



**ROYAL BANK OF CANADA**  
**(a Canadian chartered bank)**

**Notes Base Prospectus**

**Pursuant to the Programme for the  
Issuance of Securities**

*This prospectus constitutes a base prospectus (the “**Base Prospectus**”) for the purposes of Article 8 of the Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 as amended (the “**EUWA**”) (the “**UK Prospectus Regulation**”) in respect of notes (other than Exempt Notes (as defined below)) to be admitted to the Official List of the Financial Conduct Authority (in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 as amended, (the “**FCA**”) and admitted to trading on the main market (the “**Main Market**”) of the London Stock Exchange plc (the “**London Stock Exchange**”). This prospectus is not a base prospectus under Regulation (EU) 2017/1129 as amended (the “**EU Prospectus Regulation**”).*

*Under this Base Prospectus pursuant to the Programme for the Issuance of Securities described under “Description of the Programme Limit” herein (the “**Programme**”), Royal Bank of Canada (the “**Issuer**” or the “**Bank**”) may from time to time issue (i) unsubordinated notes which constitute deposit liabilities of the Issuer pursuant to the Bank Act (Canada) (the “**Bank Act**”) and will rank *pari passu* with all present or future deposit liabilities of the Issuer (except as otherwise prescribed by law and subject to the exercise of bank resolution powers) and without preference amongst themselves (the “**Senior Notes**”) or (ii) non-viability contingent capital subordinated notes which constitute subordinated indebtedness of the Issuer for the purposes of the Bank Act (the “**Subordinated Notes**”, and together with the Senior Notes, the “**Notes**”). The Notes may be denominated or payable in any currency agreed between the Issuer and the relevant Dealer(s) (as defined herein).*

*The Notes may be issued in bearer or registered form. The maximum aggregate principal amount of all Notes and other instruments evidencing deposit liabilities under the Bank Act outstanding under the Programme (calculated as described under “Description of the Programme Limit”) at any time will not exceed U.S.\$75,000,000,000 (or its equivalent in other currencies calculated as described in the Dealership Agreement described herein), subject to increase as described herein. The maximum aggregate principal amount of Subordinated Notes that can be issued at any time will also be subject to the limits set out in the Standing Resolution of the Board of Directors of the Bank regarding subordinated indebtedness then in effect. See “General Information”. The price and amount of the Notes to be issued under the Base Prospectus will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions. The Bank may issue Notes that bear interest at fixed rates or floating rates or that do not bear interest or a combination thereof.*

*This Base Prospectus has been approved by the FCA as competent authority under the UK Prospectus Regulation. The FCA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation and such an approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in such Notes. This Base Prospectus is valid for a period of 12 months from the date of approval.*

*Applications have been made for Notes (other than Exempt Notes) to be admitted during the period of 12 months from the date of approval of this Base Prospectus to listing on the Official List of the FCA (the "Official List") and to the London Stock Exchange for such Notes to be admitted to trading on the Main Market. The Main Market is a regulated market for the purposes of Regulation No. 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA ("UK MiFIR").*

*Exempt Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges of markets (which will not be regulated markets for purposes of UK MiFIR) agreed between the Issuer and the relevant Dealer in relation to the Series. Exempt Notes which are neither listed nor admitted to trading on any market may also be issued.*

Additionally, application has been made for Exempt Notes to be admitted to trading on the International Securities Market of the London Stock Exchange (the "ISM"). The relevant Final Terms (or Pricing Supplement, as the case may be) (each as defined below) will state on which market(s) the relevant Notes will be admitted to trading, if any. Subordinated Notes may only be admitted to the ISM or a segment of the Main Market to which only qualified investors (as defined in the UK Prospectus Regulation) can have access and shall not be offered or sold to investors that are not qualified investors. Reference in this Base Prospectus to "Exempt Notes" are to Notes for which no prospectus is required to be published pursuant to the UK Prospectus Regulation.

***The ISM is not a regulated market for the purposes of UK MiFIR. The ISM is a market designated for professional investors. Exempt Notes which are designated in the relevant Pricing Supplement as being admitted to trading on the ISM ("ISM Notes") are not admitted to listing on the Official List. Such Exempt Notes do not form part of this Base Prospectus and in relation to such Exempt Notes neither the FCA nor the London Stock Exchange has approved, reviewed or verified the contents of this Base Prospectus.***

***Amounts payable under the Notes may be calculated by reference to one or more "benchmarks" for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of June 8, 2016 (as amended), as it forms part of domestic law of the UK by virtue of the EUWA (the "UK Benchmarks Regulation"). In this case, a statement will be included in the relevant Final Terms (as defined below) as to whether or not the relevant administrator of the "benchmark" is included in the FCA's register of administrators under Article 36 of the UK Benchmarks Regulation. Certain "benchmarks" may not fall within the scope of the UK Benchmarks Regulation by virtue of Article 2 of that regulation and transitional provisions in Article 51 of the UK Benchmarks Regulation may apply to certain other "benchmarks", such that at the date of the relevant Final Terms the administrator of the "benchmark" is not required to be included in the register of administrators.***

*Unless otherwise specified in the applicable Final Terms, the Bank will issue Senior Notes whose Branch of Account for purposes of the Bank Act is the main branch in Toronto. The Bank may also issue such Senior Notes whose Branch of Account for Bank Act purposes is the London branch, if specified in the applicable Final Terms. Irrespective of any specified Branch of Account, the Bank is: (a) the legal entity that is the issuer of the Notes; and (b) the legal entity obligated to repay the Notes. The Bank is the only legal entity that will issue Notes pursuant to this Programme. The determination by the Bank of the Branch of Account for Senior Notes will be based on various considerations, including those relating to: (i) the market or jurisdiction into which the Notes*

are being issued, based on factors including investors' preferences in a specific market or jurisdiction, (ii) specific regulatory requirements, such as a regulator requiring that a branch increase its liquidity through locally sourced funding; or (iii) tax implications that would affect the Bank or investors, such as the imposition of a new tax if an alternative branch was used. A branch of the Bank is not a subsidiary of the Bank or a separate legal entity from the Bank.

**Senior Notes that are Bail-inable Notes (as defined below) are subject to conversion in whole or in part - by means of a transaction or series of transactions and in one or more steps - into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the Canada Deposit Insurance Corporation Act (Canada) (the "CDIC Act") and to variation or extinguishment in consequence and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. See "Risk Factors - FACTORS THAT ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME - Risks relating to the structure of a particular issue of Notes - Risks applicable to Bail-inable Notes" and Condition 3.02 of the "Terms and Conditions of the Notes". The applicable Final Terms will indicate whether the Senior Notes are Bail-inable Notes. Senior Notes are also potentially subject to resolution powers of authorities outside of Canada in exceptional circumstances. See Risk Factors included under "Risk Factors - FACTORS THAT ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME - Risks related to the structure of a particular issue of Notes - UK resolution risks applicable to the Senior Notes" and "Risk Factors - FACTORS THAT ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME - Risks related to the Notes generally - Notes may be subject to write-off, write down or conversion under the resolution powers of authorities outside of Canada".**

**Subject to the more detailed description set out in the Terms and Conditions of the Notes herein, the Subordinated Notes will automatically and immediately convert ("NVCC Automatic Conversion") into common shares of the Bank ("Common Shares") upon the occurrence of a Non-Viability Trigger Event (as defined in Condition 8). See discussion under risk factors under "Risk Factors - FACTORS THAT ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME - Risks related to the structure of a particular issue of Notes - Risks related to Subordinated Notes".**

Subordinated Notes issued under this Base Prospectus will be issued with a denomination of at least EUR 100,000 (or its equivalent in any other currency), while Senior Notes (other than ISM Notes) may be issued with a denomination of less than EUR 100,000 (or its equivalent in any other currency). See the second paragraph under "Restrictions on Distribution of this Base Prospectus and offers of Notes" on page 3 for more information on Senior Notes with denominations less than EUR 100,000.

**Prospective Investors should have regard to the material known risks described under the section headed “Risk Factors” in this Base Prospectus. This Base Prospectus does not describe all of the risks of an investment in the Notes.**

*Arranger*

*RBC CAPITAL MARKETS*

*Dealers*

*RBC CAPITAL MARKETS*

*BARCLAYS*

*DEUTSCHE BANK*

*J.P. MORGAN*

*BoFA SECURITIES*

*CITIGROUP*

*HSBC*

*MORGAN STANLEY*

*UBS INVESTMENT BANK*

July 16, 2024

## CREDIT RATINGS

The Senior Notes to be issued under the Programme pursuant to the Base Prospectus have been rated Aa1 (legacy long-term senior debt)<sup>1</sup>, A1 (long-term senior debt)<sup>2</sup> and P-1 (short-term debt) by Moody's Canada Inc. ("**Moody's Canada**") and AA- (legacy long-term senior debt)<sup>1</sup>, A (long-term senior debt)<sup>2</sup> and A-1+ (short-term debt) by S&P Global Ratings, acting through S&P Global Ratings Canada, a business unit of S&P Global Canada Corp. ("**S&P Canada**"). The Subordinated Notes to be issued under the Programme have been rated A3(hyb) by Moody's Canada and A- by S&P Canada.

In addition to the Programme ratings provided by Moody's Canada and S&P Canada, each of Moody's Investors Service, Inc. ("**Moody's USA**"), Standard & Poor's Financial Services LLC ("**S&P USA**"), Fitch Ratings, Inc. ("**Fitch**") and DBRS Limited ("**DBRS**") has provided issuer ratings for the Issuer as set out in the Registration Document incorporated by reference herein.

In accordance with Article 4.1 of the Regulation (EC) No. 1060/2009 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK CRA Regulation**") and Regulation (EC) No. 1060/2009, as amended (the "**EU CRA Regulation**"), please note that the following documents (as defined in the section entitled "Documents Incorporated by Reference") incorporated by reference in this Base Prospectus contain references to credit ratings from the same rating agencies:

- (a) the 2023 Annual Information Form dated November 29, 2023 (the "**2023 AIF**") (pages 14 to 16 and 29 to 31);
- (b) the 2023 Annual Report (page 93); and
- (c) the Second Quarter 2024 Report to Shareholders (page 35).

None of S&P Canada, S&P USA, Moody's Canada, Moody's USA, Fitch or DBRS (together, the "**non-EU CRAs**") is established or regulated in the European Union or certified under the EU CRA Regulation. However, S&P Global Ratings Europe Limited, Moody's Deutschland GmbH, DBRS Ratings GmbH and Fitch Ratings Ireland Limited, which are affiliates of S&P USA, Moody's, DBRS and Fitch respectively and which are established in the European Union and registered under the EU CRA Regulation have endorsed the ratings of their affiliated non-EU CRAs. As such, the ratings issued by S&P Canada, S&P USA, Moody's Canada, Moody's USA, Fitch and DBRS may be used for regulatory purposes in the European Union in accordance with the EU CRA Regulation.

None of S&P USA, Moody's, DBRS or Fitch is established or regulated in the UK or certified under the UK CRA Regulation. However, the S&P Issuer ratings have been endorsed by S&P Global Ratings UK Limited, the Moody's Issuer ratings have been endorsed by Moody's Investors Service Limited, the DBRS Issuer ratings have been endorsed by DBRS Ratings Limited and the Fitch Issuer ratings have been endorsed by Fitch Ratings Limited, in each case in accordance UK CRA Regulation before the end of the transition period and have not been withdrawn. Moody's Canada and S&P Canada ratings of any Notes will also be endorsed by Moody's Investors Service Limited and S&P Global Ratings UK Limited, respectively, each of which is established and registered under the UK CRA Regulation. As such, the ratings issued by S&P Canada, S&P USA, Moody's

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<sup>1</sup> Includes senior debt issued under the Programme which is excluded from the Canadian bank recapitalization "bail-in" regime (the "**Bail-in Regime**") and all debt issued prior to September 23, 2018.

<sup>2</sup> Subject to conversion under the Bail-in Regime.

Canada, Moody's USA, DBRS and Fitch may be used for regulatory purposes in the UK in accordance with the UK CRA Regulation.

Notes issued under the Base Prospectus may be rated or unrated. The rating of a Tranche of Notes to be issued under the Base Prospectus may be specified in the applicable Final Terms. Where a Tranche of Notes is rated, such credit rating will not necessarily be the same as the ratings assigned to the Programme, the Issuer or to notes already issued.

In general, EEA regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such credit ratings are issued by a credit rating agency established in the European Union ("EU") and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("ESMA") on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. ESMA's website address is <https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended. The list of registered and certified rating agencies published by the FCA on its website in accordance with the UK CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated FCA list. The FCA's website address is <https://www.fca.org.uk/firms/credit-rating-agencies>.

## IMPORTANT NOTICES

All capitalised terms used will be defined in this Base Prospectus or the Final Terms.

### ***Responsibility for the Base Prospectus***

The Bank accepts responsibility for the information contained in the Base Prospectus and the Final Terms. To the best of the knowledge of the Bank, the information contained in the Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect its import.

### ***Final Terms, Pricing Supplement or Drawdown Prospectus***

Details of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms not contained herein which are applicable to each Tranche of Notes will be set forth in final terms (the “**Final Terms**”) or, in the case of Exempt Notes, a pricing supplement (the “**Pricing Supplement**”), or a separate prospectus specific to such Tranche (the “**Drawdown Prospectus**”) as described under “Final Terms, Pricing Supplement and Drawdown Prospectus” on page 64 hereof.

Copies of Final Terms, Pricing Supplements for ISM Notes or Drawdown Prospectuses for Notes (i) can be viewed on the Issuer’s website at <https://www.rbc.com/investor-relations/european-senior-notes-program.html>; (ii) will be available without charge from the Bank at Investor Relations, Royal Bank of Canada, 200 Bay Street, South Tower, Toronto, Ontario, Canada M5J 2J5 and the specified office of the Issuing and Paying Agent set out at the end of this Base Prospectus (see “Terms and Conditions of the Notes”); and (iii) can be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Bank and the headline “Publication of Prospectus”. Copies of each Pricing Supplement relating to Exempt Notes other than ISM Notes will only be available for inspection by a holder of such Notes upon production of evidence satisfactory to each Paying Agent or the Issuer as to the identity of such holder.

References hereinafter to Final Terms include Pricing Supplements for Exempt Notes.

### ***Restrictions on Distribution of this Base Prospectus and offers of Notes***

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, including restrictions in Canada, the United States, the EEA (including Belgium, France, Italy, The Netherlands and Sweden), the UK, Hong Kong, Japan, Singapore and Switzerland, see “*Subscription and Sale*”.

This Base Prospectus has been prepared on the basis that any offer of Notes in the UK will be made pursuant to an exemption under UK Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. In particular, any offer of Notes with a minimum denomination of less than EUR 100,000 (or its equivalent in any other currency) will: (i) only be offered to the public in the UK pursuant to an exemption under Article 1(4) of the UK Prospectus Regulation; and (ii) only be admitted to trading on a regulated market (as defined in UK MiFIR) in the UK, or a specific segment of a regulated market in the UK to which only qualified investors (as defined in the UK Prospectus Regulation) can have access, in which case they shall not be offered or sold to persons who are not qualified investors (as defined in the UK Prospectus Regulation). Accordingly, any person making or intending to make an offer in the UK of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to

section 85 of the Financial Services and Markets Act 2000 (as amended, “**FSMA**”), or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do any of them authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended and may include Bearer Notes (as defined under “*Form of the Notes*” below) which are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

#### ***MIFID II Product Governance / Target Market***

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

A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under Commission Delegated Directive (EU) 2017/593 (the “**MiFID II Product Governance Rules**”), any Dealer subscribing for a Tranche of Notes is a manufacturer in respect of such Notes, but otherwise none of the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID II Product Governance Rules.

#### ***UK MIFIR Product Governance / Target Market***

The Final Terms in respect of any Notes may include a legend entitled “**UK MIFIR PRODUCT GOVERNANCE**” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

#### ***Prohibition of Sales to EEA Retail Investors***

If the applicable Final Terms in respect of any Notes includes a legend entitled “**PRIIPS REGULATION PROHIBITION OF SALES TO EEA RETAIL INVESTORS**”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as



amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

#### ***Prohibition of Sales to UK Retail Investors***

If the Final Terms in respect of any Notes, includes a legend entitled “**PROHIBITION OF SALES TO UK RETAIL INVESTORS**”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended) as it forms part of domestic law of the UK by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

#### ***Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the “SFA”)***

Unless otherwise stated in the Final Terms in respect of any Notes all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

#### ***Issue Price***

The Issue Price will be determined by the Issuer in consultation with the relevant Dealer(s) at the time of the relevant issue and will depend, amongst other things, on the interest rate (if any) applicable to the Notes and prevailing market conditions at that time.

#### ***Unauthorised Information***

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

### ***Other Relevant Information***

None of the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus, nor have they independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger or the Dealers or any of their respective affiliates as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Arranger or Dealer nor any of its respective affiliates accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

This Base Prospectus should be read and construed with any amendment or supplement hereto and with any other documents which are deemed to be incorporated herein or therein by reference and shall be read and construed on the basis that such documents are so incorporated and form part of this document. Any reference in this document to the “**Base Prospectus**” means this document together with the documents incorporated by reference herein, any supplementary prospectus approved by the FCA and any documents specifically incorporated by reference therein. In relation to any Series (as defined herein) of Notes, this document shall also be read and construed together with the applicable Final Terms.

### ***Independent Evaluation***

Neither this Base Prospectus, any Final Terms nor any other information supplied in connection with the Programme or any Notes should be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this document, any Final Terms or any other information supplied in connection with the Programme should subscribe for or purchase any Notes, nor are they intended to provide the basis of any credit or other evaluation. Each recipient of this Base Prospectus, any Final Terms and each investor contemplating purchasing any Notes shall be taken to have made its own independent investigation of the condition (financial or otherwise) and affairs, and its own appraisal of the creditworthiness, of the Issuer. None of this document, any Final Terms or any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

### ***Currency of Information***

Subject to the Issuer’s obligations to supplement the Base Prospectus under Article 23 of the UK Prospectus Regulation, neither the delivery of this document nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

### ***Language of Documents***

Each investor confirms its express wish that all documents evidencing or relating to the sale of the Notes and all other contracts and related documents be drafted in the English language. *Chaque investisseur confirme sa volonté expresse que tous les documents attestant de la vente des titres ou s’y rapportant ainsi que tous les autres contrats et documents s’y rattachant soient rédigés en langue anglaise.*

### ***Investment Considerations***

Each potential investor in the Notes must determine (at the time of the initial investment and on an on-going basis) the suitability of that investment in light of its own circumstances. In particular, each potential investor, either on its own or with the help of its financial or other professional advisers, should consider whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or Notes whose terms provide that the currency for principal or interest payments is different from the potential investor's currency or Subordinated Notes which will be converted into Common Shares upon the occurrence of a Non-Viability Trigger Event (as defined in Condition 8) or Bail-inable Notes which will be converted (in whole or in part) into Common Shares of the Bank or an affiliate upon a Bail-in Conversion (as defined in Condition 3.02);
- (iv) understands thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing, (3) Notes can be used as repo-eligible securities, and (4) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

### ***Additional Investment Considerations in relation to Notes issued as Sustainable Notes***

None of the Issuer, the Arranger, the Dealers or the Issuer's auditors accept any responsibility for any third party social, environmental and/or sustainability assessment of any Notes issued as Sustainable Notes (as defined in the risk factor "*Notes issued as "Green Bonds", "Social Bonds" or "Sustainability Bonds" may not be a suitable investment for all investors seeking exposure to green and/or social assets*", below) or similar labels or makes any representation or warranty or gives any assurance as to whether such Notes will meet any investor expectations or requirements regarding such "green", "environmental", "social", "sustainable" or similar labels required or expected by prospective investors (including in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**") and any related technical screening criteria, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "**EU Green Bond Regulation**"), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "**SFDR**") and any implementing legislation and guidelines or any similar legislation in the UK) or any requirements of such labels as they may evolve from time to time. None of the Arranger, the Dealers

or the Issuer's auditors have undertaken, nor are they responsible for, any assessment of the Issuer's Sustainable Bond Framework or the eligibility criteria for the Eligible Assets (as defined under "Use of Proceeds - Sustainable Notes" herein). None of the Arranger or the Dealers are responsible for the use of proceeds (or amounts equal thereto) for any Notes issued as Sustainable Notes nor the impact or monitoring of such use of proceeds (or amounts equal thereto). Investors should refer to the Issuer's Sustainable Bond Framework (as defined in "Use of Proceeds - Sustainable Notes"), the independent opinion delivered by Sustainalytics dated June 16, 2020 on the Issuer's Sustainable Bond Framework (the "**Second-Party Opinion**") and any public reporting by or on behalf of the Issuer in respect of the application of proceeds (or amounts equal thereto) each of which can be found as indicated in "Use of Proceeds - Sustainable Notes".

The Second-Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Notes issued as Sustainable Notes, including without limitation market price, marketability, investor preference or suitability of any security. The Second-Party Opinion is a statement of opinion, not a statement of fact. No representation or assurance is given by the Issuer, the Arranger, the Dealers, the Issuer's auditors nor any of their respective affiliates as to the suitability or reliability of any such materials or the suitability or reliability of any opinion, report or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with an issue of Notes issued as Sustainable Notes or in respect of any sustainability framework made available by the Issuer, nor is any such opinion, report or certification a recommendation by the Issuer, the Arranger or any Dealer, nor any of their respective affiliates to buy, sell or hold any such Notes. Investors in Sustainable Notes shall have no recourse against the Issuer, the Arranger or the provider of any such opinion report, or certification for the contents of any such opinion, report or certification. As at the date of this Base Prospectus, the providers of such opinions, reports and certifications are not subject to any specific regulatory or other regime or oversight. The Second-Party Opinion and any other such opinion, report or certification is not, nor should be deemed to be, a recommendation by the Dealers, the Arranger, nor any of their respective affiliates, or any other person to buy, sell or hold any Notes issued as Sustainable Notes and is current only as of the date it is issued. The criteria and/or considerations that formed the basis of the Second-Party Opinion or any such other opinion, report or certification may change at any time and the Second-Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Issuer's Sustainable Bond Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. The Issuer's Sustainable Bond Framework, the Second-Party Opinion and any other such opinion, report or certification, including any information relating to any sustainability framework which the Issuer may publish from time to time accessible through the Issuer's website, does not form part of, nor is incorporated by reference in, this Base Prospectus. In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "environmental", "social", "sustainable" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Issuer, the Arranger or any of the Dealers that such listing or admission will be obtained or maintained for the lifetime of such Notes. For further information – see the section entitled "Use of Proceeds - Sustainable Notes" for further information.

### ***Stabilisation***

**IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES UNDER THE PROGRAMME, THE DEALER OR DEALERS (IF ANY) APPOINTED AS STABILISATION MANAGER(S) (THE "STABILISATION MANAGERS") (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION WILL NOT NECESSARILY OCCUR. ANY STABILISATION ACTION OR OVER-ALLOTMENT MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF**

**THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.**

## DEFINITIONS

Unless otherwise specified, all references in the Base Prospectus to:

- **“China”** and **“PRC”** means the People's Republic of China which, for the purposes of this Base Prospectus, shall exclude Hong Kong, the Macao Special Administrative Region of the People's Republic of China and references to PRC government are to the government of PRC;
- **“U.S.\$”, “U.S. dollars”, “USD”** or **“United States Dollars”** are to the lawful currency of the United States of America;
- **“\$”, “C\$”, “CAD”** or **“Canadian dollars”** are to the lawful currency of Canada;
- **“Dealers”** means, unless the context otherwise requires, the Dealers named on page 14 hereof and any future dealers that may be appointed either in respect of a particular Tranche or in respect of the Base Prospectus as a whole;
- **“euro”, “€”** and **“EUR”** are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;
- **“EEA”** means member states of the European Union together with Iceland, Norway and Liechtenstein;
- **“Hong Kong Dollars”** are the lawful currency of Hong Kong;
- **“Renminbi”, “RMB”** and **“CNY”** mean the lawful currency of the People's Republic of China;
- **“Sterling”** means the currency of the UK; and
- **“UK”** means the United Kingdom.

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

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

## CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, the Issuer makes written or oral forward-looking statements within the meaning of certain securities laws, including the “safe harbour” provisions of the *United States Private Securities Litigation Reform Act of 1995* and any applicable Canadian securities legislation. The Issuer may make forward-looking statements in this Base Prospectus and in the documents incorporated by reference herein, in filings with Canadian regulators, the United States Securities and Exchange Commission or other securities regulators or, in reports to shareholders, and in other communications. In addition, representatives of the Issuer may communicate forward-looking statements orally to analysts, investors, the media and others. Forward-looking statements in this Base Prospectus and in the documents incorporated by reference herein include, but are not limited to, statements relating to the Issuer’s financial performance objectives, vision and strategic goals, the economic, market, and regulatory review and outlook for Canadian, U.S., UK, European and global economies, the regulatory environment in which the Issuer operates, the expected impacts of the HSBC Bank Canada transaction, including transaction and integration costs, the risk environment including the Issuer’s credit risk, market risk, liquidity and funding risk, as well as the effectiveness of the Issuer’s risk monitoring, and includes statements made by the Issuer’s President and Chief Executive Officer and other members of management.

The forward-looking statements contained in this Base Prospectus and in the documents incorporated by reference herein represent the views of the Issuer’s management and are presented for the purpose of assisting the holders and potential purchasers of debt or derivative securities issued by the Issuer and financial analysts in understanding the Issuer’s financial position and results of operations as at and for the periods ended on the dates presented, as well as the Issuer’s financial performance objectives, vision, strategic goals and priorities and anticipated financial performance, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as “believe”, “expect”, “suggest”, “seek”, “foresee”, “forecast”, “schedule”, “anticipate”, “intend”, “estimate”, “goal”, “commit”, “target”, “objective”, “plan”, “outlook”, “timeline” and “project” and similar expressions of future or conditional verbs such as “will”, “may”, “might”, “should”, “could”, “can”, “would” or negative or grammatical variations thereof.

By their very nature, forward-looking statements require the Issuer to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature, which give rise to the possibility that the Issuer’s predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that the Issuer’s assumptions may not be correct, that the Issuer’s financial performance, environmental & social or other objectives, vision and strategic goals will not be achieved and that the Issuer’s actual results may differ materially from such predictions, forecasts, projections, expectations or conclusions. The Issuer cautions readers not to place undue reliance on the Issuer’s forward-looking statements as a number of risk factors could cause the Issuer’s actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond the Issuer’s control and the effects of which can be difficult to predict – include, but are not limited to: credit, market, liquidity and funding, insurance, operational, regulatory compliance (which could lead to the Issuer being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties and fines), strategic, reputation, legal and regulatory environment, competitive, model, systemic risks and other risks discussed in the risk sections in the Issuer’s 2023 Annual Report and the Risk management section of the Issuer’s Second Quarter 2024 MD&A (as defined in the section entitled “*Documents Incorporated by Reference*”) contained in the Issuer’s Second Quarter 2024 Report to Shareholders and incorporated by reference

herein, including business and economic conditions in the geographic regions in which the Issuer operates, Canadian housing and household indebtedness, information technology, cyber and third-party risks, geopolitical uncertainty, environmental and social risk (including climate change), digital disruption and innovation, privacy and data related risks, regulatory changes, culture and conduct risks, the effects of changes in government fiscal, monetary and other policies, tax risk and transparency, and the Issuer's ability to anticipate and successfully manage risks arising from all of the foregoing factors. Additional factors that could cause actual results to differ materially from the expectations in such forward-looking statements can be found in the risk sections of the Issuer's 2023 MD&A contained in the Issuer's 2023 Annual Report and in the Risk management section of the Issuer's Second Quarter 2024 MD&A contained in the Issuer's Second Quarter 2024 Report to Shareholders and incorporated by reference herein, as may be updated by the Issuer's subsequent quarterly reports.

The Issuer cautions that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect the Issuer's results. When relying on the Issuer's forward-looking statements to make decisions with respect to the Issuer, investors and others should carefully consider the foregoing factors and other uncertainties and potential events, as well as the inherent uncertainty of forward-looking statements. Material economic assumptions underlying the forward-looking statements contained in this Base Prospectus and in the documents incorporated by reference herein are set out in the Economic, market and regulatory review and outlook section and for each business segment under the Strategic priorities and Outlook sections of the Issuer's 2023 MD&A contained in the Issuer's 2023 Annual Report, as updated by the Economic, market and regulatory review and outlook section of the Issuer's Second Quarter 2024 MD&A contained in the Issuer's Second Quarter 2024 Report to Shareholders, which sections are incorporated by reference herein and, may be updated by the Issuer's subsequent quarterly reports. Assumptions about the duration and complexity of technological builds, and estimates of costs required for post-close synergy impacts were considered in the estimation of transaction and integration costs. Except as required by law, none of the Issuer, any dealer appointed in relation to any issue of Notes by the Issuer or any other person undertakes to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Issuer.

Additional information about these and other factors can be found in the risk sections of the Issuer's 2023 MD&A contained in the Issuer's 2023 Annual Report and the Risk management section of the Issuer's Second Quarter 2024 MD&A contained in the Issuer's Second Quarter 2024 Report to Shareholders, which sections are incorporated by reference herein and may be updated by the Issuer's subsequent quarterly reports.



