) by Written Resolution;

"hybrid meeting" means a combined physical meeting and virtual meeting convened pursuant to this Condition 10 (*Meeting of Noteholders and Modifications*) by the Issuer at which persons may attend either at the physical location specified in the notice of such meeting or via an electronic platform;

"meeting" means a meeting convened pursuant to this Condition 10 (*Meeting of Noteholders and Modifications*) by the Issuer and whether held as a physical meeting or as a virtual meeting or as a hybrid meeting;

"physical meeting" means any meeting attended by persons present in person at the physical location specified in the notice of such meeting;

"present" means physically present in person at a physical meeting or a hybrid meeting, or able to participate in a virtual meeting or a hybrid meeting via an electronic platform;

"virtual meeting" means any meeting held via an electronic platform;

"Written Resolution" means a resolution in writing signed by the holders of not less than 75 per cent. in nominal amount of the Notes outstanding. A Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders; and

references to persons representing a proportion of the Notes are to Noteholders or agents holding or representing in the aggregate at least that proportion in nominal amount of the Notes for the time being outstanding.

11 Further Issues

The Issuer may from time to time without the consent of the Noteholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to "Issue Date" shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "Notes" shall be construed accordingly.

12 Notices

Notices to the Noteholders will be published in the official bulletin of AIAF (*Boletín Diario de AIAF Mercado de Renta Fija*) and, where applicable, through the filing by the Issuer of an inside information notice or other relevant information notice (*comunicación de información privilegiada* or *comunicación de otra información relevante*) with the CNMV. So long as the Notes are listed and/or admitted to trading, notices required to be given to the Noteholders pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and

regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Issuer may approve.

In addition, all notices to Noteholders shall be made through Iberclear (and any additional clearing entity specified in the Final Terms) for on transmission to its (or their respective) accountholders.

13 Currency Indemnity

If any sum due from the Issuer in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Issuing and Paying Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

14 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

15 Governing Law and Jurisdiction

- (a) **Governing law:** Except with respect to the provisions in Condition 1 (*Form, denomination, title and transfer*) relating to form, title and transfer of the Notes as described and in Condition 2 (*Status*), the Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, English law. The provisions relating to form, title and transfer of the Notes as described in Condition 1 (*Form, denomination, title and transfer*) and Condition 2 (*Status*) are governed by, and shall be construed in accordance with, Spanish law (*legislación común española*).
- (b) **English courts:** The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute regarding any non-contractual obligation arising out of or in connection with the Notes).
- (c) **Appropriate forum:** The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) **Rights of the Noteholders to take proceedings outside England:** Notwithstanding Condition 15(b) (*English courts*), any Noteholder may take proceedings relating to a Dispute

("Proceedings") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.

- (e) **Service of Process:** The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the attention of the London Luton Airport Operations Limited, Att. Legal Department, Percival House, 134 Percival Way, London Luton Airport, Luton, LU2 9NU, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Noteholders. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.