## TABLE OF CONTENTS

CREDIT RATINGS.....	1
IMPORTANT NOTICES.....	3
DEFINITIONS.....	10
CAUTION REGARDING FORWARD-LOOKING STATEMENTS.....	11
OVERVIEW OF THE PROGRAMME.....	14
RISK FACTORS.....	27
DOCUMENTS INCORPORATED BY REFERENCE.....	59
DESCRIPTION OF THE PROGRAMME LIMIT.....	63
FINAL TERMS, PRICING SUPPLEMENT AND DRAWDOWN PROSPECTUS.....	64
FORM OF THE NOTES.....	65
TERMS AND CONDITIONS OF THE NOTES.....	68
FORM OF FINAL TERMS OF THE NOTES.....	146
FORM OF PRICING SUPPLEMENT OF THE EXEMPT NOTES.....	164
CANADIAN BANK TLAC REGIME.....	184
USE OF PROCEEDS.....	185
TAXATION.....	188
SUBSCRIPTION AND SALE.....	194
GENERAL INFORMATION.....	204

## OVERVIEW OF THE PROGRAMME

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

*This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No. 2019/980 as it forms part of the domestic law of the UK by virtue of the EUWA.*

*Words and expressions defined in “Forms of the Notes” and “Terms and Conditions of the Notes” and in the remainder of the Base Prospectus shall have the same meanings in this overview.*

<b>Issuer:</b>	Royal Bank of Canada
<b>Legal Entity Identifier (LEI):</b>	ES7IP3U3RHIGC71XBU11
<b>Branch of Account:</b>	<p>The Bank will initially issue Senior Notes through its London or Toronto branch or any other branch as may be specified in the applicable Final Terms. The relevant branch is the branch of account for the purposes of the <i>Bank Act</i>.</p> <p>Subordinated Notes will not be issued through a branch of account.</p>
<b>Description:</b>	Programme for the Issuance of Securities
<b>Arranger:</b>	RBC Europe Limited
<b>Dealers:</b>	<p>RBC Europe Limited Barclays Bank PLC Citigroup Global Markets Limited Deutsche Bank AG, London Branch HSBC Bank plc J.P. Morgan Securities plc Merrill Lynch International Morgan Stanley &amp; Co. International plc UBS AG London Branch</p> <p>and any additional dealer appointed a Dealer in respect of the Programme pursuant to the terms of the Amended and Restated Dealership Agreement</p>
<b>Issuing and Principal Paying Agent:</b>	The Bank of New York Mellon, London Branch
<b>Registrar:</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch

<b>Size:</b>	The maximum aggregate principal amount of all Notes and other instruments evidencing deposit liabilities under the <i>Bank Act</i> issued under the Programme (calculated as described under “ <i>Description of the Programme Limit</i> ”) will not exceed U.S.\$75,000,000,000 (or its equivalent in other currencies calculated in accordance with the Dealership Agreement described herein). The Issuer may increase the amount of the Programme in accordance with the terms of the Dealership Agreement. The maximum aggregate principal amount of Subordinated Notes that can be issued at any time will also be subject to the limits set out in the Standing Resolution of the Board of Directors of the Issuer regarding subordinated indebtedness then in effect. See “ <i>General Information</i> ”.
<b>Distribution:</b>	Subject to applicable selling restrictions, Notes may be distributed by way of private placement and on a syndicated or non-syndicated basis.
<b>Currencies:</b>	<p>Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer.</p> <p>Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “<i>Subscription and Sale</i>” in the Base Prospectus).</p> <p>If Alternative Currency Payment is specified to be applicable in the applicable Final Terms or the Notes are denominated in Renminbi, and such currency is unavailable on the foreign exchange markets due to circumstances beyond its control, the Bank will be entitled to satisfy its obligations in respect of such payment by making payment in the Alternative Currency (or U.S. dollars in the case of Notes denominated in Renminbi) on the basis of the spot exchange rate.</p>
<b>Maturities:</b>	Such maturities as may be agreed between the Issuer and the relevant Dealer and as indicated in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.

Unless otherwise permitted by then current laws, regulations and directives, Subordinated Notes will have a maturity of not less than five (5) years.

**Issue Price:**

Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the Dealer(s) at the time of issue in accordance with prevailing market conditions.

**Terms and Conditions:**

Final Terms or a Pricing Supplement will be prepared in respect of each Tranche of Notes. The terms and conditions applicable to each Tranche will be those set out herein under “*Terms and Conditions of the Notes*” as completed by the applicable Final Terms, or in the case of Exempt Notes, as supplemented, amended or replaced by the applicable Pricing Supplement. References hereinafter to Final Terms includes Pricing Supplements for Exempt Notes.

**Status of Senior Notes:**

Senior Notes will constitute deposit liabilities of the Bank for the purposes of the *Bank Act* and constitute unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* without any preference amongst themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer (including deposit liabilities), except as otherwise prescribed by law and subject to the exercise of bank resolution powers.

Senior Notes that are Bail-inable Notes (as defined in Condition 3.02) are subject to a Bail-in Conversion (as defined below) under subsection 39.2(2.3) of the *Canada Deposit Insurance Corporation Act* (Canada) (the “**CDIC Act**”) and to variation or extinguishment in consequence and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. See “*Risk Factors - FACTORS THAT ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME - Risks relating to the structure of a particular issue of Notes - Risks applicable to Bail-inable Notes*”.

The Senior Notes will not be deposits insured under the CDIC Act.

The Bank has been granted an authority to carry on banking business in Australia pursuant to section 9 of the *Banking Act*

1959 of the Commonwealth of Australia (“**Banking Act**”) and is an authorised deposit-taking institution (“**ADI**”) within the meaning of the Banking Act. Senior Notes issued by the Bank are not covered by the depositor protection provisions contained in section 13A of the Banking Act, and will not entitle holders of Senior Notes to claim under Division 2AA - Financial claims scheme for account-holders with insolvent ADIs in the Banking Act.

**Agreement with respect to the exercise of Canadian Bail-in powers in relation to Bail-inable Notes:**

By acquiring Bail-inable Notes, each Holder (which, for the purposes of this provision, includes each beneficial owner) is deemed to:

(i) agree to be bound, in respect of the Bail-inable Notes, by the CDIC Act, including the conversion of the Bail-inable Notes, in whole or in part - by means of a transaction or series of transactions and in one or more steps - into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the Bail-inable Notes in consequence, and by the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes (a “**Bail-in Conversion**”);

(ii) attorn to the jurisdiction of the courts in the Province of Ontario in Canada with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes;

(iii) have represented and warranted to the Bank that the Bank has not directly or indirectly provided financing to the Holder for the express purpose of investing in the Bail-inable Notes; and

(iv) acknowledge and agree that the terms referred to in paragraphs (i) and (ii), above, are binding on such Holder despite any provisions in these Conditions, any other law that governs such Bail-inable Notes and any other agreement, arrangement or understanding between such Holder and the Bank with respect to such Bail-inable Notes.

The applicable Final Terms will indicate whether Senior Notes are Bail-inable Notes. All Bail-inable Notes are subject to Bail-in Conversion.

Each Holder of the Bail-inable Notes that acquires an interest in the Bail-inable Notes in the secondary market and any

successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such Holder shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified herein to the same extent as the Holders that acquire an interest in the Bail-inable Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Bail-inable Notes related to the Bail-in Regime.

**Status of Subordinated Notes:**

Subordinated Notes will be direct unsecured obligations of the Issuer constituting subordinated indebtedness for the purposes of the Bank Act, which, if the Issuer becomes insolvent or is wound-up (prior to the occurrence of a Non-Viability Trigger Event), will rank *pari passu* with all other present or future subordinated indebtedness of the Issuer other than subordinated indebtedness having priority to the Notes by virtue of any law now or hereafter in force.

The subordinated indebtedness evidenced by the Subordinated Notes will, in the event of the insolvency or winding-up of the Issuer, be subordinate in right of payment to all deposit liabilities of the Issuer, including Senior Notes and all other liabilities of the Issuer except those that, by their terms, rank equally with or are subordinate to such subordinated indebtedness and except as otherwise prescribed by law.

On the occurrence of a Non-Viability Trigger Event, the Subordinated Notes are subject to mandatory and automatic conversion into Common Shares as further described in Condition 8 of the Terms and Conditions of the Notes.

The Subordinated Notes are not deposit liabilities of the Bank and will not be deposits insured under the CDIC Act or any other deposit insurance regime.

**Covenant (Subordinated Notes):**

If specified in the applicable Final Terms as being applicable, the Bank will not create, issue or incur any indebtedness subordinate in right of payment to the deposit liabilities of the Bank which, in the event of insolvency or winding-up of the Bank, would rank in right of payment in priority to the Subordinated Notes.

**Issuance in Series:**

Notes will be issued in series (each, a “**Series**”). Each Series may comprise one or more tranches (“**Tranches**” and each, a “**Tranche**”) issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that (i) the issue date and the amount of the first payment of interest may

be different in respect of different Tranches and (ii) a Series may comprise Bearer Notes and Registered Notes and Notes in more than one denomination. The Notes of each Tranche will be subject to identical terms in all respects save that a Tranche may comprise Bearer Notes and Registered Notes and may comprise Notes of different denominations.

The Issuer does not intend to re-open a Series of Senior Notes where such re-opening would have the effect of making the relevant Senior Notes subject to Bail-in Conversion.

**Forms:**

Notes may be issued in (a) bearer or (b) registered form. In respect of each Tranche of Notes issued in bearer form, the Issuer will deliver a temporary global note or, in respect of Notes to which U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) applies, a permanent global Note. Such global Note will be deposited on or before the relevant issue date therefor with a depositary or a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system. Each temporary global Note will be exchangeable either for a permanent global Note or, in certain cases, for Notes in definitive bearer form and/or (in the case of certain Series comprising both bearer Notes and registered Notes) registered form in accordance with its terms. Each permanent global Note will be exchangeable for Notes in definitive bearer form and/or (in the case of certain Series comprising both bearer Notes and registered Notes) registered form in accordance with its terms. Notes in definitive bearer form will, if interest-bearing, either have interest coupons (“**Coupons**”) attached and, if appropriate, a talon (“**Talon**”) for further Coupons. Bearer Notes are exchangeable in accordance with the terms thereof for Registered Notes. Registered Notes may not be exchanged for Bearer Notes.

**Fixed Rate Notes:**

Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer (as indicated the applicable Final Terms) and on redemption and will either be fixed amounts or will be calculated on the basis of such Fixed Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms.

**Fixed Rate Step-Up Notes:**

Fixed Rate Step-Up Notes will pay interest at a fixed rate of interest, which increases periodically during the life of the Notes.

**Fixed Rate Resettable Notes:**

Fixed Rate Resettable Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the applicable Final Terms. Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the applicable Final Terms by reference to a Mid-Swap Rate, a Benchmark Gilt Rate, a Reference Bond Rate or a CMT Rate and for a period equal to the reset period, as adjusted for any applicable margin, in each case as may be specified in the applicable Final Terms. Interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

**Floating Rate Notes:**

Floating Rate Notes (as defined in the applicable Final Terms) will bear interest at a rate determined either:

(i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.) or, if so specified in the relevant Final Terms, the 2021 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.); or

(ii) on the basis of a term reference rate appearing on the agreed screen page of a commercial quotation service or a backward looking compounded daily rate over a relevant period as calculated in accordance with a specified formula; or

(iii) on such other basis as may be agreed between the Issuer and the relevant Dealer, as indicated in the applicable Final Terms.

The Margin (if any) relating to such Floating Rate Notes will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

**Benchmark Discontinuation:**

In the case of Notes with an Original Reference Rate required to calculate an Interest Rate (or a component thereof) other than SOFR (or in the case of €STR or BBSW only where the €STR Fallbacks specified in Condition 5.03(iii)(F)(4) or the fallbacks in Condition 5.03(iii)(B) do not determine a replacement rate), if the Issuer determines that a Benchmark Event has occurred, the Issuer may (subject to certain



conditions and following consultation with an Independent Adviser (as defined in “*Terms and Conditions of the Notes*”) determine a Successor Rate, or if there is no Successor Rate, an Alternative Rate and, in either case, an Adjustment Spread, if any, and any Benchmark Amendments (and if the Issuer is unable to appoint an Independent Adviser or unable to make the relevant determination in consultation with an Independent Adviser, determined by the Issuer itself) in accordance with Condition 5.11.

In the case of Notes with SOFR as the Original Reference Rate required to calculate an Interest Rate (or a component thereof), if the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date has occurred, the then current benchmark will be replaced by a replacement rate (determined by the Issuer or its designee in accordance with Condition 5.12 for all purposes in respect of all determinations on such date and for all determinations on all subsequent dates). 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, without any requirement for the consent or approval of the Noteholders.

In the case of Notes with BBSW as the Original Reference Rate required to calculate an Interest Rate (or a component thereof), if a Permanent Discontinuation Trigger occurs in relation to the Notes, the Calculation Agent (or if it is unable or unwilling, the Issuer or an alternate financial institution appointed by it) will determine a Fallback Rate and an Adjustment Spread without any requirement for the consent or approval of the Noteholders.

**Zero Coupon Notes:**

Zero Coupon Notes will be offered and sold at par or at a discount to their nominal amount and will not bear interest other than in the case of late payment.

**Change of Interest Basis:**

Notes may switch from one interest basis to another if so provided in the applicable Final Terms.

**Exempt Notes:**

The Issuer may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions, in which event the relevant terms and conditions will be included in the applicable Pricing Supplement.

**Redemption:**

The Final Terms relating to each Tranche of Notes will indicate either that the Notes of such Tranche cannot be redeemed prior to their stated maturity (other than following

an Event of Default pursuant to Condition 7 or for taxation reasons as described in Condition 6.02 or, in the case of Subordinated Notes only, for a Regulatory Event as described below) or that such Notes will be redeemable prior to their stated maturity at the option of the Issuer and/or the Holders upon giving not less than 30 nor more than 60 days' irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Holders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms); provided that, except in the case of an early redemption of Bail-inable Notes for a TLAC Disqualification Event, where a redemption of Bail-inable Notes would lead to a breach of the Bank's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent of Financial Institutions (Canada) (the "**Superintendent**"). All early redemptions of Bail-inable Notes for a TLAC Disqualification Event and of Subordinated Notes require the prior approval of the Superintendent in all cases. Bail-inable Notes may not be redeemed prior to maturity at the option of Holders. As at the date hereof, Subordinated Notes may only be redeemed at the option of the Issuer with the prior approval of the Superintendent on or after the fifth anniversary of the closing date of the latest Tranche of a Series of Notes.

If so specified in the applicable Final Terms, Bail-inable Notes may be redeemed at the option of the Issuer prior to maturity at any time within 90 days following the occurrence of a TLAC Disqualification Event, as described in Condition 6.02A.

Subordinated Notes may be redeemed at the option of the Issuer prior to maturity, upon the occurrence of a Regulatory Event, as described in Condition 6.02B.

A notice of redemption shall be irrevocable, except that the making of an order under subsection 39.13(1) of the CDIC Act in respect of Bail-inable Notes or the occurrence of a Non-Viability Trigger Event in respect of Subordinated Notes prior to the date fixed for redemption shall automatically rescind such notice of redemption and, in such circumstances, no Bail-inable Notes or Subordinated Notes, as the case may be, shall be redeemed and no payment in respect of the Bail-inable Notes or Subordinated Notes shall be due and payable.

Bail-inable Notes will continue to be subject to Bail-in Conversion until repaid in full.

**Denominations:**

Senior Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer and as indicated in the applicable Final Terms, save that the minimum denomination of each Note: (i) admitted to trading on a UK regulated market or the ISM or offered to the public in a member state of the EEA or the UK in circumstances which would otherwise require a prospectus to be prepared and published under the EU Prospectus Regulation and/or the UK Prospectus Regulation will be at least EUR 100,000 (or the equivalent amount in another currency); or (ii) admitted to trading only on a regulated market in the UK, or a specific segment of such a regulated market to which only qualified investors (as defined in the UK Prospectus Regulation) have access, will be at least EUR 1,000 (or the equivalent amount in another currency).

Subordinated Notes will be issued with a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency).

Subject to compliance with all applicable legal and/or regulatory and/or central bank requirements, the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

**Taxation:**

Payments in respect of Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Canada or any province or territory thereof, or of the country in which the branch of account for Senior Notes is located or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer will (subject to customary exceptions) pay such additional amounts as will result in the holders of Notes or Coupons receiving such amounts as they would have received in respect of such Notes or Coupons had no such withholding or deduction been required (see "*Terms and Conditions of the Notes - Taxation*"). See also the discussion under the caption "*Taxation - Canada*" and "*Taxation - UK*" in the Base Prospectus.

**Cross Default:**

None.

**Negative Pledge:**

None.

**Events of Default for Senior Notes:**

The terms of the Senior Notes provide for events of default which are limited to: (a) non-payment for more than 30 business days of interest or principal; and (b) certain bankruptcy or insolvency events occurring in respect of the Issuer; provided that Holders of Bail-inable Notes may only exercise or direct the exercise of those rights to accelerate the Bail-inable Notes upon such an event where an order has not been made pursuant to subsection 39.13(1) of the CDIC Act in respect of the Bank and, notwithstanding the exercise of any right to accelerate the Bail-inable Notes, Bail-inable Notes will continue to be subject to a Bail-in Conversion until repaid in full. Neither a Bail-in Conversion nor an NVCC Automatic Conversion upon the occurrence of a Non-Viability Trigger Event will constitute an event of default under the Senior Notes.

**Events of Default for Subordinated Notes:**

The events of default for the Subordinated Notes are limited to certain bankruptcy or insolvency events occurring in respect of the Issuer.

Neither an NVCC Automatic Conversion upon the occurrence of a Non-Viability Trigger Event nor a Bail-in Conversion will constitute an event of default under the Subordinated Notes.

**Waiver of Set-Off (Bail-inable Notes):**

Bail-inable Notes are not subject to set-off or netting rights.

**Rating:**

The current credit ratings assigned to the Issuer and the Programme will be set out in the applicable Final Terms.

Notes issued under the Programme may be rated or unrated.

Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the applicable Final Terms. Such rating(s) will not necessarily be the same as the ratings assigned to the Issuer, the Programme or to Notes already issued.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating agency. Investors may suffer losses if the credit rating assigned to the Notes does not reflect the then creditworthiness of such Notes.

**Risk Factors:**

There are certain risks relating to any issue of Notes, which investors should ensure they fully understand. A non-exhaustive description of such risks is set out under "*Risk Factors*".

**Listing and Admission to Trading:**

Application has been made for Notes (other than Exempt Notes) issued under the Programme to be admitted to the Official List of the FCA and admitted to trading on the Main Market of the London Stock Exchange, which is a regulated market for the purposes of UK MiFIR.

Additionally, application has been made for Exempt Notes to be admitted to trading on the International Securities Market of the ISM. The ISM is not a regulated market for the purposes of UK MiFIR. The ISM is a market designated for professional investors. Exempt Notes which are designated in the relevant Pricing Supplement as being admitted to trading on the ISM are not admitted to listing on the Official List.

Subordinated Notes may only be admitted to the ISM or a segment of the Main Market to which only qualified investors (as defined in the UK Prospectus Regulation) can have access and shall not be offered or sold to investors that are not qualified investors.

The Programme provides that Exempt Notes may be unlisted or listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) (provided that such exchange or market is not a regulated market for the purposes of UK MiFIR or MiFID II) as may be agreed between the Issuer and the relevant purchaser(s) in relation to such issue as may be specified in the applicable Pricing Supplement.

**Governing Law and Jurisdiction:**

The Notes and all non-contractual obligations arising out of, or in connection with them, will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Ontario Courts have jurisdiction in the event of litigation in respect of the Notes.

**Clearing Systems:**

Euroclear, Clearstream, Luxembourg and/or, in relation to any Notes, any other clearing system as may be specified in the relevant Final Terms.

**Selling Restrictions:**

There are selling restrictions in relation to the United States, Canada, the EEA (including Italy, France, The Netherlands, Belgium and Sweden), the UK, Switzerland, Japan and Hong Kong and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes.

The relevant Dealer(s) will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree in respect of any Tranche of Notes and as shall be set out in the applicable Final Terms.

**U.S. Restrictions:**

The Issuer is Category 2 for Regulation S purposes.

The Notes will be issued in compliance with U.S. Treas. Reg. §1.163(c)(2)(i)(D) (the “**D Rules**”) unless (i) the relevant Final Terms states that the Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Final Terms as a transfer to which TEFRA is not applicable.

## **RISK FACTORS**

*The Issuer believes that the following factors, which are specific to the Issuer, may affect its ability to fulfil its obligations under the Notes.*

*In addition, material risk factors which are specific to the Notes issued under the programme are also described below.*

*The Issuer believes that the factors described below represent the material risks inherent in investing in the Notes issued by it as at the date of this Base Prospectus. If any or a combination of these risks actually occurs, the business, results of operation, financial condition and/or prospects of the Issuer could be materially and adversely affected, which could result in the Issuer being unable to pay interest, principal or other amounts on or in connection with any Notes issued by it or materially and adversely affect the trading price of any such Notes.*

*Prospective investors should note that the risks relating to the Issuer summarised in this section are risks that the Issuer believes to be essential to an assessment by the prospective investor of whether to make an investment in the Notes and the Issuer does not represent that the statements below regarding the risks of investing in the Notes are exhaustive. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its results of operations or financial condition or affect the ability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes issued by it. As the risks which the Issuer faces relate to events and depend on circumstances that may or may not occur, prospective investors should also read the detailed information set out elsewhere in this document (including information incorporated by reference) and any Final Terms or Pricing Supplement to reach their own views prior to making any investment decisions.*

### **A. FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING RISKS ASSOCIATED WITH THE ISSUER**

Prospective investors should consider the section entitled “Risk Factors” at pages 1 to 23 in the Registration Document as referred to in, and incorporated by reference into, this Base Prospectus as set out in “Documents Incorporated by Reference” on page 59 of this Base Prospectus.

### **B. FACTORS THAT ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME**

#### **1. Risks related to Subordinated Notes**

##### *1.1 General Risks related to Subordinated Notes*

*A Noteholder’s remedies for the Issuer’s breach of its obligations under the Subordinated Notes are limited*

Absent an Event of Default (which shall occur if the Issuer becomes insolvent or bankrupt or subject to the provisions of the *Winding-Up and Restructuring Act* (Canada), the Issuer goes into liquidation either voluntarily or under an order of a court of competent jurisdiction, or the Issuer otherwise acknowledges its insolvency), the holders of the Subordinated Notes shall not be entitled to declare the principal amount of the Subordinated Notes due and payable under any circumstance. As a result, investors will have no right of acceleration in the event of a non-payment of interest or a failure or breach in the performance of any other covenant of the Issuer although legal action could be brought to enforce any covenant of the Issuer. Neither an NVCC Automatic Conversion

upon the occurrence of a Non-Viability Trigger Event nor a Bail-in Conversion will constitute an Event of Default under the terms of the Subordinated Notes.

#### *Early Redemption on Occurrence of Regulatory or Tax Events*

The Issuer may redeem all but not less than all of the outstanding Subordinated Notes of such Series at any time on or after a Tax Event or, in the case of a Regulatory Event, on or within 90 days after the occurrence of Regulatory Event, in each case with the prior consent of the Superintendent. An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Subordinated Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### *1.2 Risks related to NVCC Automatic Conversion*

*The Subordinated Notes are loss-absorption financial instruments that involve risk and may not be a suitable investment for all investors*

The Subordinated Notes are loss-absorption financial instruments designed to comply with applicable Canadian banking regulations and involve certain risks. In particular, each potential investor of the Subordinated Notes must determine the suitability (either alone or with the help of a financial adviser) of that investment in light of its own circumstances. In particular, each potential investor should understand thoroughly the terms of the Subordinated Notes, such as the provisions governing the NVCC Automatic Conversion, including under what circumstances a Non-Viability Trigger Event could occur.

A potential investor should not invest in the Subordinated Notes unless it has the knowledge and expertise (either alone or with a financial adviser) to evaluate how the Subordinated Notes will perform under changing conditions, the resulting effects on the likelihood of the NVCC Automatic Conversion into Common Shares and the value of the Subordinated Notes, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Base Prospectus or incorporated by reference herein.

*The Subordinated Notes are subject to an automatic and immediate conversion into Common Shares upon a Non-Viability Trigger Event*

Upon the occurrence of an NVCC Automatic Conversion following a Non-Viability Trigger Event, an investment in the Subordinated Notes will automatically and immediately become an investment in Common Shares. Upon an NVCC Automatic Conversion, any accrued but unpaid interest will be added to the nominal amount of the Subordinated Notes held by the investor and such accrued but unpaid interest, together with the principal amount of the Subordinated Notes, will be deemed repaid in full by the issuance of Common Shares upon such conversion and the holders of Subordinated Notes shall have no further rights and the Issuer shall have no further obligations to holders of the Subordinated Notes.

Potential investors in Subordinated Notes should understand that, if a Non-Viability Trigger Event occurs and Subordinated Notes are converted into Common Shares, investors are obliged to accept the Common Shares even if they do not at the time consider such Common Shares to be an appropriate investment for them and despite any change in the financial position of the Issuer since the issue of the Subordinated Notes or any disruption to the market for those Common Shares or to capital markets generally.



*The number and value of Common Shares to be received on an NVCC Automatic Conversion may be worth significantly less than the par value of the Subordinated Notes and are variable and subject to further dilution*

The number of Common Shares to be received for each Subordinated Note is calculated by reference to the prevailing market price of Common Shares immediately prior to a Non-Viability Trigger Event, subject to the Floor Price. Upon the occurrence of an NVCC Automatic Conversion, there is no certainty of the value of the Common Shares to be received by the holders of the Subordinated Notes and the value of such Common Shares could be significantly less than the nominal amount of the Subordinated Notes. Moreover, there may be an illiquid market, or no market at all, in Common Shares received upon an NVCC Automatic Conversion, and investors may not be able to sell the Common Shares at a price equal to the value of their investment in the Subordinated Notes and as a result may suffer significant loss.

If the Subordinated Notes are denominated in a currency other than Canadian dollars and any Common Shares are traded in Canadian dollars, fluctuations in the exchange rates between these two currencies may adversely affect the number of Common Shares delivered to a Noteholder as a result of an NVCC Automatic Conversion.

The Issuer is expected to have outstanding from time to time other securities including, without limitation, other subordinated indebtedness, that will automatically and immediately convert into Common Shares upon a Non-Viability Trigger Event. Certain other securities of the Issuer may use a lower effective floor price or a higher multiplier than those applicable to the Subordinated Notes to determine the maximum number of Common Shares to be issued to holders of such instruments upon an NVCC Automatic Conversion. Accordingly, holders of Subordinated Notes will receive Common Shares pursuant to an NVCC Automatic Conversion at a time when other securities of the Issuer may be converted into Common Shares at a conversion rate that is more favorable to the holders of such securities than the rate applicable to the holders of Subordinated Notes, therefore the value of the Common Shares received by holders of Subordinated Notes following an NVCC Automatic Conversion could be further diluted.

In addition, in the circumstances surrounding a Non-Viability Trigger Event, the Superintendent or other governmental authorities or agencies may also require other steps to be taken to restore or maintain the viability of the Issuer under the Canadian bank resolution powers, such as the injection of new capital and the issuance of additional Common Shares or other securities. Accordingly, holders of Subordinated Notes will receive Common Shares pursuant to an NVCC Automatic Conversion at a time when other debt obligations of the Issuer may be converted into Common Shares at a conversion rate that is more favourable to the holders of such obligations than the rate applicable to the Subordinated Notes, and additional Common Shares or securities ranking in priority to the Common Shares may be issued, thereby causing substantial dilution to holders of Common Shares, the holders of shares other than Common Shares and the holders of Subordinated Notes, who will become holders of Common Shares upon the Non-Viability Trigger Event.

Given that the Subordinated Notes are subject to an NVCC Automatic Conversion, the Subordinated Notes are not subject to a Bail-in Conversion. However, the Bail-in Regime provides that the CDIC must use its best efforts to ensure that the prescribed types of shares and liabilities are converted only if all subordinate prescribed shares and liabilities and any subordinate non-viability contingent capital (such as the Subordinated Notes) have previously been converted or are converted at the same time. Accordingly, in the case of a Bail-in Conversion, the Subordinated Notes would be subject to an NVCC Automatic Conversion prior to, or at the same time, as a Bail-in Conversion. In addition, the Bail-in Regime prescribes that holders of unsubordinated or senior ranking bail-in eligible instruments, including Senior Notes that are Bail-inable Notes that are subject to a Conversion Order must receive more common shares per dollar amount converted than holders of any subordinate ranking bail-in eligible instruments or NVCC instruments converted, including Subordinated Notes. The holders of Bail-inable Notes that are subject to a Conversion Order would therefore receive Common Shares at a conversion

rate that would be more favourable to the holders of such obligations than the rate applicable to holders of the Subordinated Notes.

In addition, fractions of Common Shares will not be issued or delivered pursuant to an NVCC Automatic Conversion and no cash payment will be made in lieu of a fractional Common Share.

*The circumstances surrounding or triggering an NVCC Automatic Conversion are unpredictable*

The decision as to whether a Non-Viability Trigger Event will occur is a subjective determination by the Superintendent that is outside the control of the Issuer. The Office of the Superintendent of Financial Institutions (“**OSFI**”) has stated that the Superintendent will consult with the CDIC, the Bank of Canada, the Department of Finance Canada (the “**Department of Finance**”) and the Financial Consumer Agency of Canada prior to making a non-viability determination. The conversion of non-viability contingent instruments alone may not be sufficient to restore an institution to viability and other public sector interventions, including liquidity assistance, would likely be used in tandem with the conversion of non-viability contingent instruments to maintain an institution as a going concern. Consequently, while the Superintendent would have the authority to trigger conversion, in practice, the Superintendent’s decision to activate the trigger would be conditioned by the legislative provisions and decision frameworks associated with the accompanying interventions by one or more of the CDIC, the Bank of Canada, the Department of Finance and the Financial Consumer Agency of Canada. In assessing whether the Issuer has ceased, or is about to cease, to be viable and that, after the conversion of all contingent instruments, it is reasonably likely that the viability of the Issuer will be restored or maintained, OSFI has stated that the Superintendent would consider, in consultation with the authorities referred to above, all relevant facts and circumstances, including the criteria outlined in relevant legislation and regulatory guidance. Those facts and circumstances may include a consideration of the following criteria, which may be mutually exclusive and should not be viewed as an exhaustive list:

- whether the assets of the Issuer are, in the opinion of the Superintendent, sufficient to provide adequate protection to the Issuer’s depositors and creditors;
- whether the Issuer has lost the confidence of depositors or other creditors and the public (for example, ongoing increased difficulty in obtaining or rolling over short-term funding);
- whether the Issuer’s regulatory capital has, in the opinion of the Superintendent, reached a level, or is eroding in a manner, that may detrimentally affect its depositors and creditors;
- whether the Issuer has failed to pay any liability that has become due and payable or, in the opinion of the Superintendent, the Issuer will not be able to pay its liabilities as they become due and payable;
- whether the Issuer failed to comply with an order of the Superintendent to increase its capital;
- whether, in the opinion of the Superintendent, any other state of affairs exists in respect of the Issuer that may be materially prejudicial to the interests of the Issuer’s depositors or creditors or the owners of any assets under the Issuer’s administration; and
- whether the Issuer is unable to recapitalise on its own through the issuance of Common Shares or other forms of regulatory capital (for example, no suitable investor or group of investors exists that is willing or capable of investing in sufficient quantity and on terms that will restore the Issuer’s viability, nor is there any reasonable prospect of such an investor emerging in the near-term in the absence of conversion of contingent instruments).

The facts and circumstances that the Superintendent may consider may change from time to time as a result of evolving legal and regulatory developments.

If a Non-Viability Trigger Event occurs, then the interests of the Issuer's depositors, other creditors of the Issuer, and holders of the Issuer's securities, including Senior Notes that are Bail-inable Notes, will all rank in priority to the holders of the Subordinated Notes. The Superintendent retains full discretion to choose whether or not to trigger NVCC Automatic Conversion notwithstanding a determination that the Issuer has ceased, or is about to cease, to be viable. Under such circumstances, the holders of Subordinated Notes may be exposed to losses through the use of other resolution tools or in liquidation. For more information on such resolution tools, see the discussion under "*Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Issuer where a determination is made that the Issuer has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Notes being exposed to losses*" below.

Because of the inherent uncertainty regarding the determination of when an NVCC Automatic Conversion may occur, it will be difficult to predict when, if at all, the Subordinated Notes will be mandatorily converted into Common Shares. In addition, investors in the Subordinated Notes are likely not to receive any advance notice of the occurrence of a Non-Viability Trigger Event. As a result of this uncertainty, trading behavior in respect of the Subordinated Notes is not necessarily expected to follow trading behavior associated with other types of convertible or exchangeable securities. Any indication, whether real or perceived, that the Issuer is trending towards a Non-Viability Trigger Event can be expected to have an adverse effect on the market price of the Subordinated Notes and the Common Shares, whether or not such Non-Viability Trigger Event actually occurs. Therefore, in such circumstances, investors may not be able to sell their Subordinated Notes easily or at prices that will provide them with a return comparable to other types of subordinated securities, including the Issuer's other subordinated debt securities. In addition, subject to the applicable floor price, the risk of NVCC Automatic Conversion could drive down the price of Common Shares and have a material adverse effect on the market value of Common Shares received upon NVCC Automatic Conversion.

*Following an NVCC Automatic Conversion, Noteholders will no longer have rights as a creditor and will only have rights as a holder of Common Shares*

Upon an NVCC Automatic Conversion, the rights, terms and conditions of the Subordinated Notes, including with respect to priority and rights on liquidation, will no longer apply as all such Subordinated Notes will have been converted on a full and permanent basis into Common Shares ranking on parity with all other outstanding Common Shares. If an NVCC Automatic Conversion occurs, then the interest of the Issuer's depositors, other creditors of the Issuer, and holders of the Issuer's securities which are not contingent instruments, including Senior Notes that are Bail-inable Notes, will all rank in priority to the holders of contingent instruments, including the Subordinated Notes.

Given the nature of the Non-Viability Trigger Event, a holder of Subordinated Notes will become a holder of Common Shares at a time when the Issuer's financial condition has deteriorated. If the Issuer were to become insolvent or wound-up after the occurrence of a Non-Viability Trigger Event, as holders of Common Shares investors may receive substantially less than they might have received had the Subordinated Notes not been converted into Common Shares.

An NVCC Automatic Conversion may also occur at a time when a federal or provincial government or other government agency in Canada has provided, or will provide, a capital injection or equivalent support, the terms of which may rank in priority to the Common Shares with respect to the payment of dividends, rights on liquidation or other terms.

*The Issuer's obligations under the Subordinated Notes will be unsecured and subordinated, and the rights of the holders of Subordinated Notes will be further subordinated upon an NVCC Automatic Conversion*

The Subordinated Notes will be the Issuer's direct unsecured subordinated obligations which, if the Issuer becomes insolvent or is wound-up (prior to the occurrence of a Non-Viability Trigger Event), will rank equally with the Issuer's other subordinated indebtedness (other than subordinated indebtedness that has been further subordinated in accordance with its terms and subordinated indebtedness having priority to the Subordinated Notes by virtue of any law now or hereafter in force) and will be subordinate in right of payment to the claims of the Issuer's depositors and other unsubordinated creditors, including Senior Notes that are Bail-inable Notes.

Therefore, if, prior to the occurrence of a Non-Viability Trigger Event, the Issuer becomes insolvent or is wound-up, the assets of the Issuer would first be applied to satisfy all rights and claims of holders of senior indebtedness (including deposit liabilities). If the Issuer does not have sufficient assets to settle claims of such senior indebtedness holders (including deposit liabilities) in full, the claims of the holders of the Subordinated Notes will not be settled and, as a result, the holders will lose the entire amount of their investment in the Subordinated Notes. The Subordinated Notes will share equally in payment with claims under other subordinated indebtedness (other than subordinated indebtedness that has been further subordinated in accordance with its terms and subordinated indebtedness having priority to the Subordinated Notes by virtue of any law now or hereafter in force) if the Issuer does not have sufficient funds to make full payments on all of them, as applicable. In such a situation, holders could lose all or part of their investment.

In addition, holders should be aware that, upon the occurrence of a Non-Viability Trigger Event, all of the Issuer's obligations under the Subordinated Notes shall be deemed repaid in full by the issuance of Common Shares upon an NVCC Automatic Conversion, and each holder will be effectively further subordinated due to the change in their status following an NVCC Automatic Conversion from being the holder of a debt instrument ranking ahead of holders of Common Shares to being the holder of Common Shares.

As a result, upon the occurrence of an NVCC Automatic Conversion, the holders could lose all or part of their investment in the Subordinated Notes irrespective of whether the Issuer has sufficient assets available to settle what would have been the claims of the holders of the Subordinated Notes or other securities subordinated to the same extent as the Subordinated Notes, in proceedings relating to an insolvency or winding-up.

*Holders do not have anti-dilution protection in all circumstances*

The Floor Price that is used to calculate the Conversion Price is subject to adjustment in a limited number of events:

- (1) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all holders of Common Shares as a stock dividend;
- (2) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares; and
- (3) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares.

In addition, in the event of a capital reorganisation, consolidation, merger or amalgamation of the Issuer or comparable transaction affecting the Common Shares after the date of this Base Prospectus, the Issuer will take necessary action to ensure that holders of Subordinated Notes receive, pursuant to an NVCC Automatic Conversion, the number of Common Shares or other securities that such holders would have received if the NVCC Automatic Conversion occurred immediately prior to the record date for such event. However, there is

no requirement that there will be an adjustment of the Floor Price or other anti-dilutive action by the Issuer for every corporate or other event that may affect the market price of the Common Shares. Accordingly, the occurrence of events in respect of which no adjustment to the Floor Price is made may adversely affect the number of Common Shares issuable to a holder of Subordinated Notes upon an NVCC Automatic Conversion.

*The tax consequences of holding Common Shares following an NVCC Automatic Conversion will likely be different for most categories of holders from the tax consequences for them of holding Subordinated Notes.*

Upon the occurrence of a Non-Viability Trigger Event, Subordinated Notes will automatically and immediately convert into Common Shares. The tax consequences of holding Common Shares following an NVCC Automatic Conversion will likely be different for most categories of holders from the tax consequences for them of holding Subordinated Notes. Each prospective investor should consult their own tax adviser regarding the tax consequences of a conversion of the Subordinated Notes into Common Shares.

*A Noteholder shall be responsible for all taxes arising upon an NVCC Automatic Conversion*

The Terms and Conditions provide that a Noteholder shall be responsible for paying any taxes and capital, stamp, issue, registration and transfer taxes and duties arising to such Noteholder on an NVCC Automatic Conversion.

## **2. Risks applicable to Bail-inable Notes**

*Bail-inable Notes will be subject to risks, including non-payment in full or conversion in whole or in part - by means of a transaction or series of transactions and in one or more steps - into common shares of the Issuer or any of its affiliates, under Canadian bank resolution powers.*

Senior Notes that are Bail-inable Notes (as defined below) are subject to conversion in whole or in part - by means of a transaction or series of transactions and in one or more steps - into common shares of the Issuer or any of its affiliates under subsection 39.2(2.3) of the *Canada Deposit Insurance Corporation Act* (Canada) (the “**CDIC Act**”) and to variation or extinguishment in consequence, and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. Notwithstanding any other terms of the Issuer’s liability, any other law that governs the Issuer’s liability and any other agreement, arrangement or understanding between the parties with respect to the Issuer’s liability, each holder or beneficial owner of an interest in the Bail-inable Notes is deemed to be bound by the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes and is deemed to attorn to the jurisdiction of the courts in the Province of Ontario in Canada.

Certain provisions of and regulations under the *Bank Act* (Canada) (the “**Bank Act**”), the CDIC Act and certain other Canadian federal statutes pertaining to banks (collectively, the “**Bail-in Regime**”), provide for a bank recapitalization regime for banks designated by the Superintendent of Financial Institutions (Canada) (the “**Superintendent**”) as domestic systemically important banks (“**D-SIBs**”), which include the Issuer.

The expressed objectives of the Bail-in Regime include reducing government and taxpayer exposure in the unlikely event of a failure of a D-SIB, reducing the likelihood of such a failure by increasing market discipline and reinforcing that bank shareholders and creditors are responsible for the D-SIBs’ risks and not taxpayers, and preserving financial stability by empowering the Canada Deposit Insurance Corporation (“**CDIC**”), Canada’s resolution authority, to quickly restore a failed D-SIB to viability and allow it to remain open and operating, even where the D-SIB has experienced severe losses.

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Issuer has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent's powers under the Bank Act, the Superintendent, after providing the Issuer with a reasonable opportunity to make representations, is required to provide a report to CDIC. Following receipt of the Superintendent's report, CDIC may request the Minister of Finance for Canada (the "**Minister of Finance**") to recommend that the Governor in Council (Canada) make an Order (as defined below) and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (Canada) make, and on such recommendation, the Governor in Council (Canada) may make, one or more Orders including a Conversion Order (see "*Risks related to the Notes generally - Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Issuer where a determination is made that the Issuer has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Notes being exposed to losses*").

Upon the making of a Conversion Order, prescribed shares and liabilities under the Bail-in Regime that are subject to that Conversion Order will, to the extent converted, be converted into common shares of the Issuer or any of its affiliates, as determined by CDIC (a "**Bail-in Conversion**"). Subject to certain exceptions discussed below, the Bail-in Regime provides that senior debt issued on or after September 23, 2018, with an initial or amended term to maturity, (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and that has been assigned a CUSIP or ISIN or similar identification number are subject to a Bail-in Conversion. Shares, other than common shares, and subordinated debt of the Issuer will also be subject to a Bail-in Conversion, unless they are non-viability contingent capital. All Notes that are subject to Bail-in Conversion will be identified as Bail-inable Notes in the applicable Final Terms ("**Bail-inable Notes**").

Covered bonds, derivatives and certain structured notes (as such term is used under the Bail-in Regime) are expressly excluded from a Bail-in Conversion. To the extent that any Notes constitute structured notes (as such term is used under the Bail-in Regime) they will not be Bail-inable Notes and will not be identified as Bail-inable Notes in the applicable Final Terms. As a result, claims of some creditors whose claims would otherwise rank equally with those of the holders of Bail-inable Notes would be excluded from a Bail-in Conversion and thus the holders and beneficial owners of Bail-inable Notes will have to absorb losses ahead of these other creditors as a result of the Bail-in Conversion while other creditors may not be exposed to losses.

If the CDIC were to take action under the Canadian bank resolution powers with respect to the Issuer, this could result in holders or beneficial owners of Bail-inable Notes being exposed to conversion of the Bail-inable Notes in whole or in part. Upon a Bail-in Conversion, the holders of Notes ("**Noteholders**") holding Bail-inable Notes that are converted will be obligated to accept the common shares of the Issuer or any of its affiliates into which such Bail-inable Notes, or any portion thereof, are converted even if such Noteholders do not at the time consider such common shares to be an appropriate investment for them, and despite any change in the Issuer or any of its affiliates, or the fact that such common shares are issued by an affiliate of the Issuer or any disruption to or lack of a market for such common shares or disruption to capital markets generally. The terms and conditions of the Bail-in Conversion will be determined by CDIC in accordance with and subject to certain requirements discussed below (see "*The number of common shares to be issued in connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Issuer or one of its affiliates*" below). See also "*Investors in Bearer Notes who hold less than the minimum Specified Denomination (including after a partial Bail-in Conversion or any other resolution action) may be unable to sell their Bearer Notes and may be adversely affected if definitive Bearer Notes are subsequently required to be issued*" below for a risk of partial conversions.

As a result, holders of Bail-inable Notes should consider the risk that they may lose all or part of their investment, plus any accrued interest or additional amounts, if CDIC were to take action under the Canadian bank resolution

powers, including the Bail-in Regime, and that any remaining outstanding Notes, or common shares of the Issuer or any of its affiliates into which Bail-inable Notes are converted, may be of little value at the time of a Bail-in Conversion and thereafter.

*Bail-inable Notes will provide only limited acceleration and enforcement rights for the Bail-inable Notes and will include other provisions intended to qualify such Notes as TLAC.*

In connection with the Bail-in Regime, OSFI's guideline as interpreted by the Superintendent (the "**TLAC Guideline**") on Total Loss Absorbing Capacity ("**TLAC**") applies to and establishes standards for D-SIBs, including the Issuer. Under the TLAC Guideline, the Issuer is required to maintain a minimum capacity to absorb losses composed of unsecured external long-term debt that meets the prescribed criteria or regulatory capital instruments to support recapitalization in the event of a failure. Bail-inable Notes and regulatory capital instruments that meet the prescribed criteria (set out on page 184 under "*Canadian Bank TLAC Regime*") will constitute TLAC of the Issuer.

In order to comply with the TLAC Guideline, the terms of the Bail-inable Notes provide that acceleration will only be permitted: (i) if the Issuer defaults in the payment of the principal or interest for a period of more than 30 business days; or (ii) certain bankruptcy, insolvency or reorganisation events occur. Holders and beneficial owners of Bail-inable Notes may only exercise, or direct the exercise of, such rights in respect of Bail-inable Notes where an Order has not been made under Canadian bank resolution powers pursuant to subsection 39.13(1) of the CDIC Act in respect of the Issuer. Notwithstanding the exercise of those rights, Bail-inable Notes will continue to be subject to Bail-in Conversion until repaid in full.

The terms of the Bail-inable Notes also provide that holders or beneficial owners of Bail-inable Notes will not be entitled to exercise, or direct the exercise of, any set-off or netting rights with respect to Bail-inable Notes. In addition, where an amendment, modification or other variance that can be made to the Bail-inable Notes would affect the recognition of the Bail-inable Notes by the Superintendent as TLAC, that amendment, modification or variance will require the prior approval of the Superintendent.

In light of the above restrictions, holders of Bail-inable Notes may not be permitted to accelerate the Bail-inable Notes or direct the exercise of set-off or netting rights with respect to Bail-inable Notes in circumstances where it would be in the holder's best interests to seek to accelerate such notes or exercise such rights. In addition, it is possible that the Issuer and holders may be prevented from making amendments, modifications or variances to the terms of the Bail-inable Notes that are otherwise acceptable if they are not also approved by the Superintendent.

*The circumstances surrounding a Bail-in Conversion are unpredictable and can be expected to have an adverse effect on the market price of Bail-inable Notes.*

The decision as to whether the Issuer has ceased, or is about to cease, to be viable is a subjective determination by the Superintendent that is outside the control of the Issuer. Upon a Bail-in Conversion, the interests of depositors and holders of liabilities and securities of the Issuer that are not converted will effectively all rank in priority to the portion of Bail-inable Notes that are converted. In addition, except as provided for under the compensation process, the rights of Noteholders in respect of the Bail-inable Notes that have been converted will rank on parity with other holders of common shares of the Issuer (or, as applicable, common shares of the affiliate whose common shares are issued on the Bail-in Conversion).

There is no limitation on the type of Order that may be made where it has been determined that the Issuer has ceased, or is about to cease, to be viable. As a result, Noteholders holding Bail-inable Notes may be exposed to losses through the use of Canadian bank resolution powers other than a Conversion Order or in liquidation.

Because of the uncertainty regarding when and whether an Order will be made and the type of Order that may be made, it will be difficult to predict when, if at all, Bail-inable Notes could be converted into common shares of the Issuer or any of its affiliates, and there is not likely to be any advance notice of an Order. As a result of this uncertainty, trading behaviour in respect of the Bail-inable Notes may not follow trading behaviour associated with convertible or exchangeable securities or, in circumstances where the Issuer is trending towards ceasing to be viable, other senior debt. Any indication, whether real or perceived, that the Issuer is trending towards ceasing to be viable can be expected to have an adverse effect on the market price of the Bail-inable Notes. Therefore, in those circumstances, Noteholders of Bail-inable Notes may not be able to sell their Bail-inable Notes easily or at prices comparable to those of senior debt securities not subject to Bail-in Conversion.

*The number of common shares to be issued in connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Issuer or one of its affiliates.*

Under the Bail-in Regime there is no fixed and pre-determined contractual conversion ratio for the conversion of the Bail-inable Notes, or other shares or liabilities of the Issuer that are subject to a Bail-in Conversion, into common shares of the Issuer or any of its affiliates, nor are there specific requirements regarding whether liabilities subject to a Bail-in Conversion are converted into common shares of the Issuer or any of its affiliates. CDIC determines the timing of the Bail-in Conversion, the portion of bail-inable shares and liabilities to be converted and the terms and conditions of the Bail-in Conversion, subject to parameters set out in the Bail-in Regime. Those parameters include that:

- in carrying out a Bail-in Conversion, CDIC must take into consideration the requirement in the Bank Act for banks to maintain adequate capital;
- CDIC must use its best efforts to ensure that shares and liabilities subject to a Bail-in Conversion are only converted after all subordinate ranking shares and liabilities that are subject to a Bail-in Conversion and any subordinate non-viability contingent capital instruments have been previously converted or are converted during the same restructuring period;
- CDIC must use its best efforts to ensure that the converted part of the liquidation entitlement of a share subject to a Bail-in Conversion, or the converted part of the principal amount and accrued and unpaid interest of a liability subject to a Bail-in Conversion, is converted on a pro rata basis for all shares or liabilities subject to a Bail-in Conversion of equal rank that are converted during the same restructuring period;
- holders of shares and liabilities that are subject to a Bail-in Conversion must receive a greater number of common shares per dollar of the converted part of the liquidation entitlement of their shares, or the converted part of the principal amount and accrued and unpaid interest of their liabilities, than holders of any subordinate shares or liabilities subject to a Bail-in Conversion that are converted during the same restructuring period or of any subordinate non-viability contingent capital that is converted during the same restructuring period;
- holders of shares or liabilities subject to a Bail-in Conversion of equal rank that are converted during the same restructuring period must receive the same number of common shares per dollar of the converted part of the liquidation entitlement of their shares or the converted part of the principal amount and accrued and unpaid interest of their liabilities; and



- holders of shares or liabilities subject to a Bail-in Conversion must receive, if any non-viability contingent capital of equal rank to the shares or liabilities is converted during the same restructuring period, a number of common shares per dollar of the converted part of the liquidation entitlement of their shares, or the converted part of the principal amount and accrued and unpaid interest of their liabilities, that is equal to the largest number of common shares received by any holder of the non-viability contingent capital per dollar of that capital.

As a result, it is not possible to anticipate the potential number of common shares of the Issuer or its affiliates that would be issued in respect of any Bail-inable Notes converted on a Bail-in Conversion, the aggregate number of such common shares that will be outstanding following the Bail-in Conversion, the effect of dilution on the common shares received in respect of any Bail-inable Notes converted on a Bail-in Conversion from other issuances of common shares of the same issuer under or in connection with an Order or related actions in respect of the Issuer or its affiliates or the value of any common shares received by Noteholders of converted Bail-inable Notes, which could be significantly less than the amount which may otherwise have been due under the converted Bail-inable Notes. It is also not possible to anticipate whether shares of the Issuer or shares of its affiliates would be issued in a Bail-in Conversion. There may be an illiquid market, or no market at all, in the common shares issued upon a Bail-in Conversion and such Noteholders may not be able to sell those common shares at a price equal to the value of the converted Bail-inable Notes and as a result may suffer significant losses that may not be offset by compensation, if any, received as part of the compensation process. Fluctuations in exchange rates may exacerbate such losses.

*By acquiring Bail-inable Notes, each Noteholder or beneficial owner of those Bail-inable Notes is deemed to agree to be bound by a Bail-in Conversion and so will have no further rights in respect of its Bail-inable Notes to the extent those Bail-inable Notes are converted in a Bail-in Conversion, other than those provided under the Bail-in Regime. Any potential compensation to be provided through the compensation process under the CDIC Act is unknown.*

The CDIC Act provides for a compensation process for Noteholders holding Bail-inable Notes who immediately prior to the making of an Order, directly or through an intermediary, own Bail-inable Notes that are converted in a Bail-in Conversion. While this process applies to successors of such Noteholders it does not apply to assignees or transferees of the Noteholder following the making of the Order and does not apply if the amounts owing under the relevant Bail-inable Notes are repaid in full.

Under the compensation process, the compensation to which such Noteholders are entitled is the difference, to the extent it is positive, between the estimated liquidation value and the estimated resolution value of the relevant Bail-inable Notes. The liquidation value is the estimated value the Bail-inable Noteholders would have received if an order under the *Winding-up and Restructuring Act* (Canada) had been made in respect of the Issuer, as if no Order had been made and without taking into consideration any assistance, financial or otherwise, that is or may be provided to the Issuer, directly or indirectly, by CDIC, the Bank of Canada, the Government of Canada or a province of Canada, after any order to wind up the Issuer has been made.

The resolution value in respect of relevant Bail-inable Notes is the aggregate estimated value of the following: (a) the relevant Bail-inable Notes, if they are not held by CDIC and they are not converted, after the making of an Order, into common shares under a Bail-in Conversion; (b) common shares that are the result of a Bail-in Conversion after the making of an Order; (c) any dividend or interest payments made, after the making of the Order, with respect to the relevant Bail-inable Notes to any person other than CDIC; and (d) any other cash, securities or other rights or interests that are received or to be received with respect to the relevant Bail-inable Notes as a direct or indirect result of the making of the Order and any actions taken in furtherance of the Order, including from CDIC, the Issuer, the liquidator of the Issuer, if the Issuer is wound up, the liquidator of a CDIC

subsidiary incorporated or acquired by order of the Governor in Council for the purposes of facilitating the acquisition, management or disposal of real property or other assets of the Issuer that CDIC may acquire as the result of its operations that is liquidated or the liquidator of a bridge institution if the bridge institution is wound up.

In connection with the compensation process, CDIC is required to estimate the liquidation value and the resolution value in respect of the portion of converted Bail-inable Notes and is required to consider the difference between the estimated day on which the liquidation value would be received and the estimated day on which the resolution value is, or would be, received.

CDIC must, within a reasonable period following a Bail-in Conversion, make an offer of compensation by notice to the relevant Noteholders that held Bail-inable Notes equal to, or in value estimated to be equal to, the amount of compensation to which such Noteholders are entitled or provide a notice stating that such Noteholders are not entitled to any compensation. In either case such notice is required to include certain prescribed information, including important information regarding the rights of such Noteholders to seek to object and have the compensation to which they are entitled determined by an assessor (a Canadian Federal Court judge) where holders of liabilities representing at least 10 per cent. of the principal amount and accrued and unpaid interest of the liabilities of the same class object to the offer or absence of compensation. The period for objecting is limited (45 days following the day on which a summary of the notice is published in the *Canada Gazette*) and failure by Noteholders holding a sufficient principal amount plus accrued and unpaid interest of affected Bail-inable Notes to object within the prescribed period will result in the loss of any ability to object to the offered compensation or absence of compensation, as applicable. CDIC will pay each relevant Noteholder the offered compensation within 135 days after the date on which a summary of the notice is published in the *Canada Gazette* if the offer of compensation is accepted by the Noteholder, the Noteholder does not notify CDIC of acceptance or objection to the offer within the aforementioned 45-day period or the holder objects to the offer but the 10 per cent. threshold described above is not met within the aforementioned 45-day period.

Where an assessor is appointed, the assessor could determine a different amount of compensation payable, which could either be higher or lower than the original amount. The assessor is required to provide holders, whose compensation it determines, notice of its determination. The assessor's determination is final and there are no further opportunities for review or appeal. CDIC will pay the relevant holders the compensation amount determined by the assessor within 90 days of the assessor's notice.

By its acquisition of an interest in any Bail-inable Note, each Noteholder or beneficial owner of those Bail-inable Notes is deemed to agree to be bound by a Bail-in Conversion and so will have no further rights in respect of its Bail-inable Notes to the extent those Bail-inable Notes are converted in a Bail-in Conversion, other than those provided under the Bail-in Regime.

A similar compensation process to the one set out above applies, in certain circumstances, where as a result of CDIC's exercise of bank resolution powers, Notes are assigned to an entity which is then wound-up.

*Following a Bail-in Conversion, Noteholders that held Bail-inable Notes that have been converted will no longer have rights against the Issuer as creditors.*

Upon a Bail-in Conversion, the rights, terms and conditions of the portion of Bail-inable Notes that are converted, including with respect to priority and rights on liquidation, will no longer apply as the portion of converted Bail-inable Notes will have been converted on a full and permanent basis into common shares of the Issuer or any of its affiliates ranking on parity with all other outstanding common shares of that entity. If a Bail-in Conversion occurs, then the interest of the depositors, other creditors and holders of liabilities of the Issuer not bailed-in as a result of the Bail-in Conversion will all rank in priority to those common shares.

Given the nature of the Bail-in Conversion, holders or beneficial owners of Bail-inable Notes that are converted will become holders or beneficial owners of common shares at a time when the Issuer's and potentially its affiliates' financial condition has deteriorated. They may also become holders or beneficial owners of common shares at a time when the relevant entity may have received or may receive a capital injection or equivalent support with terms that may rank in priority to the common shares issued in a Bail-in Conversion with respect to the payment of dividends, rights on liquidation or other terms although there is no certainty that any such capital injection or support will be forthcoming.

*Bail-inable Notes may be redeemed after the occurrence of a TLAC Disqualification Event.*

If the applicable Final Terms of a Series of Notes specify that a TLAC Disqualification Event Call is applicable, the Issuer may, at its option, with the prior approval of the Superintendent, redeem all, but not some only, of the outstanding Bail-inable Notes of that Series within 90 days of the occurrence of the TLAC Disqualification Event (as defined in the Conditions) at the then Outstanding Principal Amount or, in the case of Zero Coupon Notes, the Amortised Face Value, or such other Early Redemption Amount as may be specified in the applicable Final Terms, together (if applicable) with any accrued but unpaid interest to (but excluding) the date fixed for redemption. If the Issuer redeems the outstanding Bail-inable Notes of that Series, Noteholders of such Bail-inable Notes may not be able to reinvest the proceeds from such redemption in securities offering a comparable anticipated rate of return. Additionally, although the terms of each Series of Bail-inable Notes are anticipated to be established to satisfy the TLAC criteria within the meaning of the TLAC Guideline to which the Issuer is subject, it is possible that any Series of Bail-inable Notes may not satisfy the criteria in future rulemaking or interpretations.

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

#### *3.1 Notes subject to optional early redemption by the Issuer*

If a call option is specified to be applicable in the applicable Final Terms, that is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

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

*Fixed Rate Notes bear interest at a fixed rate, which may affect the secondary market value and/or the real value of the Notes over time due to fluctuations in market interest rates and the effects of inflation*

Fixed Rate Notes bear interest at a fixed rate. Investors should note that (i) if market interest rates start to rise then the income to be paid on the Notes might become less attractive and the price the investors get if they sell such Notes could fall and (ii) inflation will reduce the real value of the Notes over time which may affect what investors can buy with the investments in the future and which may make the fixed interest rate on the Notes less attractive in the future.

### 3.2 *Notes with a rate of interest that may change*

Fixed/Floating Rate Notes are Notes the interest rate on which can convert from one interest rate basis to another during the life of the Notes, including where such conversion is at the option of the Issuer, such a feature and any such conversion may affect the secondary market in, and the market value of the Fixed/Floating Rate Notes concerned, as the change of interest basis may result in a lower interest return for the Noteholders.

If the Issuer has the ability to convert the interest rate the Issuer will be expected to convert the rate when it is likely to result in a lower overall cost of borrowing for the Issuer, which is likely to reduce the interest rate applicable to the Notes and therefore amount of interest received by investors. If on any such conversion, the spread is less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate(s) (in the case of a conversion to floating rate), or the fixed rate is lower than prevailing fixed rates on the Issuer's Notes (in the case of a conversion to fixed rate), the return for investors may be lower than might otherwise have been the case and the market value of the Fixed/Floating Rate Notes may be adversely affected.

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

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

### 3.4 *Fixed Rate Resettable Notes*

A holder of Notes with a fixed rate of interest that will periodically reset during the term of the relevant Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fixed Rate Resettable Notes will initially bear interest at the Initial Rate of Interest until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to be the sum of (i) the applicable Mid-Swap Rate, Benchmark Gilt Rate or Reference Bond Rate and (ii) the First Margin or Subsequent Margin (if applicable) as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a "**Subsequent Reset Rate**"). The Subsequent Reset Rate for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate for prior Reset Periods and could affect the value of an investment in the Fixed Rate Resettable Notes.

### 3.5 *Benchmark reforms and discontinuation*

*The regulation and reform of "benchmarks" may adversely affect the value of and return on Notes linked to or referencing such "benchmarks"*

Reference rates (such as the Euro Interbank Offered Rate ("**EURIBOR**"), BBSW and referenced swap rates) and other types of rates or indices which are deemed to be "benchmarks" (each, a "**Benchmark**" and together the "**Benchmarks**") are, and have been, the subject of regulatory scrutiny and national and international regulatory reform and review, with further changes anticipated. This has resulted in regulatory reform and changes to existing Benchmarks.

International reform of Benchmarks includes Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**") which applies to "contributors", "administrators" and "users" of "benchmarks" in the EEA. Among other things, it: (i) requires benchmark administrators to be authorised or registered (or, if located outside the EEA, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements

in relation to the administration of benchmarks; and (ii) prevents certain uses by EEA supervised entities of benchmarks of administrators that are not authorised/registered (or, if located outside the EEA, deemed equivalent or recognised or endorsed). Similarly, the UK Benchmarks Regulation (as defined on page ii) applies to “contributors”, “administrators” and “users” of “benchmarks” in the UK. Among other things, it: (i) requires benchmark administrators to be authorised or registered (or, if located outside the UK, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks; and (ii) prevents certain uses by UK supervised entities of benchmarks or administrators that are not authorised/registered (or, if located outside the UK, deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation could have a material impact on any Notes linked to or referencing a Benchmark, including, in particular, if certain regulatory approvals with respect to the administrator or benchmark are not obtained and/or maintained, which may restrict certain uses by a supervised entity, or if the methodology or other terms of the Benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation. Changes to the methodology or other terms of a Benchmark could, among other things, have the effect of reducing or otherwise affecting the volatility of the published rate of the relevant Benchmark.

The working group on euro risk-free rates has recommended Euro Short-term Rate (“**€STR**”) as the new risk-free rate for the euro area. €STR was first published on October 2, 2019. Although EURIBOR has been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark. In addition, on January 21, 2021, the working group published a paper indicating, among other things that continuing to reference EURIBOR in relevant contracts (without robust fallbacks) may increase the risk to the euro area financial system and setting out a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). On May 11, 2021, the working group published recommendations relating to fallback trigger events and fallback rates for contracts and financial instruments referring to EURIBOR which follow the guiding principles. On December 4, 2023, the group issued its final statement, announcing completion of its mandate.

It is not possible to predict whether, and to what extent, EURIBOR, BBSW and other Benchmarks will continue to be supported going forward. This may cause these Benchmarks to perform differently than they have done in the past and may have other consequences which cannot be predicted. More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks may have (without limitation) the following effects on certain Benchmarks: (i) discouraging market participants from continuing to administer or contribute to a Benchmark; (ii) triggering changes in the rules of methodologies used in the Benchmark; or (iii) leading to the disappearance of the Benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value or liquidity of, and return on, any Notes linked to, referencing, or otherwise dependent (in whole or in part) on, a Benchmark.

#### *Benchmark Discontinuation*

In the case of Notes: (i) using a reference rate other than SOFR (including a mid-swap rate linked to a reference rate other than SOFR) to determine the rate of interest (or a component thereof); (ii) using €STR as a reference rate where an €STR Index Cessation Event has occurred and the €STR Fallbacks (as defined below) do not enable the rate of interest (or a component thereof) to be determined; or (iii) using BBSW as a reference rate where a Permanent Trigger Event has occurred and the fallbacks in Condition 5.03(iii)(B) do not enable the rate of interest (or a component thereof) to be determined, if the Issuer determines that a Benchmark Event (including where a published Benchmark, (or any page on which such Benchmark may be published (or any successor

service)) becomes unavailable, unlawful or unrepresentative) has occurred, Condition 5.11 provides for certain fallback arrangements. These fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required) in order to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant Benchmark, all as determined by the Issuer, acting in good faith and in consultation with an Independent Adviser, or, if the Issuer is unable to appoint an Independent Adviser or unable to make the relevant determination in consultation with an Independent Adviser, by the Issuer itself. However, it may not be possible to determine or apply any such adjustment and even if an adjustment is applied, such adjustment may not be effective to reduce or eliminate economic prejudice to investors. If no adjustment can be determined, a successor rate or alternative rate may nonetheless be used to determine the rate of interest.

In the case of Notes using SOFR (including a mid-swap rate linked to such a reference rate) as a reference rate to determine the rate of interest (or a component thereof), if the Issuer or its designee determines that a Benchmark Transition Event (including where the Benchmark becomes unavailable or unrepresentative) and its related Benchmark Replacement Date has occurred, the then current benchmark will be replaced by a replacement rate (determined by the Issuer in accordance with Condition 5.12) for all purposes in respect of all determinations on such date and for all determinations on subsequent dates.

In making determinations in connection with a Benchmark Event or a Benchmark Transition Event, the Issuer may be entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion.

In addition to this, for Notes which reference the BBSW Rate, a Permanent Discontinuation Trigger or Temporary Disruption Trigger may occur in relation to the Notes, which could lead to the adjustment of the interest provisions on such Notes, including for the interest rate to be calculated by reference to a replacement benchmark (which replacement benchmark could potentially include the Australian dollar interbank overnight cash rate (“**AONIA**”). A Temporary Disruption Trigger or a Permanent Discontinuation Trigger may occur in a number of circumstances, including where there is an obvious error in the BBSW Rate, an actual or potential discontinuation of the BBSW Rate or it becoming unlawful for the Issuer or the Calculation Agent to use the BBSW Rate. Although adjustment spreads (which may be a positive or negative value or zero and may be determined pursuant to a formula or methodology) may be applied to a replacement benchmark, the application of such adjustment spreads to the Floating Rate Notes may not reduce or eliminate any economic prejudice or benefits (as applicable) to investors arising out of the replacement of the BBSW Rate.

In certain circumstances, the ultimate fallback for the purposes of calculation of interest for a particular Interest Period or Reset Period, as the case may be, may result in the rate of interest for the last preceding Interest Period or Reset Period, as the case may be, being used for any reference rate, or in the case of SOFR, €STR or SONIA, the last published rate being used for all remaining calendar days in the relevant period for purposes of determining the applicable compounded daily rate in accordance with the applicable formula. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was applied in respect of a previous Interest Period or, in the case of Fixed Rate Resettable Notes, the application of the relevant Rate of Interest for a preceding Reset Period, or in the case of SONIA, €STR or SOFR, a reference rate based, at least in part, on prior daily rates (or prior alternative daily rates in the case of €STR) for days affected by the Benchmark Event or Benchmark Transition Event.

Any of these alternative methods may result in interest payments that are lower than or that do not otherwise correlate over time with the payments that would have been made on the Notes if EURIBOR, BBSW or any other relevant Benchmark were available in their current form. Additionally, if EURIBOR, BBSW or any other relevant Benchmark rate is discontinued or no longer published, there can be no assurance that the applicable fall-back

provisions under the related swap agreements would operate so as to ensure that the benchmark rate used to determine payments under the related swap agreements is the same as that used to determine interest payments under the Notes.

Any of the factors above and their consequences could have a material adverse effect on the trading market for, value of and return on, any Notes.

*The market continues to develop in relation to the use of SONIA and SOFR as a reference rate for Floating Rate Notes*

Where the applicable Final Terms for a Series of Notes specifies that the interest rate for such Floating Rate Notes will be determined by reference to SONIA or SOFR (each a “**New Reference Rate**”), interest will be determined by reference to a compounded daily rate. In each case such rate will differ from sterling LIBOR or USD LIBOR in a number of material respects, including (without limitation) that compounded daily rate is a risk-free overnight non-term rate, whereas sterling LIBOR and USD LIBOR are expressed on the basis of a forward-looking term and include a credit risk-element based on inter-bank lending. As such, investors should be aware that sterling LIBOR, USD LIBOR and the New Reference Rates may behave materially differently as interest reference rates for Floating Rate Notes. The use of any New Reference Rates as a reference rate for Eurobonds is developing, and is subject to change, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of debt securities referencing SONIA or SOFR.

Accordingly, prospective investors in any Floating Rate Notes referencing a New Reference Rate should be aware that the market continues to develop in relation to the New Reference Rates as a reference rate in the capital markets and its adoption as an alternative to (as applicable) sterling LIBOR and USD LIBOR, respectively. For example, in the context of backwards-looking SONIA and SOFR rates, market participants and relevant working groups are, as at the date of this Base Prospectus, currently assessing the differences between compounded rates and weighted average rates, and such groups are also exploring forward-looking ‘term’ reference rates for New Reference Rates and so it is not known whether these will be developed and adopted by the markets. The adoption of any New Reference Rate may also see component inputs into swap rates or other composite rates transferring from (as applicable) sterling LIBOR, USD LIBOR or another reference rate to such New Reference Rate, which has already taken place in respect of the GBP and USD swap rates.

The market or a significant part thereof may adopt an application of a New Reference Rate that differs significantly from that set out in the Terms and Conditions as applicable to Floating Rate Notes referencing such New Reference Rates that are issued under this Base Prospectus. Furthermore, the Issuer may in the future issue Floating Rate Notes referencing a New Reference Rate that differs materially in terms of interest determination when compared with any previous Floating Rate Notes issued by it under the Programme referencing such New Reference Rate. The development of compounded daily New Reference Rates as an interest reference rate for the Eurobond market, as well as continued development of New Reference Rate based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the marketability or the market price of any New Reference Rate referenced Floating Rate Notes issued under the Programme from time to time.

Furthermore, interest on Notes which reference a New Reference Rate will only be determined immediately or shortly prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference SONIA or SOFR to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their information technology systems, both of which could adversely impact the liquidity of such Notes. Further, if Notes referencing a compounded daily or single New Reference Rate are otherwise redeemed early on a date other than an Interest

Payment Date, the rate of interest payable for the final Interest Period in respect of such Notes shall only be determined immediately or shortly prior to the date on which the Notes become due and payable.

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

To the extent a rate for a New Reference Rate is not published, the applicable rate to be used to calculate the Interest Rate on Notes referencing such New Reference Rate will be determined using the fall-back provisions set out in the Conditions. Any of these fall-back provisions may result in interest payments that are lower than, or do not otherwise correlate over time with, the payments that would have been made on the Notes if such New Reference Rate had been so published in its current form.

*The market continues to develop in relation to €STR as a reference rate for Notes*

Where the applicable Final Terms for a Series of Notes (or the applicable Pricing Supplement in the case of Exempt Notes) specifies that the interest rate for such Notes will be determined by reference to €STR, interest will be determined on the basis of €STR (as defined in the Terms and Conditions of the Notes). The interest rate in respect of Notes with €STR as a Reference Rate will be determined on the basis of Compounded Daily €STR (as defined in the Terms and Conditions of the Notes), which is a backwards-looking, compounded near risk-free overnight rate.

Investors should be aware that the market continues to develop in relation to €STR as a reference rate in the capital markets and its adoption as an alternative to EURIBOR. Furthermore, the market or a significant part thereof may adopt an application of €STR that differs significantly from that set out in the Terms and Conditions and the Issuer may in the future issue Notes referencing €STR that differ materially in terms of interest determination when compared with any previous €STR referenced Notes issued by it. The development of Compounded Daily €STR as an interest reference rate for bond markets, as well as continued development of €STR-based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of Notes with €STR as a Reference Rate. Similarly, if €STR does not prove to be widely used in securities such as the Notes, investors may not be able to sell the Notes at all or the trading price of the Notes may be lower than those of securities linked to indices that are more widely used.

The interest rate for Notes with €STR as a Reference Rate is only capable of being determined at the end of the relevant Interest Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes with €STR as a Reference Rate to estimate reliably the amount of interest which will be payable on the Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely affect the liquidity of such Notes. Further, if such Notes become due and payable prior to their stated maturity, the final interest rate payable in respect of such Notes shall only be determined immediately prior to the date on which the Notes become due and payable.

€STR is published by the European Central Bank, as administrator of €STR, and there can be no guarantee that €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interest of investors in Notes with €STR as a Reference Rate. If the manner in which €STR is calculated is changed, that change may result in a reduction of the amount of interest payable on the Notes and the trading prices of the Notes. Furthermore, the manner of adoption or application of €STR in the bond markets may differ materially



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

To the extent the €STR Reference Rate is discontinued or is no longer published as described in the Terms and Conditions, the applicable rate to be used to calculate the interest rate on such Notes will be determined using the alternative methods described in Condition 5.03(iii)(E)(5) (“**€STR Fallbacks**”) or if these do not enable the rate of interest to be determined, Condition 5.11 (Benchmark Discontinuation) will apply (see “*Benchmark reforms and Discontinuation - Benchmark Discontinuation*” above). Any of these €STR Fallbacks may result in interest payments that are lower than, or do not otherwise correlate over time with, the payment that would have been made on the Notes if the €STR Reference Rate had been provided by the European Central Bank in its form as at the Issue Date of the Notes. In addition, use of the €STR Fallbacks may result in a fixed rate of interest being applied to the Notes.

An investment in Notes with €STR as the Reference Rate may entail significant risks not associated with similar investments in conventional debt securities. Any investor should ensure it understands the nature of the terms of such Notes and the extent of its exposure to risk.

### 3.6 *Payment on the Notes in an Alternative Currency*

The Issuer’s primary obligation is to make all payments of interest, principal and other amounts with respect to Notes in the relevant Specified Currency. However, if Alternative Currency Payment is specified to be applicable to the Notes and if access to the Specified Currency becomes restricted, the Issuer will be entitled to make any such payment in the Alternative Currency at the rates, and in the manner, set out in Condition 8.16.

In such case, the value of the Notes could be affected by fluctuations in the value of the Specified Currency, as compared to the Alternative Currency. There is a risk that the exchange rate (or the exchange rates) used to determine the Alternative Currency amount of any payments in respect of the Notes may significantly change (including changes due to devaluation or revaluation of the Specified Currency) or that authorities with jurisdiction over such currencies could cause a decrease in (1) the Alternative Currency equivalent yield on the Notes, (2) the Alternative Currency equivalent value of the amount payable in respect of any other amount payable on the Notes and (3) the Alternative Currency equivalent market value of the Notes. Therefore, there is a possibility that the Alternative Currency value of the Notes at the time of any sale or payment, as the case may be, of the Notes may be below the Alternative Currency value of the Notes on investing, depending on the exchange rate at the time of any such sale or payment, as the case may be.

## 4. **Risks related to Notes denominated in Renminbi**

Notes denominated in Renminbi (“**Renminbi Notes**”) may be issued under the Programme. Renminbi Notes contain particular risks for potential investors, including:

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

Renminbi is not completely freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies.

Although, since October 1, 2016 the Renminbi was included in the Special Drawing Right basket as the fifth currency, along with the U.S. dollar, the euro, Japanese Yen and Sterling, and effective from 1 August 2022, the

weight of the Renminbi in the SDR valuation basket was raised from 10.92 per cent. to 12.28 per cent., and also the PRC government has made some further relaxation on cross border transactions by using Renminbi in recent years, there is no assurance that the PRC government will continue to liberalise control over cross-border Renminbi remittances in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. If the Issuer decides to remit some or all of the proceeds of issue of RMB Securities into the PRC in Renminbi, its ability to do so will be subject to obtaining (without guarantee) all necessary approvals from, or registration with, the relevant PRC government authorities. If the Issuer does remit some or all of the proceeds of issue of RMB Securities into the PRC in Renminbi and the Issuer subsequently is not able to repatriate funds outside the PRC in Renminbi, this may affect the ability of the Issuer to source Renminbi to perform its obligations under the Renminbi Notes.

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

The PRC government has been making efforts to promote the clearing of Renminbi business, including the establishment of the Cross-Border Inter-Bank Payments System to settle cross-border transactions involving various countries and jurisdictions in Renminbi. However, as a result of the overall restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited.

The limited availability of Renminbi outside the PRC may affect the liquidity of the Issuer's Renminbi Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its Renminbi Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

*An investment in the Renminbi Notes is subject to exchange rate risks*

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. Except in the limited circumstances as described in the Conditions, the Issuer will make all payments of interest and principal with respect to the Renminbi Notes in Renminbi. As a result, the value of these Renminbi payments in U.S. dollars or other applicable foreign currency terms may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other applicable foreign currency, the value of a Noteholder's investment in U.S. dollar or other applicable foreign currency terms will decline.

*An investment in the Renminbi Notes is subject to currency risk*

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the Renminbi Notes when due, in whole or in part, in Renminbi in the Relevant Renminbi Settlement Centre(s) as a result of Inconvertibility, Non transferability or Illiquidity, the Issuer shall be entitled, on giving not less than five nor more than 30 days' irrevocable notice to the Noteholders prior to the due date for payment, to settle any such payment, in whole or in part, in U.S. dollars on the due date at the U.S. dollars Equivalent (as defined in the Conditions) of any such interest or principal amount otherwise payable in Renminbi, as the case may be. See also "*If the investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of this holding. In addition, the imposition of exchange controls and certain other specified events in relation to any Notes could result in an investor not recovering payments on those Notes*" below.

*Payments in respect of the Renminbi Notes may be made only in the manner designated in the Renminbi Notes*

Noteholders of beneficial interests in the Renminbi Notes may be required to provide certifications and other information (including Renminbi account information) in order to allow such Noteholder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in the Relevant Renminbi Settlement Centre(s) (as defined in the Conditions).

All Renminbi payments to investors in respect of the Renminbi Notes will be made solely (i) for so long as the Renminbi Notes are represented by global certificates held with the common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg or any alternative clearing system, by transfer to a Renminbi bank account maintained in the Relevant Renminbi Settlement Centre in accordance with prevailing rules and procedures of those clearing systems or (ii) for so long as the Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in the Relevant Renminbi Settlement Centre in accordance with prevailing rules and regulations. Other than as described in the Conditions, the Issuer cannot be required to make payment in relation to Renminbi Notes by any other means (including in any other currency or by transfer to a bank account in the PRC).

*There may be material and adverse PRC tax consequences with respect to investment in the Renminbi Notes*

The value of a Noteholder's investment in the Renminbi Notes may be materially and adversely affected if the Noteholder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Renminbi Notes.

## **5. UK resolution risks applicable to the Senior Notes**

*The UK's Banking Act 2009 (as amended, the "**UK Banking Act**") confers substantial powers on HM Treasury, the Bank of England, the FCA and the Prudential Regulation Authority (the "**PRA**") (together, the "**Authorities**") designed to enable them to take a range of actions in relation to, amongst others, UK banks and UK branches of third-country institutions. In certain circumstances the Authorities may also take action in relation to an action under the law of a third country to manage the failure or likely failure of a third-country institution (including a bank). The exercise of any of these actions in relation to the Issuer could materially adversely affect the value of any Senior Notes.*

Under the UK Banking Act, substantial powers are granted to the Authorities as part of a special resolution regime (the "**SRR**").

The SRR also enables the Authorities to take certain actions if the relevant Authority is notified that, amongst other categories of firm, a third country incorporated bank (such as the Issuer) is subject to resolution in its jurisdiction of incorporation (a "**third country resolution action**"). The relevant Authority may make an instrument: (i) recognizing the third country resolution action; (ii) refusing to recognize the third party country resolution action; or (iii) recognizing part of the third country resolution action and refusing the remainder. In addition, the SRR applies in a modified way to UK branches of third-country entities (such as the Issuer's London branch) and the Authorities can independently resolve such branches even if the branch is not subject to third country resolution action or where the Authorities have refused to recognise or enforce third country resolution action.

### *Risks related to Senior Notes issued by the Issuer's London branch*

Under the SRR, the Authorities can make a statutory instrument that provides for the exercise of stabilisation options. The stabilisation options include: (i) selling all or part of the business to a private sector purchaser; (ii) transferring all or part of the business to a bridge bank; (iii) transferring all or part of the business to an asset management vehicle; (iv) exercising the bail-in option; and (v) taking the firm into temporary public sector ownership. Exercise of these stabilisation options is possible where the relevant Authorities are acting to support or give full effect to a third country resolution action (e.g. a resolution action by the Canadian resolution authority) and the Authorities' actions may include actions such as transferring assets located in the UK to a purchaser under the Canadian equivalent of a sale of business tool, or to a bridge bank in Canada.

If the Authorities independently resolved the London branch of a third country entity (i.e. the Issuer's London branch), their stabilisation options are limited to the 'business of the UK branch' and are: (i) to sell some or all of the business of the branch to a private sector purchaser, bridge bank or asset management vehicle; and (ii) to bail-in liabilities (including the Senior Notes) in connection with the transfer to the private-sector purchaser, bridge bank or asset management vehicle.

The concept of the 'business of the UK branch' is defined as: (i) any rights and liabilities of the third-country institution arising as a result of the operations of the UK branch; and (ii) any other property in the UK of the third-country institution. The Senior Notes will be considered to be within the business of the branch where they arise 'as a result of the operations of the Issuer's London branch'. Where the Senior Notes are issued in the name of the Issuer's London branch and/or are otherwise part of the business of the branch, for example, through being included within the London branch's return form (a type of semi-annual account for the branch) to the PRA it is likely that such Senior Notes will be considered by the Authorities to be within the business of the branch. However, these powers are untested, and if there is an adequate degree of operational involvement by the Issuer's London branch in the issuance, there is a risk that the Authorities may consider that the Senior Notes issued by the Issuer in Canada to be within the business of the branch due to the broad definition of this term.

### *Risks for Noteholders*

Noteholders may be subject to the relevant powers listed above, which may result in such Noteholders losing some or all of their investment. As at the date of this Base Prospectus, the Authorities have not exercised any powers under the SRR in respect of either the Issuer or the Issuer's London branch and there has been no indication that they will do so. However, there can be no assurance that this will not change and any exercise of any power under the SRR or any suggestion of such exercise could, therefore, adversely affect the rights of the Noteholders, the price or value of their investment in the Senior Notes and/or the ability of the Issuer to satisfy its obligations under the relevant Senior Notes.

The paragraphs below set out some of the possible consequences of the exercise of the powers under the SRR.

### *The SRR may be triggered prior to insolvency of the Issuer*

The purpose of the SRR is to address the situation where all or part of the business of a third country entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns in the UK, and so to provide the Authorities with the appropriate powers to transfer (and then write down where necessary) those rights and liabilities of the branch of the third country entity. Under the UK Banking Act, where the Authorities recognise third country resolution actions, they must have regard to the Special Resolution Objectives including Special Resolution Objective 8 which applies when using or considering the use of their powers. Alternatively, the Authorities may independently resolve the London branch of a third country entity and make a property transfer instrument in respect of the London branch if one of the following applies: (a) the PRA is

satisfied that Condition 1 is met, and the Bank of England is satisfied that Conditions 2, 4 and 5 are met; or (b) the Bank of England is satisfied that Conditions 3 and 4 are met; or (c) the Bank of England is satisfied that Condition 4 is met and Condition 5 is met by virtue of its first limb (Condition 5 (a)).

The Conditions referred to above are as follows: Condition 1: The Issuer is failing or likely to fail; Condition 2: Having regard to timing and other relevant circumstances, it is not reasonably likely that (ignoring the stabilisation powers) action will be taken by or in respect of the Issuer that will result in Condition 1 above ceasing to be met; Condition 3: (a) the Issuer is unable or unwilling, or is likely in the near future to be unable or unwilling, to pay its debts or other liabilities owed to UK creditors or otherwise arising from the business of the branch as they fall due; and (b) no third-country (e.g. Canadian) resolution action has been taken, no normal insolvency proceedings have been initiated, and no such action or proceedings are likely in the near future to be taken or initiated in relation to the Issuer; Condition 4: Making a property transfer instrument is necessary having regard to public interest in the advancement of one or more of the Special Resolution Objectives; and Condition 5: Either: (a) third-country (e.g. Canadian) resolution action has been taken (or the Bank of England has been notified that action will be taken in relation to the Issuer) and the Bank of England have refused or proposes to refuse to recognise such action for one of the reasons specified in the Banking Act 2009; or (b) third-country (e.g. Canadian) resolution action has not been, and is not likely to be, taken in relation to the Issuer. It is therefore possible that the Authorities may look to independently resolve the Issuer's London branch prior to the point at which any insolvency proceedings with respect to the Issuer could be initiated.

*A partial transfer of business of the Issuer's London branch may result in a deterioration of the Issuer's creditworthiness*

If the Authorities sought to independently resolve the Issuer's London branch, and a partial transfer of its business to another entity were effected, the quality of the assets and the quantum of the liabilities not transferred and remaining with the Issuer's London branch (which may include the Senior Notes) will result in a deterioration in the creditworthiness of the Issuer and, as a result, increase the risk that it will be unable to meet its obligations in respect of the Senior Notes and/or eventually become subject to administration or insolvency proceedings. In such circumstances, Noteholders may have a claim for compensation under compensation schemes in Canada, but there can be no assurance that the Noteholders would thereby recover compensation promptly or equal to any loss actually incurred.

#### *Depositor preference*

Amendments to the UK Insolvency Act 1986 have introduced changes to the treatment and ranking of certain preferential debts with the result that certain deposits which are eligible for compensation under the UK Financial Services Compensation Scheme will rank in priority to the claims of ordinary (i.e. non-preferred) unsecured creditors (including other depositors) in the event of an insolvency. This means that if the Senior Notes are transferred to another entity subject to the UK Banking Act in the UK in accordance with the Authorities independently resolving the Issuer's London branch, the claims of Noteholders would rank junior to the claims in respect of liabilities afforded preferred status and accordingly, in the event of insolvency or resolution of that UK entity, Senior Notes would be available to absorb losses ahead of liabilities which benefit from such preference.

As at the date of this Base Prospectus, the relevant Authorities have not made an instrument or order under the UK Banking Act in respect of the Issuer or the Issuer's London branch and there has been no indication that they will make any such instrument or order. However, there can be no assurance that this will not change and/or that the Noteholders will not be adversely affected by any such order or instrument if made.

## 6. Risks related to Green Bonds, Social Bonds or Sustainability Bonds

*Notes issued as “Green Bonds”, “Social Bonds” or “Sustainability Bonds” may not be a suitable investment for all investors seeking exposure to green and/or social assets*

The Issuer may issue Notes under the Programme where the reasons for the offer are specified in the applicable Final Terms as being “Green Bonds” (“**Green Bonds**”), “Social Bonds” (“**Social Bonds**”) or “Sustainability Bonds” (“**Sustainability Bonds**”) and, together with Green Bonds and Social Bonds, “**Sustainable Notes**”) as provided therein, in which case it will be the Issuer’s intention that the net proceeds of issue of such Notes (or an amount equivalent thereto at the issue date of the Sustainable Notes) will be used for the financing and/or refinancing, in part or in full, of future or existing Eligible Assets within the applicable Eligible Categories (as defined within the Issuer’s Sustainable Bond Framework) (see further under “Use of Proceeds”).

The Issuer will exercise its judgement and sole discretion in determining the organisations, businesses, projects and assets that will be financed by the proceeds of issue of Sustainable Notes. While it is the intention of the Issuer, no assurance is or can be given to investors that some or all of the Eligible Assets funded with the proceeds from Sustainable Notes will meet the Sustainable Bond Framework (as defined in “Use of Proceeds” below). There is currently no single global definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green”, “social”, “sustainable” or an equivalently-labelled organisation, project, business or asset, nor as to what precise attributes are required for a particular organisation, project, business or asset to be defined as “green”, “social”, “sustainable” or such other equivalent label and it is not certain that such a single global definition or consensus will develop over time. No assurance is or can be given to investors that projects or uses the subject of, or related to, any Eligible Asset funded with the proceeds from Sustainable Notes will meet any or all investor expectations or requirements regarding such “green”, “social”, “sustainable” or other equivalently-labelled performance objectives (including in relation to the EU Taxonomy Regulation and any related technical screening criteria, the EU Green Bond Regulation, the SFDR and any implementing legislation and guidelines or any similar legislation in the UK) or that any adverse “green”, “social”, “sustainable” and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Asset.

Any Sustainable Notes issued under the Programme will not be compliant with the EU Green Bond Regulation (including the EU Taxonomy Regulation and any similar legislation in the UK) and are only intended to comply with the requirements and processes of the Sustainable Bond Framework. It is not clear if the establishment of the “European Green Bond” (“**EuGB**”) label and the optional disclosures regime for bonds issued as “environmentally sustainable” under the EU Green Bond Regulation could have an impact on investor demand for, and pricing of, green use of proceeds notes that do not comply with the requirements of the EuGB label or the optional disclosures regime, such as the Sustainable Notes issued under the Programme. Non-compliance with the EU Green Bond Regulation (including the EU Taxonomy Regulation or other similar legislation in the UK) could result in reduced liquidity or lower demand or could otherwise affect the market price of any Sustainable Notes issued under the Programme.

Furthermore, there is no contractual obligation to allocate the proceeds of such Notes to finance Eligible Assets or to provide annual limited assurance reports as described in “Use of Proceeds” below. None of: (a) the Issuer's failure to allocate the proceeds of any particular Sustainable Bond to finance an Eligible Asset or to complete the relevant eligible projects or to provide annual limited assurance reports; (b) the failure of any of the Eligible Assets to meet any or all investor expectations regarding such “green”, “environmental”, “social”, “sustainable” or other equivalently-labelled performance objectives; (c) the failure of an independent external review provider to issue a “second-party opinion” on the allocation of the proceeds, (d) the withdrawal of any opinion or certification given by an external assurance provider with respect to any Sustainable Bonds; (e) any such report, assessment, opinion or certification attesting that the Issuer is not complying in whole or in part with any matters

for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on; (f) the fact that the duration or maturity, if applicable, of any eligible project(s) or use(s) related to any eligible projects or businesses may not match the maturity of any Sustainable Notes; or (g) the cessation of the listing or admission of Sustainable Notes to trading on any dedicated “green”, “environmental”, “sustainable”, “social” or other equivalently-labelled segment of any stock exchange or securities market (where applicable) will: (i) give rise to any claim by a Holder against the Issuer; (ii) constitute an Event of Default or breach of contract with respect to the relevant Sustainable Notes; (iii) give a right to Holders to request early redemption or acceleration of the relevant Sustainable Notes; (iv) create an obligation or incentive for the Issuer to redeem such Sustainable Notes; (v) result in an increase in any amounts of interest, principal or any other amounts which may be or become payable in respect of the relevant Sustainable Notes; or (vi) affect the regulatory classification of such Sustainable Notes (as the case may be) as TLAC or Bail-inable Notes or otherwise impede the ability of the Issuer to apply the proceeds of such Sustainable Notes to cover losses in any part of the RBC Group. Any Sustainable Notes that are Bail-inable Notes or Subordinated Notes may be subject to the application of Bail-in Conversion or NVCC Automatic Conversion, respectively, and other resolution tools under the Canadian bail-in regime to the same extent as other Bail-inable Notes that are not issued as Sustainable Notes.

If Sustainable Notes are at any time listed or admitted to trading on any dedicated “green”, “environmental”, “social”, “sustainable” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), such listing or admission may not satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect green, social or sustainability impact of any projects or uses, the subject of or related to, any of the Eligible Assets. Furthermore, it should be noted that the criteria for any such listing or admission to trading may vary from one stock exchange or securities market to another. The Issuer is under no obligation to obtain such listing or admission to trading and, if obtained, is under no obligation to maintain such listing or admission to trading during the life of the relevant Sustainable Notes.

While it is the intention of the Issuer to publish any relevant reports, assessments, opinions and certifications, (which may be prepared by third parties), and apply the proceeds of any Notes so specified for Eligible Assets, in, or substantially in, the manner described in “Use of Proceeds” set out in the applicable Final Terms and this Base Prospectus, the Issuer may not be able to do this. It is not certain that any eligible projects (where applicable) will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment or social results or outcomes) as originally expected or anticipated by the Issuer.

Any failure by the Bank to apply the net proceeds of any issue of Sustainable Notes in accordance with the Sustainable Bond Framework, any withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on, any failure to complete the relevant eligible projects as provided above and/or any such Sustainable Notes no longer being listed or admitted to trading on any stock exchange or securities market, as aforesaid (where applicable), may have a material adverse effect on the value of such Sustainable Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose, which may in turn adversely affect the liquidity of such Notes.

*The value of the Sustainable Notes may be negatively affected to the extent investor perception of the suitability of the Sustainable Notes as “green”, “social” or “sustainability” bonds deteriorates or demand for green-, social- or sustainability- themed investment products diminishes*

Perceptions by investors of the suitability of the Sustainable Notes as “green”, “social” or “sustainability” bonds could be negatively affected by dissatisfaction with the criteria and procedures used for evaluating and selecting Eligible Assets, the Issuer’s compliance or any failure to comply with those criteria or procedures, the future environmental or social impact of the Issuer’s business or industry generally, evolving standards or market consensus as to what constitutes a “green”, “social” or “sustainability” bond or the desirability of investing in “green”, “social” or “sustainability” bonds generally. The value of the Sustainable Notes may be negatively affected to the extent investors are required or choose to sell their holdings due to deterioration in the perception by the investor or the market in general as to the suitability of the Sustainable Notes as “green”, “social” or “sustainability” bonds. The value of the Sustainable Notes also may be negatively affected to the extent demand for green-, social- or sustainability-themed investment products diminishes due to evolving investor preferences, changing regulatory or market scrutiny on funds and strategies dedicated to green-, social- or sustainability-themed investing or for other reasons.

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

*The Terms and Conditions of the Notes contain provisions which may permit their modifications without the consent of all investors*

The Conditions of the Notes contain provisions for calling meetings (including at a physical location or by means of an electronic platform (such as a conference call or videoconference) or a combination thereof) of holders of Notes, passing written resolutions or obtaining electronic consents to consider matters affecting their interest generally. These provisions permit defined majorities to bind (and to modify or waive certain terms and conditions of the Notes or covenants and agreements made by the Issuer) all Noteholders including Noteholders who do not attend and vote at the relevant meeting, sign a written resolution or provide an electronic consent and Noteholders who voted in a manner contrary to the majority.

In addition, pursuant to Condition 5.11, certain changes may be made to the interest calculation provisions of the Floating Rate Notes or Fixed Rate Resettable Notes in the circumstances set out in Condition 5.11, without the requirement for the consent of the Noteholders. See “*Benchmark reforms and discontinuation - Benchmark Discontinuation*”.

Accordingly, Noteholders are exposed to the risk that their rights in respect of the Notes are varied against their will, which may result in an investment in any Notes becoming less advantageous to a particular Noteholder depending on individual circumstances.

Any amendment or variance that may affect the eligibility of the Bail-inable Notes to continue to be treated as TLAC under the TLAC Guidelines or the eligibility of Subordinated Notes to continue to be treated as regulatory capital under the guidelines for capital adequacy requirements for banks in Canada shall be of no effect unless the prior approval of the Superintendent has been obtained. If such approval is not obtained, this may result in an investment in any Notes becoming less advantageous to a particular Noteholder than had such approval been obtained and the change taken effect, depending on individual circumstances.



*Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Issuer where a determination is made that the Issuer has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Notes being exposed to losses*

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Issuer has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent's powers under the Bank Act, the Superintendent, after providing the Issuer with a reasonable opportunity to make representations, is required to provide a report to CDIC, Canada's resolution authority. Following receipt of the Superintendent's report, CDIC may request the Minister of Finance for Canada (the "**Minister of Finance**") to recommend that the Governor in Council (Canada) make an Order (as defined below) and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (Canada) make, and on such recommendation, the Governor in Council (Canada) may make, one or more of the following orders (each an "**Order**"):

- vesting in CDIC, the shares and subordinated debt of the Issuer specified in the Order (a "**Vesting Order**");
- appointing CDIC as receiver in respect of the Issuer (a "**Receivership Order**");
- if a Receivership Order has been made, directing the Minister of Finance to incorporate a federal institution designated in the Order as a bridge institution wholly-owned by CDIC and specifying the date and time as of which the Issuer's deposit liabilities are assumed (a "**Bridge Bank Order**"); or
- if a Vesting Order or Receivership Order has been made, directing CDIC to carry out a conversion, by converting or causing the Issuer to convert, in whole or in part - by means of a transaction or series of transactions and in one or more steps - the shares and liabilities of the Issuer that are subject to the Bail-in Regime into common shares of the Issuer or any of its affiliates (a "**Conversion Order**").

Following a Vesting Order or a Receivership Order, CDIC will assume temporary control or ownership of the Issuer and will be granted broad powers under that Order, including the power to sell or dispose of all or a part of the assets of the Issuer, and the power to carry out or cause the Bank to carry out a transaction or a series of transactions the purpose of which is to restructure the business of the Issuer.

Under a Bridge Bank Order, CDIC has the power to transfer the Issuer's insured deposit liabilities and certain assets and other liabilities of the Issuer to a bridge institution. Upon the exercise of that power, any assets and liabilities of the Issuer that are not transferred to the bridge institution would remain with the Issuer, which would then be wound up. In such a scenario, any liabilities of the Issuer, including any outstanding Notes, that are not assumed by the bridge institution could receive only partial or no payment in the ensuing wind-up of the Issuer.

If the CDIC were to take action under the Canadian bank resolution powers with respect to the Issuer, this could result in holders or beneficial owners of Notes being exposed to losses.

*Notes may be subject to write-off, write down or conversion under the resolution powers of authorities outside of Canada*

The Issuer has operations in a number of countries outside of Canada, including in particular the United States and the UK. In accordance with the Financial Stability Board's "Key attributes of effective Resolution Regimes for Financial Institutions" dated October 15, 2014, local resolution authorities should have resolution powers over local branches of foreign firms and the capacity to use their powers either to support a resolution carried out by a foreign home authority (for example, by ordering a transfer of property located in its jurisdiction to a bridge

institution established by the foreign home authority) or, in exceptional cases, to take measures on its own initiative where the foreign home authority is not taking action or acts in a manner that does not take sufficient account of the need to preserve the local jurisdiction's financial stability or where other relevant conditions are met.

The UK has implemented such powers and, as such, they may apply to the Bank's London branch. It is therefore possible that resolution authorities in countries where the Bank has branches or assets, including the United States and the UK, may adversely affect the rights of holders of the Notes (particularly those governed by local law where the Branch of Account specified in the applicable Final Terms is in the relevant local jurisdiction), including by using any powers they may have to write down or convert the Notes. For further information on the risks related to the use of resolution powers by authorities in the UK, please see "*UK resolution risks applicable to the Senior Notes*" above.

#### *Notes are Structurally Subordinated to the Liabilities of Subsidiaries*

If the Bank becomes insolvent, its governing legislation provides that priorities among payments of its deposit liabilities and payments of all of its other liabilities (including payments in respect of Notes) are to be determined in accordance with the laws governing priorities and, where applicable, by the terms of the indebtedness and liabilities. Because the Bank has subsidiaries, a Noteholder's right to participate in any distribution of the assets of the Bank's banking or non-banking subsidiaries, upon a subsidiary's dissolution, winding-up, liquidation or reorganisation or otherwise, and thus a Noteholder's ability to benefit indirectly from such distribution, is subject to the prior claims of creditors of that subsidiary, except to the extent that the Bank may be a creditor of that subsidiary and its claims are recognised. There are legal limitations on the extent to which some of the Bank's subsidiaries may extend credit, pay dividends or otherwise supply funds to, or engage in transactions with, the Bank or some of the Bank's other subsidiaries. Accordingly, Notes will be structurally subordinated to all existing and future liabilities of the Bank's subsidiaries, and holders of Notes may be able to look only to the assets of the Bank and not those of its subsidiaries for payments on the Notes and may therefore be unable to obtain full payment on the Notes in the event of the Bank's insolvency.

#### *Tax treatment*

The tax treatment of the acquiring, holding and disposing of any Notes by a Holder, or any amount to be paid in relation to the Notes to a Holder may reduce such Holder's effective yield on the Notes

#### *The value of the Notes could be adversely affected by a change in law or administrative practice*

Any possible judicial decision or change to the laws of the Province of Ontario and the federal laws of Canada applicable therein or administrative practice after the date of this Base Prospectus and before the date on which the relevant Notes are issued and any such change could materially adversely impact the value of any Notes affected by it.

*Investors in Bearer Notes who hold less than the minimum Specified Denomination (including after a partial Bail-in Conversion or any other resolution action) may be unable to sell their Bearer Notes and may be adversely affected if definitive Bearer Notes are subsequently to be issued*

In relation to any issue of Bearer Notes which has denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Bearer Notes may be traded in the clearing systems in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In addition, in the case

of a partial Bail-in Conversion of Bail-inable Notes or any resolution action in respect of Senior Notes generally, a holder may as a result of such partial Bail-in Conversion and any other resolution action end up with an amount that is less than a Specified Denomination. In such a case, a Noteholder who, as a result of trading such amounts or such partial Bail-in Conversion and any other resolution action, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Bearer Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a Noteholder who, as a result of trading such amounts or such partial Bail-in Conversion and any other resolution action, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Bearer Note in respect of such holding (should definitive Bearer Notes be provided) and would need to purchase a principal amount of Bearer Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination before definitive Bearer Notes are issued to such Holder.

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

*Because there is no limit on the amount of additional debt that the Issuer may incur, the Issuer's ability to make timely payments on the Notes may be affected by the amount and terms of the Issuer's future debt*

The Issuer's ability to make timely payments on its outstanding debt may depend on the amount and terms of its other obligations, including any outstanding Notes. There is no limitation on the amount of indebtedness (whether senior or subordinated) that the Issuer may issue in the future. As the Issuer issues additional debt securities under the Programme or incurs other indebtedness, unless its earnings grow in proportion to its debt and other fixed charges, its ability to service the Notes on a timely basis may become impaired.

#### *Canadian Usury Laws*

All Notes issued under the Programme are governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The *Criminal Code* (Canada) prohibits the receipt of "interest" at a "criminal rate" (namely, an effective annual rate of interest that exceeds 60 per cent.). Accordingly, the provisions for the payment of interest or a Redemption Amount in excess of the aggregate principal amount of the Notes may not be enforceable if the provision provides for the payment of "interest" in excess of the prescribed rate, currently being an effective annual rate of interest of 60 per cent. If any Notes are found not to be enforceable in whole or in part as a result of such prohibition, Holders may not be able to collect some or all of the interest owing on the Notes. In The *Budget Implementation Act, 2023, No. 1 (Canada)*, which was assented to on June 22, 2023, the *Criminal Code* (Canada) was amended to, among other things, lower the "criminal rate" of interest to an annual percentage rate of 35 per cent. These provisions will come into force on a day or days to be fixed by order of the Governor in Council. On October 5, 2023, the federal government launched additional consultations seeking feedback on whether the "criminal rate" of interest should be further reduced. On December 23, 2023 the federal government announced proposed regulations providing for exemptions for certain types of agreements or arrangements from provisions in the *Criminal Code* (Canada) relating to the "criminal rate" of interest. On April 16, 2024 as part of the presentation of the Canadian Government's 2024 budget the federal government reiterated its intention to move forward with these reforms on a priority basis. Related amendments to the *Criminal Code* (Canada) included in Bill C-69, the *Budget Implementation Act, 2024, No. 1* received royal assent on June 20, 2024.

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

Set out below is a brief description of the material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

*An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes*

Notes may have no established trading market when issued. There can be no assurances of a secondary market for the Notes or if one does develop it may not be very liquid and may be sensitive to changes in financial markets. The secondary market for the Notes would be affected by a number of factors independent of the creditworthiness of the Issuer which may include the method of calculating the principal or any interest to be paid in respect of the Notes, the time remaining to the maturity of such Notes, the outstanding amount of such Notes, any redemption functions of such Notes and the level, direction or volatility of market interest rates generally. Such factors will also affect the market value of the Notes. Investors may not be able to sell their Notes easily or at prices that will enable them to readily realise their anticipated yield. No investor should purchase Notes unless such investor understands and is able to bear the risk that certain Notes may not be readily saleable, that the value of the Notes will fluctuate over time and that such fluctuations may be significant. The prices at which Zero Coupon Notes, as well as other Notes issued at a substantial discount from their nominal amount payable at maturity, trade in the secondary market tend to fluctuate in relation to general changes in interest rates than do such prices for conventional interest bearing securities of comparable maturities.

If the Notes are listed at any time, the Issuer is not under any obligation to Holders to maintain such listing of Notes and may, in its sole discretion, determine that it is unduly burdensome to maintain such listing and seek to terminate the listing of such Notes provided it uses all reasonable efforts to seek an alternative admission to listing, trading and/or quotation of such Notes by another listing authority, securities exchange and/or quotation system that it deems appropriate (including a market which is not a regulated market for the purposes of UK MiFIR or a market outside the UK). However, if such alternative listing is not available or, in the opinion of the Issuer is impractical or unduly burdensome, an alternative listing may not be obtained and the Issuer is not obliged to so obtain.

*Although there is no assurance as to the liquidity of any Notes as a result of the listing on a regulated market for the purposes of UK MiFIR or any other market, de-listing such Notes may have a material effect on an investor's ability to (i) continue to hold such Notes or (ii) resell the Notes in the secondary market.*

The Issuer and any Dealer may, but are not obliged to, at any time purchase Notes at any price in the open market or by tender or otherwise. A Dealer may, but is not obliged to, be a market-maker for an issue of Notes and may cease to do so at any time. Even if a Dealer is a market-maker for an issue of Notes, the secondary market for such Notes may be limited. In addition, affiliates of the Issuer (including RBC Europe Limited) may purchase Notes at the time of their initial distribution and from time to time thereafter.

As set out above, there may be no secondary market for the Notes and to the extent that an issue of Notes is or becomes illiquid, an investor may have to exercise or wait until redemption or settlement of such Notes, as applicable, to realise greater value than its then trading value.

*If the investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of this holding. In addition, the imposition of exchange controls and certain other specified events in relation to any Notes could result in an investor not recovering payments on those Notes*

The Issuer will pay amounts on the Notes in: (a) the Specified Currency; (b) if alternative currency payment provisions apply as set out under “*Risks related to payment on the Notes in an Alternative Currency*”, the Alternative Currency; or (c) if alternative currency payment provisions apply as set out under “*An investment in Renminbi Notes is subject to exchange rate risks*” above, U.S. dollars (such relevant currency of payment being, the “**Settled Currency**”). This presents certain risks relating to currency conversions if an Investor's financial activities are denominated principally in a currency or currency unit (the “**Investor's Currency**”) other than the Settled Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Settled Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Settled Currency would decrease: (i) the Investor's Currency-equivalent yield on the Notes; (ii) the Investor's Currency-equivalent value of the principal payable on the Notes; and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, the Final Redemption Amount and any interest that Investors receive may be less than expected or zero.

*Credit ratings assigned to the Issuer or any Notes might not reflect all the risks associated with an investment in those Notes*

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes issued under the Programme. The ratings might not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. Investors may suffer losses if the credit rating assigned to the Notes does not reflect the then creditworthiness of such Notes.

In general, EEA regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such credit ratings are issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant EU credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to the relevant UK registration, certification or endorsement,

as the case may be, not having been withdrawn or suspended. The list of registered and certified rating agencies published by the FCA on its website in accordance with the UK CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated FCA list.

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

#### *Credit ratings of the Issuer*

The value of the Notes may be affected, in part, by investors' general appraisal of the Issuer's creditworthiness. Such perceptions are generally influenced by the ratings accorded to the Issuer's outstanding securities by rating agencies such as Moody's, S&P and Fitch. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer or to the Issuer itself, by one of these rating agencies, could result in a reduction of the trading value of the Notes.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this document and as at the date of this document have been filed with the Financial Conduct Authority are hereby incorporated in, and form part of, this Base Prospectus:

(a) the following sections of the Registration Document of the Issuer dated July 15, 2024 (available at: <https://www.rbc.com/investor-relations/assets-custom/pdf/european-senior-notes/Registration-Document-July-15-2024.pdf>) submitted to and filed with the FCA:

(i) Risk Factors on pages 1 to 23;

(ii) Description of Royal Bank of Canada:

- History and Development of the Issuer on page 27;
- RBC Group and its Principal Activities and Markets on pages 27 to 28;
- Competition on page 28;
- Organizational Structure on page 28;
- Issuer Ratings on pages 29;
- Financial Summary on pages 30 to 31;
- Directors on pages 32 to 33;
- Major Shareholders on page 33;
- Material Contracts on page 33; and
- Recent Development on pages 33 to 34;

(iii) General Information on pages 35 to 36.

The remainder of the Registration Document is either not relevant for investors or covered elsewhere herein and is not incorporated by reference;

(b) the Issuer's 2023 AIF (available at: <https://www.rbc.com/investor-relations/assets-custom/pdf/aif2023.pdf>), including, without limitation, the following sections:

(i) "Description of the Business - General Summary" on page 3;

(ii) "Description of the Business - Competition" on pages 3 and 4; and

(iii) "Appendix A - Principal Subsidiaries" on page 28;

(c) the following sections of the Bank's 2023 Annual Report (the "2023 Annual Report") (available at: [https://www.rbc.com/investor-relations/assets-custom/pdf/ar\\_2023\\_e.pdf](https://www.rbc.com/investor-relations/assets-custom/pdf/ar_2023_e.pdf)) for the year ended October 31, 2023:

(i) the audited annual consolidated financial statements, which comprise the consolidated balance sheets as of October 31, 2023 and 2022, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the years then ended, including the related notes, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board on pages 140 through 234, together with Management's Report on Internal Control over Financial Reporting as of October 31, 2023 on page 134, the Independent Auditor's Report and the Report of Independent Registered Public

Accounting Firm, each dated November 29, 2023, on pages 135 through 137 and 138 through 139, respectively, (the “**2023 Audited Consolidated Financial Statements**”);

- (ii) the entire Management's Discussion and Analysis for the year ended October 31, 2023 (the “**2023 MD&A**”) on pages 22 through 131, including, without limitation, a description of risk factors related to the Bank and its business, and the steps taken to manage such risks, under the risk sections on pages 63 to 109;
- (iii) the information about tax examinations and assessments and legal and regulatory matters to which the Issuer and its consolidated subsidiaries are or have been subject in Note 22 on page 220 and Note 25 on pages 223 and 224, respectively; and

the remainder of the 2023 Annual Report is either not relevant for an investor or is covered elsewhere in this document and is not incorporated by reference;

- (d) the following sections of the Bank's Second Quarter 2024 Report to Shareholders (the “**Second Quarter 2024 Report to Shareholders**”) (available at: [https://www.rbc.com/investor-relations/assets-custom/pdf/2024q2\\_report.pdf](https://www.rbc.com/investor-relations/assets-custom/pdf/2024q2_report.pdf)):

- (i) the entire Management's Discussion and Analysis (the “**Second Quarter 2024 MD&A**”) on pages 2 to 49;
- (ii) the unaudited interim condensed consolidated financial statements, which comprise the unaudited interim condensed consolidated balance sheets of the Bank as of April 30, 2024 and the related unaudited interim condensed consolidated statements of income, comprehensive income, changes in equity, and cash flows for the three and six months ended April 30, 2024 and April 30, 2023 and selected explanatory notes (the “**Second Quarter 2024 Unaudited Interim Condensed Consolidated Financial Statements**”), set out on pages 51 to 84 presented in compliance with International Accounting Standard (IAS) 34 Interim Financial Reporting, which have not been audited or reviewed by auditors pursuant to the International Standard on Review Engagements (UK and Ireland) 2410; and
- (iii) the information about legal and regulatory matters to which the Bank and its consolidated Subsidiaries are or have been subject in Note 13 on page 81.

the remainder of the Bank's Second Quarter 2024 Report to Shareholders either is not relevant for an investor or is covered elsewhere in this document and is not incorporated by reference; and

- (e) the section entitled “Terms and Conditions of the Notes” set out in the base prospectus dated July 14, 2023 (available at: <https://www.rbc.com/investor-relations/assets-custom/pdf/european-senior-notes/UKLA-Notes-Base-Prospectus-July-14-2023.pdf>), “Terms and Conditions of the Notes” set out in the base prospectus dated July 29, 2022 (available at: <https://www.rbc.com/investor-relations/assets-custom/pdf/european-senior-notes/UKLA-Notes-Base-Prospectus-July-29-2022.pdf>), “Terms and Conditions of the Notes” set out in the base prospectus dated July 23, 2021 (available at: <https://www.rbc.com/investor-relations/assets-custom/pdf/european-senior-notes/UKLA-Notes-Base-Prospectus-July-23-2021.pdf>), “Terms and Conditions of the Notes” set out in the base prospectus dated July 24, 2020 (available at: <https://www.rbc.com/investor-relations/assets-custom/pdf/european-senior-notes/UKLA-Notes-Base-Prospectus-July-24-2020.pdf>), “Terms and Conditions of the Notes” set out in the base prospectus dated July 5, 2019 (available at: <https://www.rbc.com/investor->



[relations/ assets-custom/pdf/european-senior-notes/UKLA-Notes-Base-Prospectus-July-5-2019.pdf](https://www.rbc.com/investor-relations/assets-custom/pdf/european-senior-notes/UKLA-Notes-Base-Prospectus-July-5-2019.pdf)) and “Terms and Conditions of the Notes” set out in the base prospectus dated September 24, 2018 (available at: [https://www.rbc.com/investor-relations/ assets-custom/pdf/european-senior-notes/UKLA-Notes-Base-Prospectus-Sept-24-2018.pdf](https://www.rbc.com/investor-relations/assets-custom/pdf/european-senior-notes/UKLA-Notes-Base-Prospectus-Sept-24-2018.pdf)) relating to the Programme; for the avoidance of doubt, the applicable Final Terms for a Tranche of Notes will indicate the Terms and Conditions applicable to such Tranche and unless otherwise indicated in the applicable Final Terms, the Terms and Conditions of all Notes issued after the date hereof shall be those set out in this document,

provided that any statement contained in a document all or the relative portion of which is incorporated by reference shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein or in any supplement hereto filed under Article 23 of the UK Prospectus Regulation, including any document incorporated therein by reference, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

In relation to Exempt Notes that are admitted to trading on the ISM only (and not in relation to any other Notes): (i) any annual report (including the auditors’ report and audited annual consolidated financial statements) or unaudited interim condensed consolidated financial statements prepared; or (ii) inside information as required to be made public under Regulation (EU) No.596/2014 on market abuse as it forms part of domestic law by virtue of the EUWA in relation to the Issuer and filed with the FCA from time to time after the date of this Base Prospectus is additionally deemed to be incorporated in and to form part of this Base Prospectus as and when such future financial statements or inside information are published in accordance with the ISM Rulebook.

In relation to Exempt Notes other than ISM Notes, in addition to the documents specified in (a) to (d) above which are incorporated by reference herein, the following documents published or issued from time to time after the date hereof shall be deemed to be incorporated in, and form part of, this document:

- (a) the Bank’s most recently published Annual Information Form;
- (b) the Bank’s audited annual consolidated financial statements, together with the Management’s Report on Internal Control over Financial Reporting, Independent Auditor’s Report and Report of Independent Registered Public Accounting Firm thereon and management’s discussion and analysis for the year then ended contained in the most recently published Annual Report and, if published later, the Bank’s comparative unaudited interim condensed consolidated financial statements and management’s discussion and analysis for the period then ended contained in the most recently published Quarterly Report to Shareholders;
- (c) all supplements or amendments to the Base Prospectus prepared by the Bank from time to time (other than those filed pursuant to Article 23 of the UK Prospectus Regulation and approved by the FCA);
- (d) any material change reports (excluding confidential material change reports) filed by the Bank with the various securities commission or similar authorities in Canada pursuant to the requirements of applicable securities legislation, after the date of this document and during the currency of this document;
- (e) the Bank’s most recently published Registration Document and any supplements thereto,

provided that any statement contained herein or in a document all or the relative portion of which is or is deemed to be incorporated by reference shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein, in any other subsequently filed document which is or is deemed to be incorporated by reference in this document, (in each case including any documents incorporated by

reference therein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Information, documents or statements expressed to be incorporated by reference into, or that form part of one or more of, the documents noted above do not form part of the Base Prospectus, unless otherwise incorporated by reference.

Copies of this document and the documents deemed to be incorporated by reference herein (but excluding (a) through (e) immediately above unless otherwise incorporated in the Base Prospectus pursuant to a supplement under Article 23 of the UK Prospectus Regulation) and any supplement hereto approved by the FCA can be (1) viewed on the Issuer's website maintained in respect of the Programme at <https://www.rbc.com/investor-relations/european-senior-notes-program.html>, (2) obtained on written request and without charge from the Issuer at Investor Relations, Royal Bank of Canada, 200 Bay Street, South Tower, Toronto, Ontario, Canada M5J 2J5 and from the office of the Issuing and Paying Agent, The Bank of New York Mellon, London Branch, 160 Queen Victoria Street, London EC4V 4LA, England, Attention: Manager, EMEA Corporate & Sovereign Department and (3) viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Issuer and the headline "Publication of Prospectus. Copies of the Issuer's periodic financial reporting can also be viewed by accessing the Issuer's disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval at [www.sedarplus.com](http://www.sedarplus.com) (an internet based securities regulatory filing system). Any websites included in the Base Prospectus other than in respect of the information incorporated by reference are for information purposes only and do not form part of the Base Prospectus and the FCA has neither scrutinised or approved the information contained therein.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to the Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes issued in circumstances requiring publication of a prospectus under the UK Prospectus Regulation. The Issuer has undertaken to the Dealers in the Amended and Restated Distribution Agreement (as defined in "Subscription and Sale") that it will comply with Article 23 of the UK Prospectus Regulation. This Base Prospectus is valid for 12 months from its date. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once this Base Prospectus is no longer valid.

## DESCRIPTION OF THE PROGRAMME LIMIT

This Base Prospectus is prepared in relation to the Programme, which was approved by resolutions of the Board of Directors of the Bank passed on February 29, 2012, as amended on May 24, 2023. Under the Programme, the Bank may from time to time issue (i) senior and subordinated notes not linked to Reference Items (including the Notes issuable under this Base Prospectus) (the “**Non-Linked Notes**”), (ii) other senior notes (the “**Reference Item Linked Notes**”) linked to one or more underlying assets, or bases of reference or any calculation thereof (each, a “**Reference Item**”), (iii) redeemable certificates (“**Redeemable Certificates**”) or exercisable certificates (“**Exercisable Certificates**”) (together, the “**Certificates**”) linked to one or more Reference Items, or (iv) warrants (“**Warrants**”) linked to one or more Reference Items, denominated in or payable in any currency agreed between the Issuer and the relevant dealer (such Certificates and Warrants together, the “**W&C Securities**” and the W&C Securities, the Non-Linked Notes and the Reference Item Linked Notes together, the “**Securities**”). Non-Linked Notes may be issued under this Base Prospectus, while Reference-Item Linked Notes and W&C Securities may be issued under one or more other prospectuses prepared and published by the Issuer.

The applicable terms of any Notes will be agreed between the Bank and the relevant Dealer(s) prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, or annexed to, the Notes, as completed by the applicable Final Terms attached to, or endorsed on, such Notes, as more fully described under “Terms and Conditions of the Notes”.

The aggregate principal amount of all Notes, Redeemable Certificates and Exercisable Certificates evidencing deposit liabilities under the *Bank Act* outstanding under any prospectus prepared in connection with the Programme at any time may not exceed U.S.\$75,000,000,000 (or its equivalent in any other currency as at the date of the issue of the relevant Notes or Certificates).

The aggregate implied notional amount of all Warrants and Exercisable Certificates not evidencing deposit liabilities under the *Bank Act* outstanding under any prospectus prepared in connection with the Programme at any time may not exceed U.S.\$5,000,000,000 (or its equivalent in any other currency as at the close of issue of the relevant Warrants and Exercisable Certificates).

For the purposes of calculating the U.S. dollar equivalent of the aggregate principal amount or implied notional amount, as the case may be, of relevant Securities issued under the Programme from time to time:

- (a) the U.S. dollar equivalent of Securities denominated in another Specified Currency or payable in another Settlement Currency (as applicable) will be determined as of the date of agreement to issue such Notes on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency or Settlement Currency (as applicable) in the London foreign exchange market quoted by the Issuing and Paying Agent on such date or such other rate as the Issuer and the relevant Dealer may agree;
- (b) the U.S. dollar equivalent of dual currency notes and Reference Item Linked Notes will be calculated in the manner specified above by reference to the original principal amount of such Notes;
- (c) the principal amount of Zero Coupon Notes and other Notes issued at a discount or a premium will be deemed to be the net proceeds received by the Bank for the relevant issue of Notes;
- (d) the principal amount of Redeemable Certificates and Exercisable Certificates that constitute deposit liabilities under the *Bank Act* will be deemed to be the net proceeds received by the Bank for the relevant issue of such Certificates; and
- (e) the face principal amount of partly-paid Notes will be taken into account regardless of the amount of the subscription price paid.

## **FINAL TERMS, PRICING SUPPLEMENT AND DRAWDOWN PROSPECTUS**

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

Any information relating to the Notes which is not included in the Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained in the applicable Final Terms. Such information will be contained in the applicable Final Terms unless any of such information constitutes a significant new factor or new term relating to the information contained in the Base Prospectus in which case such information, together with all of the other necessary information in relation to the relevant Tranche of Notes, may be contained in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus. The terms and conditions applicable to any particular Tranche which is the subject of Final Terms are the Conditions described in the applicable Final Terms as supplemented to the extent described in the applicable Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus, or, in the case of Exempt Notes, a Pricing Supplement, will be the Conditions as supplemented, amended and/or replaced to the extent as described in the relevant Drawdown Prospectus or Pricing Supplement, as applicable. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus or, in the case of Exempt Notes, a Pricing Supplement, each reference in the Base Prospectus to information being specified or identified in the applicable “Final Terms” shall be to such information being specified or identified in the applicable Drawdown Prospectus or Pricing Supplement, as the case may be, unless the context requires otherwise.

Each Drawdown Prospectus will be constituted by a single document containing the necessary information relating to the Issuer and the relevant Notes.

With respect to a Tranche of Notes to be admitted to listing, the applicable Final Terms will be delivered to the FCA or ISM, as applicable, and published in accordance with the UK Prospectus Regulation or the ISM Rulebook on or before the date of issue of the Notes of such Tranche, and the applicable Drawdown Prospectus will be approved by the FCA and published in accordance with the UK Prospectus Regulation on or before the date of issue of the Notes of such Tranche.

## FORM OF THE NOTES

### Notes

The Notes of each Series will be in either (a) bearer form (“**Bearer Notes**”), with or without interest coupons and/or talons attached, or (b) registered form (“**Registered Notes**”), without interest coupons and/or talons attached. Bearer Notes will only be issued outside the United States.

### Bearer Notes

Each Tranche of Bearer Notes will be initially issued in the form of a temporary global Note without interest coupons attached (a “**Temporary Global Note**”) or, if so specified in the applicable Final Terms, a permanent global Note without interest coupons attached (a “**Permanent Global Note**”) and, together with the Temporary Global Notes, the “**Bearer Global Notes**” and each a “**Bearer Global Note**”) which, in either case, will:

- (a) if the Bearer Global Notes are intended to be issued in new global Note (“**NGN**”) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”); and
- (b) if the Bearer Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depository (the “**Common Depository**”) for Euroclear and Clearstream, Luxembourg.

If the Bearer Global Notes are stated in the applicable Final Terms to be issued in NGN form, such Final Terms will also specify whether the Notes are intended to be held in a manner which would allow Eurosystem eligibility notwithstanding that recognition as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem will depend upon satisfaction of the Eurosystem eligibility criteria. **As at the date of this Base Prospectus, unsecured bank bonds issued by credit institutions not established in the EU (including the Notes) denominated in any currency are not eligible to be used as collateral in the Eurosystem.**

While any Bearer Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Bearer Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification to the effect that the beneficial owners of interests in the Temporary Global Note are not U.S. persons for U.S. federal income tax purposes or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg, and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Issuing and Paying Agent.

On and after the date (the “**Exchange Date**”) which is not earlier than 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for: (i) interests in a Permanent Global Note of the same Series; or (ii) for Definitive Notes of the same Series with, where applicable interest coupons and talons attached and/or (in the case of a Series comprising both Bearer Notes and Registered Notes and if so specified in the applicable Final Terms) Registered Notes in definitive form (as indicated in the applicable Final Terms), in each case against certification of non-US beneficial ownership as described above, unless such certification has already been given.\* The

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\* In relation to any issue of Notes which are expressed to be temporary Global Notes exchangeable for definitive Notes, such Notes shall be tradeable only in amounts of at least their Specified Denomination (or if more than one Specified Denomination, the minimum Specified Denomination and multiples thereof).

holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amounts due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for Notes in definitive form is improperly withheld or refused.

If the applicable Final Terms indicate that a Temporary Global Note is exchangeable for Definitive Notes, the Specified Denominations may not include integral multiples of a lesser amount in excess of a minimum Specified Denomination.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Notes of the same Series with, where applicable, interest coupons and talons attached and/or (in the case of a Series comprising both Bearer and Registered Notes and if so specified in the applicable Final Terms) Registered Notes in definitive form (a) if an Event of Default occurs in respect of any Note of the relevant Series; or (b) if either Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so and the Issuer is unable to locate a qualified successor within 90 days of the occurrence of any such event.

Bearer Global Notes and Definitive Notes will be issued pursuant to the Issue and Paying Agency Agreement (as defined in the Conditions).

The following legend will appear on all Bearer Notes (other than Temporary Global Notes) and on all interest coupons relating to such Bearer Notes where TEFRA D is specified in the applicable Final Terms.

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

### **Registered Notes**

Registered Notes will be issued in the form of a global Registered Note (a “**Global Registered Note**”) deposited with a common depository for Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms and will be registered in its name. Persons holding beneficial interests in Global Registered Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Registered Notes in definitive form.

Payments of principal, interest and any other amount in respect of the Global Registered Notes will, in the absence of provision to the contrary, be made to the person shown on the Register as the registered holder of the Global Registered Note. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial

ownership interests in the Global Registered Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Global Registered Note will be exchangeable (free of charge), in whole but not in part, for Registered Notes in definitive form without interest coupons or talons attached (a) if an Event of Default occurs in respect of any Note of the relevant Series; or (b) if either Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so and the Issuer is unable to locate a qualified successor within 90 days of the occurrence of any such event.

Registered Notes will be issued pursuant to the Issue and Paying Agency Agreement (as defined in the Conditions).

### **Direct Rights**

As noted above, Notes in global form are, in certain circumstances, exchangeable for Notes in definitive form. In the event that (a) a global Note has become due and payable as a result of acceleration as described under “Terms and Conditions of the Notes - Events of Default” or that the Maturity Date in respect thereof has occurred and, in either case, payment in full of the amount due is not made before 8:00 p.m. (London time) on the relevant due date or (b) a global Note is not duly exchanged by 6:00 p.m. (London time) on the thirtieth day after the time at which the preconditions to such exchange are first satisfied, the owner of a beneficial interest in such global Note shall become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing system as if they were holders of Notes in definitive form, as specified in the relevant global Note, a copy of which is available at the specified office of the Issuing and Paying Agent.

### **General**

Pursuant to the Issue and Paying Agency Agreement, the Issuing and Paying Agent (and any additional agent appointed pursuant to the Issue and Paying Agency Agreement) shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CUSIP and CINS number which are different from the common code, ISIN, CUSIP and CINS assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which should not be prior to the expiry of 40 days after the Issue Date of such further Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer and the Issuing and Paying Agent.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions of the Notes, which as completed in relation to any Notes by the applicable Final Terms or, in the case of Exempt Notes only, as supplemented, amended or replaced by the applicable Pricing Supplement, will be applicable to each Series of Notes issued after the date of this Base Prospectus unless otherwise specified in the applicable Final Terms or Pricing Supplement. Either (i) the full text of these Terms and Conditions (subject to simplification by deletion of non-applicable provisions) together with the relevant provisions of the Final Terms or Pricing Supplement or (ii) these Terms and Conditions as so completed or supplemented, amended or replaced (subject to simplification by deletion of non-applicable provisions) shall be endorsed on the definitive Bearer Notes and Registered Notes, and in the case of Global Notes, these Terms and Conditions shall be incorporated by reference into such Notes and the applicable Final Terms or Pricing Supplement attached thereto. All capitalised terms that are not defined in these Terms and Conditions will have the meanings given to them in the applicable Final Terms or Pricing Supplement.*

The Notes are issued pursuant to and in accordance with an amended and restated issue and paying agency agreement dated July 16, 2024 (as further amended, supplemented, restated or replaced, the “**Issue and Paying Agency Agreement**”) and made between Royal Bank of Canada (the “**Issuer**”), The Bank of New York Mellon, London branch, in its capacities as issuing and principal paying agent and principal certificate and warrant agent (the “**Issuing and Paying Agent**”, which expression shall include any successor to The Bank of New York Mellon, London branch in its capacity as such), The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar (the “**Registrar**”, which expression shall include any successor to The Bank of New York Mellon SA/NV, Luxembourg Branch in its capacity as such and any additional registrars appointed in accordance with the Issue and Paying Agency Agreement either with respect to the Programme or with respect to a particular Series) and the Bank of New York Mellon, Hong Branch. The expression “**Paying Agents**” as used herein shall include the Issuing and Paying Agent and any additional paying agents appointed, if any, in accordance with the Issue and Paying Agency Agreement either with respect to the Programme or with respect to a particular Series.

Copies of the Issue and Paying Agency Agreement are available for inspection during normal business hours at the specified office of each of the Paying Agents and the Registrar and on the Issuer’s website at <https://www.rbc.com/investor-relations/european-senior-notes-program.html>. All persons from time to time entitled to the benefit of obligations under any Notes shall be deemed to have notice of, and shall be bound by, all of the provisions of the Issue and Paying Agency Agreement insofar as they relate to the relevant Notes.

The Notes are issued in series (each, a “**Series**”), and each Series may comprise one or more tranches (“**Tranches**” and each, a “**Tranche**”) of Notes. Each Tranche will be the subject of Final Terms (each, “**Final Terms**”) or, in the case of Exempt Notes, a Pricing Supplement (the “**Pricing Supplement**”), a copy of which, subject as provided below, will be available free of charge during normal business hours at the specified office of the Issuing and Paying Agent and/or, as the case may be, the applicable Registrar and each other Paying Agent. In the case of a Tranche of Exempt Notes other than Exempt Notes admitted to the International Securities Market of the London Stock Exchange, copies of the Pricing Supplement will only be available for inspection by a Holder or, as the case may be, a Relevant Account Holder (each as defined below) in respect of such Exempt Notes. For the purposes hereof, “Exempt Notes” mean any Notes which do not require a prospectus pursuant to Regulation (EU) 2017/1129 (as amended) or Regulation (EU) 2017/1129 (as amended) as it forms part of domestic law of the United Kingdom (the “**UK**”) by virtue of the European Union (Withdrawal) Act 2018.



References in these Terms and Conditions (the “**Conditions**”) to Notes are to Notes of the relevant Series and means:

- (a) in relation to any Notes represented by a global Note (a “**Global Note**”), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note; and
- (c) any definitive Note issued on exchange for a Global Note.

References to Coupons (as defined in Condition 1.06) are to Coupons relating to Notes of the relevant Series.

References in these Conditions to the Final Terms are, unless otherwise stated, to Part A of the Final Terms(s) prepared in relation to the Notes of the relevant Tranche or Series. Any reference to Final Terms shall be deemed to include a reference to Pricing Supplement where relevant.

In respect of the Notes, references herein to these Terms and Conditions are to these terms and conditions as completed by the Final Terms or, in the case of Exempt Notes only, as supplemented, amended and/or replaced by the Pricing Supplement.

References herein to “**RMB Notes**” are to Notes denominated in Renminbi. References herein to “**Renminbi**”, “**RMB**” and “**CNY**” are to the lawful currency of the People’s Republic of China (the “**PRC**”) which, for the purposes of these Terms and Conditions, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan.

## 1. Form and Denomination

**1.01** Notes are issued in either (a) bearer form (“**Bearer Notes**”), (b) registered form (“**Registered Notes**”), as specified in the applicable Final Terms and, are serially numbered. Registered Notes will not be exchangeable for Bearer Notes.

The Note is a Senior Note or a Subordinated Note, depending on the status of the Notes indicated in the applicable Final Terms. This Note may be a Note bearing interest on a fixed rate basis (“**Fixed Rate Note**”), a Note bearing interest on a floating rate basis (“**Floating Rate Note**”), a Note issued on a non-interest bearing basis (“**Zero Coupon Note**”) or a combination of any of the foregoing, depending upon the Interest Basis specified in the applicable Final Terms.

### ***Bearer Notes***

**1.02** The Final Terms shall specify whether U.S. Treasury Regulation § 1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the “**TEFRA D Rules**”) or U.S. Treasury Regulation § 1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) (or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) shall apply or whether the TEFRA Rules are not applicable. Each Tranche of Bearer Notes with an original maturity of more than one year is represented upon issue by a temporary global Note (a “**Temporary Global Note**”), unless the Final Terms specify otherwise, in particular, when the TEFRA C Rules apply.

Where the Final Terms applicable to a Tranche of Bearer Notes specify that the TEFRA C Rules apply or that the TEFRA Rules are not applicable, such Tranche is (unless otherwise specified in the Final Terms) represented upon issue by a permanent global Note (a “**Permanent Global Note**”).

Interests in the Temporary Global Note may be exchanged for:

- (i) interests in a Permanent Global Note; or
- (ii) if so specified in the Final Terms, definitive Bearer Notes (“**Definitive Notes**”) and/or (in the case of a Series comprising both Bearer Notes and Registered Notes and if so specified in the Final Terms) Registered Notes.

Exchanges of interests in a Temporary Global Note for Definitive Notes or, as the case may be, a Permanent Global Note will be made only on or after the Exchange Date (as specified in the Final Terms) and (unless the Final Terms specify that the TEFRA C Rules are applicable to the Notes) provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations has been received in accordance with the terms of the Temporary Global Note (each certification in such form as is required by the relevant clearing system). An exchange of interests in a Temporary Global Note or a Permanent Global Note for Registered Notes will be made at any time or from such date as may be specified in the Final Terms, in each case, without any requirement for certification.

**1.03** The bearer of any Temporary Global Note shall not (unless, upon due presentation of such Temporary Global Note for exchange (in whole but not in part only) for a Permanent Global Note or for delivery of Definitive Notes and/or Registered Notes, such exchange or delivery is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to collect any payment in respect of the Notes represented by such Temporary Global Note which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.

**1.04** Unless the Final Terms specify that the TEFRA C Rules are applicable to the Notes and subject to Condition 1.03 above, if any date on which a payment of interest is due on the Notes of a Tranche occurs while any of the Notes of that Tranche are represented by a Temporary Global Note, the related interest payment will be made on the Temporary Global Note only to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in such form as is required by the relevant clearing system), has been received by Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) or any other relevant clearing system in accordance with the terms of the Temporary Global Note. Payments of amounts due in respect of a Permanent Global Note or (subject to Condition 1.03 above) a Temporary Global Note will be made through Euroclear or Clearstream, Luxembourg or any other relevant clearing system without any requirement for further certification. Any reference herein to Euroclear or Clearstream, Luxembourg shall be deemed to include a reference to any other relevant clearing system.

**1.05** Interests in a Permanent Global Note will be exchanged by the Issuer in whole but not in part only at the option of the Holder of such Permanent Global Note, for Definitive Notes and/or (in the case of a Series comprising both Bearer and Registered Notes and if so specified in the applicable Final Terms) Registered Notes, (a) if an Event of Default occurs in respect of any Note of the relevant Series; or (b) if either Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so and the Issuer is unable to locate a qualified successor within 90 days of the occurrence of any such event; in all cases at the cost and expense of the Issuer.

**1.06** Definitive Notes that are interest bearing have attached thereto, at the time of their initial delivery, coupons (“**Coupons**”), the presentation of which will be a prerequisite to the payment of interest save in certain circumstances specified herein. Definitive Notes that are interest bearing and which have more than 27 interest payments remaining at the time of their initial delivery, have attached thereto a talon (“**Talon**”) for further coupons and the expression “**Coupons**” shall, where the context so requires, include Talons.

## **Registered Notes**

**1.07** Where the Final Terms applicable to a Tranche of Registered Notes so specify, such Tranche is represented upon issue by a global registered note (“**Global Registered Note**”).

Interests in a Global Registered Note will be exchangeable (free of charge), in whole but not in part, for Registered Notes in definitive form without interest coupons or talons attached (a) if an Event of Default occurs in respect of any Note of the relevant Series; or (b) if either Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so and the Issuer is unable to locate a qualified successor within 90 days of the occurrence of any such event, in all cases at the cost and expense of the Issuer.

### ***Denomination***

#### ***Denomination of Bearer Notes***

**1.08** Bearer Notes are in the denominations (the “**Specified Denomination(s)**”) specified in the applicable Final Terms. Unless otherwise specified in the applicable Final Terms, Bearer Notes of one denomination may not be exchanged for Bearer Notes of any other denomination.

#### ***Denomination of Registered Notes***

**1.09** Registered Notes are in the Specified Denominations specified in the applicable Final Terms.

### ***Currency of Notes***

**1.11** The Notes are denominated in such currency (the “**Specified Currency**”) as may be specified in the applicable Final Terms. Any currency may be so specified, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

## **2. Title and Transfer**

**2.01** Title to Bearer Notes and Coupons passes by delivery. References herein to the “**Holders**” of Bearer Notes or of Coupons are to the bearers of such Bearer Notes or such Coupons.

**2.02** Title to Registered Notes passes by due endorsement in the relevant register. The Issuer shall procure that the Registrar keep a register or registers in which shall be entered the names and addresses of the Holders of Registered Notes and particulars of the Registered Notes held by them. Such registration shall be noted on the Registered Notes by the Registrar. References herein to the “**Holders**” of Registered Notes are to the persons in whose names such Registered Notes are so registered in the relevant register.

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

### **Holders of Global Notes**

**2.04** For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg or such other clearing system as set out in the applicable Final Terms, each person (other than Euroclear or Clearstream, Luxembourg or such other clearing system as set out in Part B of the

applicable Final Terms) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg or such other clearing system as the holder of a particular principal amount of such Notes (a “**Relevant Account Holder**”) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or such other clearing system as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest or proven error) shall be treated by the Issuer, the Issuing and Paying Agent, the Registrar and any other Paying Agent as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant Temporary Global Note and/or Permanent Global Note or registered holder of a Global Note shall be treated by the Issuer, the Issuing and Paying Agent and any Paying Agent and any Registrar as the holder of such principal amount of such Notes in accordance with and subject to the terms of the Global Note and/or the Deed of Covenant, as the case may be, and the expression “**Holder**” and related expressions shall be construed accordingly. Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures of Euroclear or of Clearstream, Luxembourg or any other relevant clearing system, as the case may be in force from time to time.

### ***Transfer of Registered Notes and exchange of Bearer Notes for Registered Notes***

**2.05** A Registered Note may, upon the terms and subject to the conditions set forth in the Issue and Paying Agency Agreement and as required by law, be transferred in whole or in part only (provided that such part is, or is an integral multiple of, the minimum Specified Denomination specified in the applicable Final Terms) upon the surrender of the Registered Note to be transferred, together with a form of transfer duly completed and executed, at the specified office of the Registrar. A new Registered Note will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Registered Note in respect of the balance not transferred will be issued to the transferor.

**2.06** If so specified in the applicable Final Terms, the Holder of Bearer Notes may exchange the same for the same aggregate principal amount of Registered Notes upon the terms and subject to the conditions set forth in the Issue and Paying Agency Agreement and as may be required by law. In order to exchange a Bearer Note for a Registered Note, the Holder thereof shall surrender such Bearer Note at the specified office outside the United States of America (the “**United States**”) of the Issuing and Paying Agent or of the Registrar, together with a written request for the exchange. Each Bearer Note so surrendered must be accompanied by all unmatured Coupons appertaining thereto other than any Coupon where the exchange date (as defined in Condition 2.07) would, but for the provisions of Condition 2.06, occur between the Record Date (as defined in Condition 10.10) for such payment of interest and the next Interest Payment Date for such Coupon.

**2.07** Each new Registered Note to be issued upon the registration of the transfer of a Registered Note or the exchange of a Bearer Note for a Registered Note will, within three Relevant Banking Days of the transfer date or, as the case may be, the exchange date be available for collection by each relevant Holder at the specified office of the Registrar or, at the option of the Holder requesting such exchange or transfer, be mailed (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder. For these purposes, a form of transfer or request for exchange received by the Registrar or the Issuing and Paying Agent after the Record Date in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar or the Issuing and Paying Agent until the day following the due date for such payment.

For the purposes of these Conditions:

- (i) “**Relevant Banking Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar is located and, in the case only of an exchange of a Bearer Note for a Registered Note where such request for

exchange is made to the Issuing and Paying Agent, in the place where the specified office of the Issuing and Paying Agent is located;

- (ii) the “**exchange date**” shall be the Relevant Banking Day following the day on which the relevant Bearer Note shall have been surrendered for exchange in accordance with Condition 2.05; and
- (iii) the “**transfer date**” shall be the Relevant Banking Day following the day on which the relevant Registered Note shall have been surrendered for transfer in accordance with Condition 2.04.

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

### **3. Status of the Notes**

The applicable Final Terms will indicate whether the Notes are Senior Notes or Subordinated Notes.

#### **Status of Senior Notes**

**3.01** The Senior Notes constitute deposit liabilities of the Bank for the purposes of the Bank Act and constitute legal, valid and binding direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer (including deposit liabilities), except as otherwise prescribed by law and subject to the exercise of bank resolution powers.

#### **Status of Bail-inable Notes**

**3.02** This Condition 3.02 will apply in respect of all Senior Notes issued by the Bank that are identified as Bail-inable Notes in the applicable Final Terms (“**Bail-inable Notes**”). All Senior Notes issued on or after September 23, 2018 that (i) have an original or amended term to maturity of more than 400 days, have one or more explicit or embedded options, that if exercised by or on behalf of the Bank, could result in a maturity date that is more than 400 days from the date of issuance of Note or that have an explicit or embedded option that, if exercised by or on behalf of the Holder, could by itself result in a maturity date that is more than 400 days from the maturity date that would apply if the option were not exercised; and (ii) are not otherwise excluded (e.g. structured notes (as such term is used under the Canadian bank recapitalization regime for banks designated by the Superintendent of Financial Institutions (Canada) (the “**Superintendent**”) as domestic systemically important banks (the “**Bail-in Regime**”)) under the Bail-in Regime, will be identified as Bail-inable Notes in the applicable Final Terms. Senior Notes that constitute structured notes (as such term is used under the Bail-in Regime) or are otherwise excluded under the Bail-in Regime will not be identified as Bail-inable Notes in the applicable Final Terms.

By its acquisition of an interest in Bail-inable Notes, each Holder (which, for the purposes of this Condition 3.02, includes each holder of a beneficial interest in such Bail-inable Notes) is deemed to:

(i) agree to be bound, in respect of such Bail-inable Notes, by the *Canada Deposit Insurance Corporation Act* (Canada) (the “**CDIC Act**”), including the conversion of the Bail-inable Notes, in whole or in part - by means of a transaction or series of transactions and in one or more steps - into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the Bail-inable Notes in consequence, and by the application of the laws of the Province of Ontario and the federal laws of

Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes (a “**Bail-in Conversion**”);

(ii) attorn to the jurisdiction of the courts in the Province of Ontario in Canada with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes;

(iii) have represented and warranted to the Bank that the Bank has not directly or indirectly provided financing to the Holder of the Bail-inable Notes for the express purpose of investing in Bail-inable Notes; and

(iv) acknowledge and agree that the terms referred to in paragraphs (i) and (ii), above, are binding on such Holder despite any provisions in these Conditions, any other law that governs the Bail-inable Notes and any other agreement, arrangement or understanding between such Holder and the Bank with respect to such Bail-inable Notes.

The applicable Final Terms will indicate whether Senior Notes are Bail-inable Notes. All Bail-inable Notes will be subject to Bail-in Conversion.

Each Holder of the Bail-inable Notes that acquires an interest in the Bail-inable Notes in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such Holder shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified herein to the same extent as the Holders that acquire an interest in the Bail-inable Notes upon their initial issuance, including, without limitation, with respect to the terms of the Bail-inable Notes related to the Bail-in Regime.

**3.02a** Holders and beneficial owners of a Bail-inable Note will have no further rights in respect of a Bail-inable Note to the extent a Bail-inable Note is converted in a Bail-in Conversion, other than those provided under the Bail-in Regime, and by its acquisition of an interest in the Bail-inable Note, each holder or beneficial owner of the Bail-inable Note is deemed to irrevocably consent to the converted portion of the principal amount of the Bail-inable Note and any accrued and unpaid interest thereon being deemed repaid in full by the issuance of common shares of the Bank (or, if applicable, any of its affiliates) upon the occurrence of a Bail-in Conversion, which Bail-in Conversion shall occur without any further action on the part of that Holder or beneficial owner or the Issuing and Paying Agent; provided that, for the avoidance of doubt, this consent shall not limit or otherwise affect any rights of that Holder or beneficial owner provided for under the Bail-in Regime.

**3.02b** By its acquisition of an interest in a Bail-inable Note, each Holder or beneficial owner of an interest in a Bail-inable Note is deemed to have authorised, directed and requested Euroclear and Clearstream, Luxembourg and any direct participant in such clearing system or other intermediary through which it holds the Bail-inable Note to take any and all necessary action, if required, to implement the Bail-in Conversion or any other action pursuant to the Bail-in Regime with respect to the Bail-inable Note, as may be imposed on it, without any further action or direction on the part of that Holder or beneficial owner or the Issuing and Paying Agent, except as required in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg and/or the intermediary, as applicable.

### **Status of Subordinated Notes**

**3.03** The Subordinated Notes will evidence subordinated indebtedness of the Issuer for purposes of the *Bank Act* (Canada). The Subordinated Notes constitute legal, valid and binding direct, subordinated and unsecured obligations of the Issuer enforceable in accordance with their terms and rank *pari passu* with all other present and future subordinated indebtedness of the Issuer other than subordinated indebtedness having priority to the Subordinated Notes by virtue of any law now or hereafter in force. The subordinated indebtedness evidenced

by the Subordinated Notes will, in the event of the insolvency or winding-up of the Issuer, be subordinate in right of payment to all deposit liabilities of the Issuer and all other liabilities of the Issuer except those which by their terms rank equally with or are subordinate to such subordinated indebtedness and except as otherwise prescribed by law.

Upon the occurrence of a Non-Viability Trigger Event (as defined in Condition 8), this Condition 3.03 will cease to apply to the Notes as all the Notes will be converted into common shares of the Issuer ("**Common Shares**") which Common Shares will rank on par with all other issued and outstanding Common Shares.

#### **4. Negative Covenant**

This Condition 4 applies to Subordinated Notes only.

If the applicable Final Terms specify this Condition 4 - Negative Covenant is applicable, the Issuer will not create, incur or permit the existence of indebtedness which, in the event of insolvency or winding-up of the Issuer, will rank subordinate to deposit liabilities and in priority to Subordinated Notes.

#### **5. Interest**

##### ***Interest***

**5.01** Notes may be interest-bearing or non interest-bearing. The Interest Basis is specified in the applicable Final Terms. Words and expressions appearing in this Condition 5 and not otherwise defined herein or in the applicable Final Terms shall have the meanings given to them in Condition 5.08.

##### **5.02 Interest on Fixed Rate Notes other than Adjusted Fixed Rates Notes**

*This Condition 5.02 applies to Fixed Rate Notes only but does not apply to Adjusted Fixed Rate Notes (as defined below). The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 5.02 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Business Day Convention (if any) applicable to any Interest Payment Date(s), the Day Count Fraction, any applicable Determination Date, whether any Coupon Switch Option is applicable and any Calculation Agent.*

Each Fixed Rate Note bears interest on its Outstanding Principal Amount from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest specified in the applicable Final Terms. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date if that does not fall on an Interest Payment Date.

In respect of a Fixed Rate Note with a step-up in the rate of interest, the Rate of Interest in respect of each Fixed Interest Period means the "Rate of Interest (Step-Up)" specified to be applicable in respect of each Fixed Interest Period End Date on which the Fixed Interest Period ends, as set forth in the applicable Final Terms.

Where one or more Fixed Coupon Amount(s) are specified in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on, but excluding, such date will amount to such Fixed Coupon Amount, as specified in respect of any Calculation Amount based on the applicable Rate of Interest and any applicable Day Count Fraction (if any) and if the amount of interest payable on the Interest Payment Date is specified as other than the Fixed Coupon Amount, such amount will be a "**Broken Amount**" specified in the applicable Final Terms.

Where the Notes are represented by a Global Note or where the Specified Denomination of Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the Fixed Coupon Amounts or Broken Amounts, as the case may be, for each Calculation Amount comprising the Outstanding Principal Amount of the Global Note or the Specified Denomination of a Note in definitive form, without any further rounding.

As used in these Conditions, (i) “**Fixed Interest Period**” means the period from and including an Interest Payment Date (or the Interest Commencement Date) to but excluding the next (or first) Interest Payment Date and (ii) “**Fixed Interest Period End Date**” means each date specified in the applicable Final Terms.

Interest will be calculated on the Calculation Amount of the Fixed Rate Notes. If interest is required to be calculated for a period ending other than on an Interest Payment Date, or if a Fixed Coupon Amount is not specified in the applicable Final Terms, such interest shall be calculated in accordance with Condition 5.06.

#### **5.02a Interest on Adjusted Fixed Rate Notes**

*This Condition 5.02a applies where Fixed Rate Notes for which “Adjusted Interest Periods” is specified in the applicable Final Terms (“**Adjusted Fixed Rate Notes**”). The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 5.02a for full information on the manner in which interest is calculated on Adjusted Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Calculation Amount, the Day Count Fraction, the Business Day Convention and the Calculation Agent.*

Notwithstanding the foregoing, each Adjusted Fixed Rate Note, bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, each Interest Payment Date will be subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms. Interest will be payable in arrear on each Interest Payment Date.

In respect of a Fixed Rate Note with a step-up in the rate of interest, the Rate of Interest in respect of each Fixed Interest Period means the “Rate of Interest (Step-Up)” specified to be applicable in respect of each Fixed Interest Period End Date on which the Fixed Interest Period ends, as set forth in the applicable Final Terms

The Calculation Agent will, as soon as practicable, calculate the amount of interest payable per Calculation Amount for the relevant Interest Period. The determination of the amount of interest payable per Calculation Amount by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Calculation Amount for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Holders as soon as possible after their determination but in no event later than the fourth Business Day. The amount of interest payable per Calculation Amount and 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 7, the accrued interest per Calculation Amount shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Calculation Amount so calculated need be made.

Interest shall be calculated in respect of any period by applying the relevant Rate of Interest to the Calculation Amount, and multiplying such product by the Day Count Fraction specified in the applicable Final Terms, and



rounding the resultant figure to the nearest sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Notes are represented by a Global Note or where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Outstanding Principal Amount of the Global Note or the Specified Denomination of a Note in definitive form, without any further rounding.

#### **5.02b Interest on Fixed Rate Resettable Notes**

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

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

in each case, payable in arrear on each Interest Payment Date.

Save as otherwise provided herein, the provisions in either Condition 5.02 or Condition 5.02a shall apply to the Fixed Rate Resettable Notes as specified in the applicable Final Terms.

(ii) Subject to Condition 5.11 or 5.12, if Mid-Swap Rate is specified in the applicable Final Terms and on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately the Relevant Time in the principal financial centre of the Relevant Currency on the Reset Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent. If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Interest Rate as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

(iii) The Calculation Agent will calculate the Rate of Interest for each relevant Interest Period in a Reset Period, and cause it to be notified, in accordance with Conditions 5.05 and 5.06.

(iv) For the purposes of this Condition 5.02b

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

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

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

“**CMT Designated Maturity**” has the meaning given to it in the relevant Final Terms;

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

- (i) the average of the yields on actively traded U.S. Treasury Securities adjusted to "constant maturity" for the CMT Designated Maturity for the five business days immediately prior to such Reset Determination Date, and appearing under the caption "Treasury constant maturities" at the CMT Reset Determination Time on such Reset Determination Date in the applicable most recently published statistical release designated "H.15 Daily Update", or any successor publication that is published by the Board of Governors of the Federal Reserve System on which established yields on actively traded U.S. Treasury Securities adjusted to constant maturity under the caption "Treasury Constant Maturities" at the CMT Designated Maturity are displayed; or
- (ii) if such release (or any successor release) is not published during the week immediately prior to such Reset Determination Date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the Reset Date; or
- (iii) if the CMT Rate cannot be determined, for whatever reason, as described under (i) or (ii) above, "U.S. Treasury Rate" means the rate in percentage per annum as notified by the Calculation Agent to the Issuer equal to the yield on U.S. Treasury Securities having the CMT Designated Maturity as set forth in the most recently published statistical release designated "H.15 Daily Update" under the caption "Treasury constant maturities" (or any successor publication that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption "Treasury constant maturities" for the CMT Designated Maturity) on such Reset Determination Date;

**“CMT Reset Determination Time”** mean, unless specified otherwise in the applicable Final Terms, 5:00 p.m. (New York City time);

**“Comparable Treasury Issue”** means, with respect to the Fixed Interest Period from the Reset Date to the next Interest Payment Date, the U.S. Treasury Security or Securities selected by the Issuer with a maturity date on or about the last day of such Fixed Interest Period and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in U.S. dollars and having a remaining maturity of the number of years specified in the definition of the CMT Rate;

**“Comparable Treasury Price”** means, with respect to the Reset Date, (i) the arithmetic average of the Reference Treasury Dealer Quotations for such Reset Date (calculated on the Reset Determination Date), after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (ii) if fewer than five such Reference Treasury Dealer Quotations are received, the arithmetic average of all such quotations, or (iii) if fewer than two such Reference Treasury Dealer Quotations are received, then such Reference Treasury Dealer Quotation as quoted in writing to the Calculation Agent by a Reference Bank;

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

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

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

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

**“First Reset Rate of Interest”** means, in respect of the First Reset Period and subject to Condition 5.02b, the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of (A) the relevant Reset Rate and (B) the First Margin, converted (if the Reset Rate is either the Mid-Swap Rate or the Reference Bond Rate), if not already on the same basis, from a basis equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms or the Reference Bond Rate, as the case may be, to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be determined by the Calculation Agent);

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

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

**“H.15”** means the weekly statistical release designated as H.15, or any successor publication, published by the board of governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15> or any successor site or publication;

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

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

**“Mid-Market Swap Rate”** means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Duration (calculated on the day count basis customary for fixed rate payments in the Relevant Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Relevant Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Floating Leg Swap Duration (calculated on the day count basis customary for floating rate payments in the Relevant Currency as determined by the Calculation Agent);

**“Mid-Market Swap Rate Quotation”** means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

**“Mid-Swap Floating Leg Benchmark Rate”** means, unless otherwise specified in the applicable Final Terms, (i) the EURIBOR rate for the Floating Leg Swap Duration if the Specified Currency is euro, (ii) the overnight SONIA rate compounded for the Floating Leg Swap Duration if the Specified Currency is sterling, (iii) the overnight SOFR rate compounded for the Floating Leg Swap Duration if the Specified Currency is U.S. dollars or (iv) any other reference rate specified in the applicable Final Terms;

**“Mid-Swap Rate”** means, in relation to a Reset Determination Date and subject to Condition 5.02b(ii), either:

- (i) if Single Mid-Swap Rate is specified in the applicable Final Terms, the applicable semi-annual or annualised (as specified in the applicable Final Terms) rate for swaps in the Relevant Currency:
  - (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date,
- (ii) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered annualized or semi-annualised (as specified in the applicable Final Terms) swap rate quotations for swaps in the Relevant Currency:
  - (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page, in either case, as at approximately the Relevant Time in the principal financial centre of the Relevant Currency on such Reset Determination Date, provided, however, that if there is no such rate appearing on the Screen Page for a term equal to the relevant Reset Period, then the Mid-Swap Rate shall be determined through the use of straight-line interpolation by reference to two rates, one of which shall be determined in accordance with the above provisions, but as if the relevant Reset Period were the period of time for which rates are available next shorter the length of the actual Reset Period and the other of which shall be determined in accordance with the above provisions, but as if the relevant Reset Period were the period of time for which rates are available next longer than the length of the actual Reset Period;

**“Reference Banks”** means:

- (i) for the purposes of Condition 5.02b(i), five leading swap dealers in the principal interbank market relating to the Relevant Currency selected by the Calculation Agent in its discretion after consultation with the Issuer;
- (ii) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers selected by the Calculation Agent in its discretion after consultation with the Issuer;
- (iii) in the case of a CMT Rate, five banks which are primary U.S. Treasury securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars in New York selected by the Calculation Agent in its discretion after consultation with the Issuer; or
- (iv) in the case of a Reference Bond, five banks which are primary government securities dealers or market makers in pricing corporate bond issuances, as selected by the Calculation Agent in its discretion after consultation with the Issuer

**“Reference Bond”** means for any Reset Period, the Reference Bond specified in the applicable Final Terms or, if no Reference Bond is specified in the applicable Final Terms or if the relevant Reference Bond is no longer outstanding at the relevant time, such security or securities issued by the government of the state responsible for issuing the Relevant Currency (which, if the Relevant Currency is euro, shall be Germany) selected by the Calculation Agent in its discretion after consultation with the Issuer as having an actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Calculation Agent, after consultation with the Issuer) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Relevant Currency and of a comparable maturity to the relevant Reset Period;

**“Reference Bond Dealer Quotations”** means, with respect to each Reference Bank and the Reset Determination Date, the arithmetic mean, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) as at approximately 11.00 a.m. (or any other Relevant Time as specified in the applicable Final Terms) in the principal financial centre of the Relevant Currency on the Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Bank;

**“Reference Bond Price”** means, with respect to a Reset Determination Date that does not relate to the CMT Rate, (a) the arithmetic mean of the Reference Bond Dealer Quotations for that Reset Determination Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Bond Dealer Quotations, the arithmetic mean of all such quotations or (c) if the Calculation Agent obtains only one Reference Bond Dealer Quotation or if the Calculation Agent obtains no Reference Bond Dealer Quotations, the Subsequent Reset Rate of Interest shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest;

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

**“Relevant Currency”** has the meaning specified in the applicable Final Terms;

**“Reference Treasury Dealer Quotations”** means with respect to each Reference Bank and the Reset Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the applicable Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, at 11:00 a.m. (New York City time), on the Reset Determination Date;

**“Relevant Screen Page”** has the meaning specified in Condition 5.08, provided that in the case of the Reference Bond Rate it shall be in relation to a Reference Bond Rate;

**“Relevant Time”** means the time specified as such in the applicable Final Terms;

**“Reset Date”** means the First Reset Date, the Second Reset Date (if any) and each Subsequent Reset Date (if any), as applicable, in each case as adjusted in accordance with any Business Day Convention specified in the applicable Final Terms as if the relevant Reset Date was an Interest Payment Date;

**“Reset Determination Date”** means, in respect of a Reset Period, the date specified as such in the applicable Final Terms;

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

**“Reset Rate”** means:

- (i) if Mid-Swap Rate is specified in the applicable Final Terms, the relevant Mid-Swap Rate;
- (ii) if Benchmark Gilt Rate is specified in the applicable Final Terms, the relevant Benchmark Gilt Rate;
- (iii) if Reference Bond is specified in the applicable Final Terms, the relevant Reference Bond Rate or
- (iv) if CMT Rate is specified in the applicable Final Terms, the relevant CMT Rate.

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

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

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

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

**“Subsequent Reset Rate of Interest”** means, in respect of any Subsequent Reset Period and subject to Condition 5.02b, the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of (A) the relevant Reset Rate and (B) the relevant Subsequent Margin, converted (if the Reset Rate is either Mid-Swap Rate or the Reference Bond Rate), if not already on the same basis, from a basis equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms or the Reference Bond Rate, as the case may be, to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be determined by the Calculation Agent);

“**U.S. Treasury Securities**” means securities that are direct obligations of the United States Treasury, issued other than on a discount rate basis; and

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

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

*This Condition 5.03 applies to Floating Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 5.03 for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Final Terms will identify Specified Interest Payment Date(s), the First Interest Payment Date, the Maturity Date, any Interest Period, the Interest Commencement Date, the Business Day Convention, any Business Centre(s), whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Issuing and Paying Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction and whether any Switch Coupon Option is applicable. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Relevant Financial Centre, Interest Determination Date(s) and Relevant Screen Page.*

#### *(i) Interest Payment Dates*

Each Floating Rate Note bears interest on its Outstanding Principal Amount from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) (each an “**Interest Payment Date**”) in each year specified in the applicable Final Terms with the first Interest Payment Date (the “**First Interest Payment Date**”) being as specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period(s) in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. Interest will be calculated on the Calculation Amount of the Floating Rate Notes.

#### *(ii) Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in one of the manners set out below and specified in the applicable Final Terms.

#### *(iii) Screen Rate Determination*

Where the Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest will be determined as provided below, subject to Condition 5.11 below.

- (A) Where the Reference Rate is specified in the applicable Final Terms as being EURIBOR, CNH HIBOR, HIBOR or STIBOR:

- (i) the Rate of Interest for each Interest Period will, subject as provided below, be either:
- (1) the offered quotation, or
  - (2) the arithmetic mean (rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, 0.0005 being rounded upwards) of the offered quotations
- (expressed as a percentage rate per annum) for the Reference Rate for deposits in the Specified Currency for that Interest Period which appears or appear, as the case may be, on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, all as determined by the Calculation Agent;
- (ii) if, on any Interest Determination Date, no such Reference Rate so appears or, as the case may be, if fewer than three offered quotations so appear or if the Relevant Screen Page is unavailable or if the offered rate or rates which appear as at the Relevant Time do not apply to a period or duration equal to the Interest Period, the Calculation Agent will request appropriate quotations and will determine the arithmetic mean (rounded as aforesaid) of the rates at which deposits in the relevant currency are offered by the principal Relevant Financial Centre office of the Reference Banks at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time;
- (iii) if, on any Interest Determination Date, only two or three rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates so quoted; or
- (iv) if, on any Interest Determination Date, fewer than two rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as aforesaid) of the rates quoted by four major banks in the Principal Financial Centre as selected by the Calculation Agent, at the Relevant Time on the first day of the relevant Interest Period for loans in the relevant currency to leading European banks for a period for the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time,

and the Rate of Interest applicable to such Notes during such Interest Period will be the rate or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates so determined plus or minus (as indicated in the applicable Final Terms) the Margin, if any, provided however that if the Calculation Agent is unable to determine a rate or, as the case may be, an arithmetic mean of rates in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to such Notes during such Interest Period will be the rate or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates determined in relation to such Notes in respect of the last preceding Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin, if any.

(B) (1) Where the Reference Rate is specified in the applicable Final Terms as being “**BBSW**” or “**BBSW Rate**”, the Interest Rate applicable to the Floating Rate Notes for each Interest Period is the sum of the Margin and the BBSW Rate.

(2) Each Holder shall be deemed to acknowledge, accept and agree to be bound by, and consents to, the determination of, substitution for and any adjustments made to the BBSW Rate, including Benchmark Amendments (as such term is defined in this Condition 5.03 (iii)(B)), as described in this Condition 5.03(iii)(B) below (in all cases without the need for any Holder consent). Any determination, decision or election (including a decision to take or refrain from taking any action or as to the occurrence or non-occurrence of any event or



circumstance), and any substitution for and adjustments made to the BBSW Rate, in accordance with this Condition 5.03(iii)(B) will, in the absence of manifest or proven error, be conclusive and binding on the Issuer, the Holder, the Issuing and Paying Agent, Calculation Agent and each Paying Agent and, notwithstanding anything to the contrary in these Terms and Conditions or other documentation relating to the Notes, shall become effective without the consent of any person.

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

(4) All rates determined pursuant to this Condition 5.03(iii)(B) shall be expressed as a percentage rate per annum and the resulting percentage will be rounded if necessary to the fourth decimal place (i.e., to the nearest one ten-thousandth of a percentage point) with 0.0005 being rounded upwards.

(5) BBSW Rate Fallbacks

If:

- (I) a Temporary Disruption Trigger has occurred; or
- (II) a Permanent Discontinuation Trigger has occurred,

then the Benchmark Rate for an Interest Period, while such Temporary Disruption Trigger is continuing or after a Permanent Discontinuation Trigger has occurred, means (in the following order of application and precedence):

(a) if a Temporary Disruption Trigger has occurred with respect to the BBSW Rate, in the following order of precedence:

- (1) first, the Administrator Recommended Rate;
- (2) then the Supervisor Recommended Rate; and
- (3) lastly, the Final Fallback Rate;

(b) where determination of the AONIA Rate is required for the purposes of paragraph (a) above, if a Temporary Disruption Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required will be the last provided or published level of AONIA;

(c) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (a) or (b) above, if a Temporary Disruption Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required will be the last rate provided or published by the Administrator of the RBA Recommended Rate (or if no such rate has been so provided or published, the last provided or published level of AONIA);

(d) if a Permanent Discontinuation Trigger has occurred with respect to the BBSW Rate, the rate for any day for which the BBSW Rate is required on or after the Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

- (1) first, if at the time of the BBSW Rate Permanent Fallback Effective Date, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Rate;
- (2) then, if at the time of the BBSW Rate Permanent Fallback Effective Date, an AONIA Permanent Fallback Effective Date has occurred, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and
- (3) lastly, if neither paragraph (1) nor paragraph (2) above apply, the Final Fallback Rate;

(e) where a determination of the AONIA Rate is required for the purposes of paragraph (d)(1) above, if a Permanent Discontinuation Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required on or after the AONIA Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

- (1) first, if at the time of the AONIA Permanent Fallback Effective Date, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Rate; and
- (2) lastly, if paragraph (1) above does not apply, the Final Fallback Rate; and

(f) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (d) or (e) above, respectively, if a Permanent Discontinuation Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required on or after that Permanent Fallback Effective Date will be the Final Fallback Rate.

When calculating an amount of interest in circumstances where a Fallback Rate other than the Final Fallback Rate applies, that interest will be calculated as if references to the BBSW Rate were references to that Fallback Rate. When calculating interest in circumstances where the Final Fallback Rate applies, the amount of interest will be calculated on the same basis as if the Applicable Benchmark Rate in effect immediately prior to the application of that Final Fallback Rate remained in effect but with necessary adjustments to substitute all references to that Applicable Benchmark Rate with corresponding references to the Final Fallback Rate.

In this respect, if any Fallback Rate and the applicable Adjustment Spread is determined in accordance with this Condition 5.03(iii)(B) and the Issuer, (following consultation with the Calculation Agent where practicable) and acting in good faith, determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Fallback Rate and/or the applicable Adjustment Spread (such amendments, in this Condition 5.03(iii)(B) the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof as specified below, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5.03(iii)(B), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

The occurrence of a Permanent Discontinuation Trigger, any Fallback Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5.03(iii)(B) will be notified promptly by the Issuer to the Issuing and Paying Agent and the Calculation Agent and, in accordance with Condition 14, the Holders. Such notice shall be irrevocable and shall specify the effective date(s) for such Fallback Rate (as applicable), the Adjustment Spread (if any) and for the Benchmark Amendments, if any.

No later than one Business Day following the date of 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 (i) that a Permanent Fallback Trigger has occurred, (ii) the Fallback Rate and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5.03(iii)(B); and
- (B) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Fallback Rate and the applicable Adjustment Spread.

The Issuing and Paying Agent shall display such certificate at its offices for inspection by the Holders at all reasonable times during normal business hours.

(c) Definitions

For the purposes of this Condition 5.03(iii)(B):

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

- (I) determined as the median of the historical differences between the BBSW Rate and AONIA over a five calendar year period prior to the Adjustment Spread Fixing Date using practices based on those used for the determination of the Bloomberg Adjustment Spread as at 1 December 2022, provided that for so long as the Bloomberg Adjustment Spread is published and determined based on the five year median of the historical differences between the BBSW Rate and AONIA, that adjustment spread will be deemed to be acceptable for the purposes of this paragraph (I); or
- (II) if no such median can be determined in accordance with paragraph (I), set using the method for calculating or determining such adjustment spread determined by the Calculation Agent (after consultation with the Issuer where practicable) to be appropriate;

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

**“Administrator”** means:

- (I) in respect of the BBSW Rate, ASX Benchmarks Limited (ABN 38 616 075 417);
- (II) in respect of AONIA, the Reserve Bank of Australia; and

- (III) in respect of any other Applicable Benchmark Rate, the administrator for that rate or benchmark or, if there is no administrator, the provider of that rate or benchmark,

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

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

**“AONIA”** mean the Australian dollar interbank overnight cash rate (known as AONIA);

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

**“Applicable Benchmark Rate”** means the BBSW Rate and, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, AONIA or the RBA Recommended Rate, then the rate determined in accordance with Condition 5.03(iii)(B)(5);

**“BBSW Rate”** means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the **“AVG MID”** on the Refinitiv Screen ASX29 Page or the **“MID”** rate on the Bloomberg Screen BBSW Page (or, in each case, any designation which replaces that designation on the applicable page, or any replacement page) at the Publication Time on the first Business Day of that Interest Period;

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

**“Business Day”** means any day on which commercial banks are open for general business in Sydney;

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

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{AONIA_{i-5\ SBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**AONIA<sub>i-5SBD</sub>**” means the per annum rate expressed as a decimal which is the level of AONIA provided by the Administrator and published as of the Publication Time for the Business Day falling five Business Days prior to such Business Day “i”;

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

“**d<sub>0</sub>**” is the number of Business Days in the relevant Interest Period;

“**i**” is a series of whole numbers from 1 to d<sub>0</sub>, each representing the relevant Business Day in chronological order from (and including) the first Business Day in the relevant Interest Period to (and including) the last Business Day in such Interest Period;

“**n**” for any Business Day “i”, means the number of calendar days from (and including) such Business Day “i” up to (but excluding) the following Business Day; and

“**SBD**” means any day on which commercial banks are open for general business in Sydney.

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

“**Fallback Rate**” means, where a Permanent Discontinuation Trigger for an Applicable Benchmark Rate has occurred, the rate that applies to replace that Applicable Benchmark Rate in accordance with Condition 5.03(iii)(B)(5);

“**Final Fallback Rate**” means, in respect of an Applicable Benchmark Rate, the rate:

- (I) determined by the Calculation Agent as a commercially reasonable alternative for the Applicable Benchmark Rate taking into account all available information that, in good faith, it considers relevant, provided that any rate (inclusive of any spreads or adjustments) implemented by central counterparties and / or futures exchanges with representative trade volumes in derivatives or futures referencing the Applicable Benchmark Rate will be deemed to be acceptable for the purposes of this paragraph (I), together with (without double counting) such adjustment spread (which may be a positive or negative value or zero) that is customarily applied to the relevant successor rate or alternative rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for Benchmark Rate-linked floating rate notes at such time (together with such other adjustments to the Business Day Convention, interest determination dates and related provisions and definitions, in each case that are consistent with accepted market practice for the use of such successor rate or alternative rate for Benchmark Rate-linked floating rate notes at such time), or, if no such industry standard is recognised or acknowledged, the method for calculating or determining such adjustment spread determined by the Calculation Agent (in consultation with the Issuer) to be appropriate; provided that
- (II) if and for so long as no such successor rate or alternative rate can be determined in accordance with paragraph (I), the Final Fallback Rate will be the last provided or published level of that Applicable Benchmark Rate;

**“Interest Determination Date”** in this Condition 5.05(iii)(B) means, in respect of an Interest Period:

- (I) where the BBSW Rate applies or the Final Fallback Rate applies under paragraph (d)(3) of this Condition 5.03(iii)(B)(5), the first day of that Interest Period; and
- (II) otherwise, the third Business Day prior to the last day of that Interest Period,

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

- (A) has determined that such Applicable Benchmark Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark Rate is intended to measure and that representativeness will not be restored; and
- (B) is aware that such determination will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such Supervisor (howsoever described) in contracts;

**“Permanent Discontinuation Trigger”** means, in respect of an Applicable Benchmark Rate:

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

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

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

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

**“Publication Time”** means:

- (I) in respect of the BBSW Rate, 12.00 noon (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for the BBSW Rate in its benchmark methodology; and
- (II) in respect of AONIA, 4.00 p.m. (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for AONIA in its benchmark methodology;

**“RBA Recommended Fallback Rate”** has the same meaning given to AONIA Rate but with necessary adjustments to substitute all references to AONIA with corresponding references to the RBA Recommended Rate;

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

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

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

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

- (I) the Applicable Benchmark Rate has not been published by the applicable Administrator or an authorised distributor and is not otherwise provided by the Administrator, in respect of, on, for or by the time and date on which that Applicable Benchmark Rate is required; or
- (II) the Applicable Benchmark Rate is published or provided but the Calculation Agent determines that there is an obvious or proven error in that rate.

(C) (1) Where the Reference Rate is specified in the applicable Final Terms as being **“SONIA”** and the Calculation Method is specified in the applicable Final Terms as being **“Compounded Daily Rate”**, the Rate of Interest for each Interest Period will, as provided below and subject to Condition 5.11, be Compounded Daily SONIA for the Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin, if any, all determined by the Calculation Agent.

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

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{Relevant SONIA}_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

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

- (a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;



“ $d_o$ ” is the number of London Banking Days in:

- (a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

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

- (a) where Lag is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (b) where Shift is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

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

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

“**Observation Look-back Period**” is as specified in the applicable Final Terms;

“ $p$ ”, for any Interest Period is the number of London Banking Days included in the Observation Look-Back Period, as specified in the applicable Final Terms and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

“**Observation Period**” means the period from and including the date falling “ $p$ ” London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling “ $p$ ” London Banking Days prior to the Interest Payment Date for such Interest Period; and

“**Relevant SONIA <sub>$i$</sub>** ” means, in respect of any London Banking Day “ $i$ ”:

- (a) where “Lag” is specified as the Observation Method in the applicable Final Terms,  $SONIA_{i-pLBD}$ ; or
- (b) where “Shift” is specified as the Observation Method in the applicable Final Terms,  $SONIA_{iLBD}$ ;

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

“ $SONIA_{iLBD}$ ” means, in respect of any London Banking Day “ $i$ ” the SONIA reference rate for such London Banking Day “ $i$ ”;

“ $SONIA_{i-pLBD}$ ” means, in respect of any London Banking Day “ $i$ ” falling in the relevant Interest Period, the SONIA reference rate for the London Banking Day falling “ $p$ ” London Banking Days prior to the relevant London Banking Day “ $i$ ”.

If, in respect of any London Banking Day, the applicable SONIA reference rate is not made available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, then unless the Calculation Agent has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread or Benchmark Amendments) pursuant to Condition 5.11, if applicable, the SONIA reference rate in respect of such London Banking Day shall be:

- (a) (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
- (b) if the Bank Rate is not available on the relevant London Banking Day, the most recent SONIA reference rate in respect of a London Banking Day.

Notwithstanding the paragraph above, and subject to Condition 5.11, 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, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA rate for any London Banking Day “i”, for purposes of Notes of the relevant Series for so long as the SONIA rate is not available and has not been published by the authorised distributors.

(2) Subject to Condition 5.11, where the Reference Rate is specified in the applicable Final Terms as being “**SONIA**” and the Calculation Method is specified in the applicable Final Terms as being “**Compounded Index Rate**”, the Rate of Interest for each Interest Period will be Compounded Daily SONIA for the Interest Period determined by reference to the screen rate or index for Compounded Daily SONIA administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service at the relevant time on the relevant Index Determination Dates specified below, as further specified in the applicable Final Terms (the “**SONIA Compounded Index**”) and in accordance with the following formula, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 per cent. being rounded upwards, plus or minus (as indicated in the applicable Final Terms) the Margin, if any, all determined by the Calculation Agent:

$$\left( \frac{\text{SONIA Compounded Index}_y}{\text{SONIA Compounded Index}_x} - 1 \right) \times \frac{365}{d}$$

where:

“**x**” denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of the relevant Interest Period;

“**y**” denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the Interest Payment Date for such Interest Period, or such other date as when the relevant payment

of interest falls to be due (but which by definition or the operation of the relevant provisions is excluded from such Interest Period);

**"Index Determination Date"** is a day on which the SONIA Compounded Index is determined pursuant to paragraph "x" or "y" above;

**"d"** is the number of calendar days from (and including) the day in relation to which x is determined to (but excluding) the day in relation to which y is determined;

**"Relevant Number"** is as specified in the applicable Final Terms.

If the SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service at the relevant time on any relevant Index Determination Date, the Compounded Daily SONIA rate for the applicable Interest Period for which SONIA Compounded Index is not available shall be "Compounded Daily SONIA" determined in accordance with Condition 5.03(iii)(C)(1) above as if Compounded Index Rate had not been specified as being applicable in the applicable Final Terms. For these purposes, the "Calculation Method" shall be deemed to be "Compounded Daily Rate", the Relevant Number specified in the applicable Final Terms shall be the "Observation Look-back Period" and "Observation Method" shall be deemed to be "Shift" as if Compounded Index Rate had not been specified as being applicable and these alternative elections had been made.

(3) If the relevant Series of Notes becomes due and payable in accordance with Condition 7, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the due date on which such Notes become 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

(D) Where the Reference Rate is specified in the applicable Final Terms as being as being **"SOFR"**, the Rate of Interest for each Interest Period, subject as provided below and subject to Condition 5.12 shall be Compounded SOFR and the applicable Final Terms shall specify the Calculation Method as "Compounded Daily Rate" (in which case the provisions of paragraph (1) below shall apply) or "Compounded Index Rate" (in which case the provisions of paragraph (2) below shall apply).

(1) *Calculation Method - Compounded Daily Rate*

Subject to Condition 5.12 below, where "Compounded Daily Rate" is specified as the Calculation Method in the applicable Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded SOFR for such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin, if any, as determined by the Calculation Agent.

Where:

**"Compounded SOFR"** means, with respect to an Interest Period, the rate of return of a daily compound interest investment computed in accordance with the following formula and will be calculated by the Calculation Agent on the relevant Interest Determination Date with the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards:

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

For the purpose of this Condition 5.03(E)(1):

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

"**d<sub>o</sub>**" is the number of U.S. Government Securities Business Days in the relevant Observation Period;

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

"**n<sub>i</sub>**", for any U.S. Government Securities Business Day "**i**" in the Observation Period, means the number of calendar days from and including such U.S. Government Securities Business Day "**i**" up to but excluding the following U.S. Government Securities Business Day;

"**SOFR<sub>i</sub>**" means, in respect of any U.S. Government Securities Business Day "**i**", SOFR for the U.S. Government Securities Business Day "**i**";

"**Secured Overnight Financing Rate**" or "**SOFR**" means, with respect to any U.S. Government Securities Business Day:

- (a) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or
- (b) if the rate specified in (1) above does not so appear,
  - (i) if both a Benchmark Transition Event (as defined in Condition 5.12) and its related Benchmark Replacement Date (as defined in Condition 5.12) have not occurred, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website; or
  - (ii) if a Benchmark Transition Event (ii) and its related Benchmark Replacement Date have occurred, then SOFR shall be determined to be the rate determined in accordance with Condition 5.12.

(2) *Calculation Method - Compounded Index Rate*

Subject to Condition 5.12 below, where "Compounded Index Rate" is specified as the Calculation Method in the applicable Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Compounded SOFR Index Rate for such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin, if any, as determined by the Calculation Agent.

Where:

"**Compounded SOFR Index Rate**" means, with respect to an Interest Period, the rate computed in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest seventh decimal place, with 0.00000005 being rounded upwards):

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

For the purposes of this Condition 5.03(E)(2):

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

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

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

- (a) the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator’s Website at 3:00 P.M (New York time) on such U.S. Government Securities Business Day (the “**SOFR Index Determination Time**”); provided that:
- (b) if a SOFR Index value does not so appear as specified in (a) above at the SOFR Index Determination Time, then
  - (i) if a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to the “SOFR Index Unavailable” provisions (defined below) or
  - (ii) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, then Compounded SOFR shall be the rate determined pursuant to Condition 5.12.

“**SOFR Index<sub>Start</sub>**” is the SOFR Index value for the day which is “*p*” U.S. Government Securities Business Days preceding the first date of the relevant Interest Period;

“**SOFR Index<sub>End</sub>**” is the SOFR Index value for the day which is “*p*” U.S. Government Securities Business Days preceding the Interest Payment Date relating to such Interest Period;

“**SOFR Index Unavailable**” means if the SOFR Index is not published on a SOFR Index<sub>Start</sub> or SOFR Index<sub>End</sub> on the associated Interest Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, “**Compounded SOFR**” means, for an Interest Determination Date for the applicable Interest Period for which such index is not available, the rate of return on a daily compounded interest investment calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the formula for SOFR Averages, and the definitions required for such formula, published on the SOFR Administrator’s Website at <https://www.newyorkfed.org/markets/treasury-repo-reference-rates-information>. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to “calculation period” shall be replaced with “Observation Period”, and the words “that is, 30-, 90-, or 180-calendar days” shall be removed. If the daily SOFR (“SOFR<sub>i</sub>”) does not so appear for any day “*i*” in the Observation Period, SOFR<sub>i</sub> for such day “*i*” shall be SOFR published in respect of the preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website.

(3) *Early Redemption*

If the relevant Series of Notes becomes due and payable in accordance with Condition 7, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes become 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.

(4) *Definitions*

For the purposes of this Condition 5.03(iii)(D),

**“Observation Look-back Period”** is as specified in the applicable Final Terms;

**“Observation Period”** means the period from (and including) the day falling “p” U.S. Government Securities Business Days prior to the first day of the relevant Interest Period to (but excluding) the day falling “p” U.S. Government Securities Business Days prior to the relevant Interest Payment Date for such Interest Period;

**“p”** is the number of U.S. Government Securities Business Days included in the Observation Look-back Period, as specified in the applicable Final Terms;

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

**“SOFR Administrator’s Website”** means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source;

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

(E) Where the Reference Rate is specified in the applicable Final Terms as being “**€STR**”, the Rate of Interest for each Interest Period will, as provided below (and subject to the **€STR** Fallbacks set out in (4) below), be Compounded Daily **€STR** for such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin, if any, as determined by the Calculation Agent. Compounded Daily **€STR** will be calculated in accordance with the lag observation method (the “**Observation Lookback Convention**”) or the shift observation method (the “**Observation Shift Convention** and each a “**Compounded Daily €STR Observation Convention**”). The applicable Final Terms will indicate which Compounded Daily **€STR** Observation Convention is applicable.

**“Compounded Daily €STR”** means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with each 0.00005 per cent. being rounded upwards:

(1) Observation Lookback Convention:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{(\text{€STR}_{i-p\text{TBD}} \times n_i)}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

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

“**d<sub>o</sub>**”, for any Interest Period, is the number of T2 Business Days (as defined below) in the relevant Interest Period;

“**€STR<sub>i-pTBD</sub>**” means, for any day “i” in the relevant Interest Period, the €STR Reference Rate for the T2 Business Day falling “p” T2 Business Days prior to the relevant T2 Business Day “i”;

“i” is a series of whole numbers from one to d<sub>o</sub>, each representing the relevant T2 Business Day in chronological order from, and including, the first T2 Business Day in the relevant Interest Period;

“**n<sub>i</sub>**” for any T2 Business Day “i” is the number of calendar days from, and including, such T2 Business Day “i” up to, but excluding, the following T2 Business Day;

“**Observation Look-back Period**” is as specified in the applicable Final Terms or Pricing Supplement; and

“**p**”, for any Interest Period, is the number of T2 Business Days included in the Observation Look-back Period and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

(2) Observation Shift Convention:

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

where:

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

“**d<sub>o</sub>**”, for any Observation Period, is the number of T2 Business Days (as defined below) in the relevant Observation Period;

“**€STR<sub>i</sub>**” means, in respect of any T2 Business Day “i” falling in the relevant Observation Period, the €STR Reference Rate for that T2 Business Day “i”;

“**i**” is a series of whole numbers from one to  $d_0$ , each representing the relevant T2 Business Day in chronological order from, and including, the first T2 Business Day in the relevant Observation Period;

“**n<sub>i</sub>**” for any T2 Business Day “**i**” is the number of calendar days from, and including, such T2 Business Day “**i**” up to, but excluding, the following T2 Business Day;

“**Observation Period**” means, in respect of an Interest Period, the period from, and including, the date falling “**p**” T2 Business Days prior to the first day of the relevant Interest Period (and the first Observation Period shall begin on and include the date falling “**p**” T2 Business Days prior to the Interest Commencement Date) and ending on, but excluding, the date falling “**p**” T2 Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “**p**” T2 Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“**p**”, for any Interest Period, is the number of T2 Business Days included in the Observation Look-back Period, as specified in the applicable Final Terms or Pricing Supplement and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent.

(3) And, for each Compounded Daily €STR Observation Convention, the following definitions shall also apply:

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

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

(b) a public statement or the publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to publish or provide the ECB Recommended Rate;

“**ECB Recommended Rate Index Cessation Effective Date**” means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate would ordinarily have been provided and is no longer provided;

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

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



(b) a public statement or the publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide €STR;

**“€STR Index Cessation Effective Date”** means, in respect of €STR and an €STR Index Cessation Event, the first date on which €STR would ordinarily have been provided and is no longer provided;

**“€STR Reference Rate”** means in respect of any T2 Business Day, a reference rate equal to the daily euro short-term rate (**“€STR”**) for such T2 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, currently 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 T2 Business Day immediately following such T2 Business Day (or any amended publication time for €STR as specified by the administrator of €STR in the €STR benchmark methodology));

**“T2 Business Day”** or **“TBD”** has the meaning set out in Condition 5.08);

(4) **€STR Fallbacks:** If the €STR Reference Rate does not appear on a T2 Business Day as specified above, unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date (each as defined below) have occurred, the €STR Reference Rate shall be a rate equal to €STR in respect of the last T2 Business Day for which such rate was published on the ECB’s Website.

If the €STR Reference Rate does not appear on a T2 Business Day as specified above, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each T2 Business Day occurring on or after such €STR Index Cessation Effective Date will be determined as if references to “€STR” were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by (i) the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) and/or the European Securities and Markets Authority, in each case for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor (the **“ECB Recommended Rate”**), provided that, if no such rate has been recommended before the end of the first T2 Business Day following the €STR Index Cessation Effective Date, then the rate for each T2 Business Day occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility that banks may use to make overnight deposits with the Eurosystem, as published on the ECB’s Website (the **“EDFR”**) on such T2 Business Day plus the arithmetic mean of the daily difference between the €STR and the EDFR over an observation period of 30 T2 Business Days starting 30 T2 Business Days prior to the day on which the €STR Index Cessation Event occurs and ending on the T2 Business Day immediately preceding the day on which the €STR Index Cessation Event occurs (the **“EDFR Spread”**); provided further that, if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each T2 Business Day occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references

to “€STR” were references to the EDFR on such T2 Business Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR over an observation period of 30 T2 Business Days starting 30 T2 Business Days prior to the day on which the ECB Recommended Rate Index Cessation Event occurs and ending on the T2 Business Day immediately preceding the day on which the ECB Recommended Rate Index Cessation Event occurs.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 5.11, (i) the Rate of Interest applicable to the Notes during such Interest Period will be the Rate of Interest last determined in relation to the Notes in respect of the last preceding Interest Period (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the Rate of Interest shall be determined as if references to €STR for each T2 Business Day occurring on or after the €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if the EDFR is published on a later date than the latest published ECB Recommended Rate, the latest published EDFR plus the EDFR Spread.

If an €STR Index Cessation Event and an €STR Index Cessation Effective Date occurs, the Issuer will promptly notify the Holders in accordance with Condition 15 and the Calculation Agent of such occurrence.

(5) *Early Redemption*

If the relevant Series of Notes becomes due and payable in accordance with Condition 7, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes become 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.

(iv) *ISDA Rate Determination*

Where ISDA Determination is specified in the Final Terms as applicable, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin, if any. For purposes of this Condition 5.03(iv), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rates that will be calculated by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent (as defined in the ISDA Definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating:

- (1) if “**2006 ISDA Definitions**”, is specified in the applicable Final Terms, the 2006 ISDA Definitions, as amended and updated as at the Issue Date of the first Tranche of the Notes, as published by the International Swaps and Derivatives Association, Inc. (including any successor thereto, “**ISDA**”); or
- (2) if “**2021 ISDA Definitions**” is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (as defined therein)) (and any successor thereto), as published by ISDA as at the Issue Date of the first Tranche of the Notes,

(the “**ISDA Definitions**”) and under which:

- (a) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Final Terms;

- (b) the Designated Maturity (as defined in the ISDA Definitions), if applicable, is the period specified in the applicable Final Terms;
- (c) the relevant Reset Date (as defined in the ISDA Definitions) is either (i) if the applicable Floating Rate Option is based on the Euro-zone interbank offered rate (“**EURIBOR**”) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms;
- (d) if the Floating Rate Option is an Overnight Floating Rate Option and Compounding Method is specified to apply in the applicable Final Terms, the Overnight Rate Compounding Method will be one of the following, as specified in the applicable Final Terms:
  - (x) Compounding with Lookback;
  - (y) Compounding with Observation Period Shift; or
  - (z) Compounding with Lockout;
- (e) if the Floating Rate Option is an Overnight Floating Rate Option and Averaging is specified to apply in the applicable Final Terms, the Overnight Averaging Method will be one of the following, as specified in the applicable Final Terms:
  - (x) Averaging with Lookback;
  - (y) Averaging with Observation Period Shift; or
  - (z) Averaging with Lockout;
- (f) if the Floating Rate Option is a Compounded Index Floating Rate Option, the Index Method will be Compounded Index Method with Observation Period Shift as specified in the applicable Final Terms;
- (g) if the 2021 ISDA Definitions apply, (i) any fallbacks that would otherwise be required to be determined in accordance with Section 8.6 (Generic Fallback Provisions) of the 2021 ISDA Definitions shall not be so determined, but shall instead be determined in accordance with Condition 5.11, (ii) if Administrator/Benchmark Event is specified in the Floating Rate Matrix in respect of the relevant Floating Rate Option, Condition 5.11 shall apply in place of the provisions relating to Administrator/Benchmark Event and the Administrator/ Benchmark Fallback in the 2021 ISDA Definitions, and the 2021 ISDA Definitions shall be construed accordingly and (iii) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication – Fallback Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication – Fallback Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate";
- (h) if the 2021 ISDA Definitions apply, Period End Date / Termination Date adjustment for Unscheduled Holiday (as defined in the 2021 ISDA Definitions) will apply if specified in the applicable Final Terms to be applicable;
- (i) if the 2021 ISDA Definitions apply, Non-Representative (as defined in the 2021 ISDA Definitions) will apply if specified in the relevant Final Terms to be applicable; and

- (j) if the 2021 ISDA Definitions apply, Successor Benchmark and Successor Benchmark Effective Date (as defined in the 2021 ISDA Definitions) will be as specified in the applicable Final Terms.

Subject to (g) above, the ISDA Definitions contain provisions for determining the applicable Floating Rate (as defined below) (including Supplement 70 to the 2006 ISDA Definitions and Section 9 of the 2021 ISDA Definitions (Bespoke Triggers and Fallbacks)) in the event that the specified Floating Rate is not available and such provisions shall apply to Floating Rate Notes as if incorporated in these Conditions.

For the purposes of this Condition 5.03(iv) “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Floating Rate Matrix**”, “**Designated Maturity**”, “**Reset Date**”, “**Overnight Floating Rate Option**”, “**Overnight Rate Compounding Method**”, “**Compounding with Lookback**”, “**Compounding with Observation Period Shift**”, “**Compounding with Lockout**”, “**Averaging with Lookback**”, “**Averaging with Observation Period Shift**”, “**Averaging with Lockout**”, “**Generic Fallback Provisions**”, “**Compounded Index Floating Rate Option**”, “**Index Method**” and “**Compounded Index Method with Observation Period Shift**” have the meanings given to those applicable terms in the ISDA Definitions.

(v) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), 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 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 Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as the Issuer shall determine as appropriate for such purposes.

For these purposes, “**Designated Maturity**” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

**Accrual of Interest**

**5.04** Interest on a Note will cease to accrue from the due date for its redemption unless upon due presentation or surrender thereof (if required), payment in full of the Final Redemption Amount is improperly withheld or refused or default is otherwise made in the payment thereof. In such event, interest shall continue to accrue on the principal amount in respect of which payment has been improperly withheld or refused or default has been made (as well after as before any demand or judgment) at the Rate of Interest then applicable or such other rate as may be specified for this purpose in the applicable Final Terms if permitted by applicable law (“**Default Rate**”) until the date on which, upon due presentation or surrender of the relevant Note (if required), the relevant payment is made or, if earlier, the seventh day after the date on which, the Issuing and Paying Agent or, as the case may be, the Registrar having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 15 that the Issuing and Paying Agent or, as the case may be, the Registrar has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder).

### ***Interest Amount(s), Calculation Agent and Reference Banks***

**5.05** If a Calculation Agent is specified in the applicable Final Terms, the Calculation Agent, as soon as practicable after the Relevant Time, if applicable, on each Interest Determination Date or Reset Determination Date will determine the Rate of Interest and calculate the amount(s) of interest payable (the “**Interest Amount(s)**”) in the manner specified in Condition 5.06 below, obtain such quote or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period (or, if determining the First Reset Rate of Interest or a subsequent Reset Rate of Interest in respect of Fixed Rate Resettable Notes, the Interest Amount for each Interest Period falling within the relevant Reset Period) and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Registrar (in the case of Registered Notes), the Issuer, the Holders in accordance with Condition 15 and, if the Notes are listed on a stock exchange or admitted to listing by any other authority and the rules of such exchange or other relevant authority so require, such exchange or listing authority as soon as possible after their determination or calculation but in no event later than the fourth London Banking Day thereafter (or, in the case of Notes where the applicable Final Terms specify the Reference Rate as being SONIA or SOFR no later than the second London Banking Day thereafter) or, if earlier in the case of notification to the stock exchange or other relevant authority, the time required by the relevant stock exchange or listing authority. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 7, the Rate of Interest and any accrued interest payable in respect of the Notes shall, save in the case of Compounded Daily SONIA, Compounded SOFR, SOFR Compounded Index or Compounded Daily €STR for the purposes of Condition 5.03(iii)(C), 5.03(iii)(D) and 5.03(iii)(E), nevertheless continue to be calculated 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 each Rate of Interest, Interest Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest or proven error) be final and binding upon the Issuer and the Holders and neither the Calculation Agent nor any Reference Bank shall have any liability to the Holders in respect of any determination, calculation, quote or rate made or provided by it.

The Issuer will procure that there shall at all times be a Calculation Agent, if provision is made for one in the Conditions.

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

### ***Calculations and Adjustments***

**5.06** The amount of interest payable in respect of any Note for any Interest Period shall be calculated by applying the Rate of Interest to the Calculation Amount, and, in each case, multiplying such sum by the Day Count Fraction (where references to “Accrual Period” in the definition shall be deemed to be references to “Interest Period”), save that in the case of Fixed Rate Notes where Fixed Coupon Amount is specified in the applicable Final Terms, the interest shall be calculated in accordance with Condition 5.02.

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in the Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount and (c) all amounts denominated in any other currency used in or resulting

from such calculations will be rounded to the smallest sub-unit of such currency, with halves being rounded upwards or otherwise in accordance with applicable market convention.

Where the Notes are represented by a Global Note or where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Outstanding Principal Amount of the Global Note or the Specified Denomination of a Note in definitive form, without any further rounding.

### **5.07 Change of Interest Basis**

If Change of Interest Basis is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes for the Interest Period(s) specified in the applicable Final Terms will be calculated in accordance with Condition 5.02, Condition 5.02a, or Condition 5.03, in each case as specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms and the Coupon Switch Option is also specified in the relevant Final Terms as being applicable, the Issuer may, at its option, elect to change the Interest Basis as and from the Coupon Switch Option Date and the amount of interest payable on each Note shall be determined on the basis set out in the following paragraph.

The Final Terms shall specify whether the Fixed Rate Note Provisions or, as the case may be, the Floating Rate Note Provisions are applicable to the Notes from and including the Issue Date to but excluding the Coupon Switch Option Date. The Final Terms shall also specify whether the Fixed Rate Note Provisions or, as the case may be, the Floating Rate Note Provisions are applicable upon the exercise by the Issuer of the Coupon Switch Option, from and including such Coupon Switch Option Date to but excluding the Maturity Date. Upon the Issuer giving the requisite notice to Holders (which, for the purposes of this Condition 5.07 only, shall be five Business Days prior to the Coupon Switch Option Date or such other notice period as may be specified in the Final Terms) to exercise its Coupon Switch Option, from and including the Coupon Switch Option Date, interest shall accrue on the basis set out in the applicable Final Terms as applying following the Coupon Switch Option Date.

For the purposes of this Condition 5.07, "**Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign currency deposits) in the Principal Financial Centre and any Business Centre(s) specified in the applicable Final Terms.

### **5.07a Maximum or Minimum Rate of Interest**

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

### **Definitions**

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

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

"**BBSW**" means the Australian Bank Bill Swap Rate.

**“Business Day”** means:

- (i) either (A) in relation to Notes payable in a Specified Currency other than euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) and settle payments in the principal financial centre of the country of the relevant Specified Currency specified in the applicable Final Terms or (B) in relation to Notes payable in euro, a day which is a T2 Business Day (as defined below) or (C) in relation to any sum payable in Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business and settlement of Renminbi payments in each Relevant Renminbi Settlement Centre, as defined in Condition 10.17 below; and
- (ii) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Business Centre(s) (other than T2) specified in the applicable Final Terms and, if T2 is specified in the applicable Final Terms as a relevant Business Centre, a day which is a T2 Business Day.

**“Business Day Convention”** means a convention for adjusting any date if (i) it would otherwise fall on a day that is not a Business Day or (ii) there is no numerically corresponding day in the calendar month(s) in which such date should occur, and the following Business Day Conventions, where specified in the Final Terms in relation to any date applicable to any Notes, shall have the following meanings:

- (A) **“Following Business Day Convention”** means that such date shall be postponed to the first following day that is a Business Day;
- (B) **“Modified Following Business Day Convention”** or **“Modified Business Day Convention”** means that such date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (C) **“Preceding Business Day Convention”** means that such date shall be brought forward to the first preceding day that is a Business Day; and
- (D) **“FRN Convention”** or **“Eurodollar Convention”** means that each such date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the Final Terms after the calendar month in which the preceding such date occurred, provided that:
  - (1) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (2) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (3) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred,

provided that if ISDA Determination, “2021 ISDA Definitions” and “Unscheduled Holiday” are applicable in the applicable Final Terms, then in the case where Modified Following Business Day Convention, Modified Business Day Convention, Preceding Business Day Convention, FRN Convention or Eurodollar Convention apply to a particular date and that date would otherwise fall on a day that is not a Business Day as a result of an Unscheduled Holiday (as defined in the 2021 ISDA Definitions disregarding references to Valuation Business Day and Exercise Business Day and construing references to the Confirmation to mean the applicable Final Terms) notwithstanding the provisions of (B) to (D) above, such day will instead fall on the first following day that is a Business Day.

“**Calculation Agent**” means such agent as may be specified in the Final Terms as the Calculation Agent (provided that such agent shall never be the Issuing and Paying Agent).

“**CNH HIBOR**” means CNH Hong Kong interbank offered rate.

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (each such period, from and including the first day of such period to but excluding the last, an “**Accrual Period**”), such day count fraction as may be specified in the Final Terms and:

- (a) if “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Accrual Period divided by 365 (or, if any portion of the Accrual Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Accrual Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Accrual Period falling in a non-leap year divided by 365);
- (b) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Accrual Period divided by 365;
- (c) if “**Actual/365 (Sterling)**” is so specified, means the actual number of days in the Accrual Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Accrual Period divided by 360;
- (e) if “**Actual/360 (Observation Period)**” is specified in the applicable Final Terms, the actual number of days in the Observation Period divided by 360;
- (f) if “**30E/360**” or “**Eurobond Basis**” is so specified, means the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

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

where,

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

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

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

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



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

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

- (g) if “**30/360**”, “**360/360**” or “**Bond Basis**” is so specified, means the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

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

where,

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

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

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

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

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

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

- (h) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

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

where,

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

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

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

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

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

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

- (i) if “**Actual/Actual (ICMA)**” is so specified:
- (i) if the Accrual Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Accrual Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Payment Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; or
  - (ii) if the Accrual Period is longer than the Determination Period, the sum of:
    - (x) the number of days in such Accrual 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 Interest Payment Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and
    - (y) the number of days in such Accrual 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 Interest Payment Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year

where:

“**Determination Date**” means such dates as specified in the applicable Final Terms; and

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

- (j) if “**RBA Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in each twelve-month period (or, where the Accrual Period does not constitute an Interest Period, the actual number of days in the Accrual Period divided by 365 (or, if any portion of the calculation period falls in a leap year, the sum of (x) the actual number of days in that portion of the Accrual Period falling in a leap year divided by 366; and (y) the actual number of days in that portion of the Accrual Period falling in a non-leap year divided by 365)).

“**euro**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

“**EURIBOR**” means the European interbank offered rate.

“**Euro-zone**” means the region comprised of those member states of the European Union participating in the European Monetary Union from time to time.

“**HIBOR**” means Hong Kong interbank offered rate.

“**Interest Commencement Date**” means the date of issue (the “**Issue Date**”) of the Notes (as specified in the Final Terms) or such other date as may be specified as such in the applicable Final Terms.

**“Interest Determination Date”** means, in respect of any Interest Period, the date specified in the applicable Final Terms, or if none is specified:

- (i) the first day of such Interest Period; or
- (ii) in the case of EURIBOR, two T2 Business Days prior to the first day of such Interest Period; or
- (iii) in the case of CNH HIBOR, the date falling two Hong Kong Business Days prior to the first day of such Interest Period; or
- (iv) in the case of STIBOR, the date falling two Stockholm Business Days prior to the first day of such Interest Period; or
- (v) in the case of HIBOR, the first day of such Interest Period.

**“Interest Payment Date”** means the date or dates specified as such in, or determined in accordance with the provisions of, the applicable Final Terms and, as the same may be adjusted in accordance with the Business Day Convention, if any, specified in the applicable Final Terms or if the Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention at such specified period of calendar months following the Interest Commencement Date of the Notes (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

**“Interest Period”** means (i) each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, provided always that the first Interest Period shall commence on and include the Interest Commencement Date and the final Interest Period shall end on but exclude the Maturity Date and (ii) such other period (if any) in respect of which interest is to be calculated being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, in the case of early redemption of any Notes, shall be the date for redemption, and in other cases where the relevant Notes become due and payable in accordance with Condition 7, shall be the date on which such Notes become due and payable).

**“ISDA Definitions”** means the 2006 ISDA Definitions or the 2021 ISDA Definitions (each as defined in Condition 5.03(iv)), as specified in the applicable Final Terms.

**“Outstanding Principal Amount”** means, in respect of a Note, its principal amount less, in respect of any Instalment Note, any principal amount on which interest shall have ceased to accrue in accordance with Condition 5.04.

**“Principal Financial Centre”** means such financial centre or centres as may be specified in relation to the Specified Currency for the purposes of the definition of “Business Day” in the ISDA Definitions or indicated in the applicable Final Terms or, in the case of Notes denominated in euro, such financial centre or centres as the Calculation Agent may select.

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

**“Reference Banks”** means such banks as may be specified in the applicable Final Terms as the Reference Banks, or, if none are specified, **“Reference Banks”** has the meaning given in the ISDA Definitions, *mutatis mutandis*.

“**Reference Rate**” means either EURIBOR, STIBOR, HIBOR, CNH HIBOR, SONIA, SOFR, €STR or BBSW as specified in the applicable Final Terms.

“**Relevant Financial Centre**” has the meaning ascribed to it in the applicable Final Terms.

“**Relevant Screen Page**” means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the “Relevant Screen Page” in the applicable Final Terms, or such other page, section or other part as may replace it in that information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

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

“**Reuters Screen**” means, when used in connection with a designated page and any designated information, the display page so designated on the Reuters service (or such other page as may replace that page on that service for the purpose of displaying rates or prices comparable to the Reference Rate).

“**STIBOR**” the Stockholm interbank offered rate.

“**T2**” means the real time gross settlement system operated by the Eurosystem (or any successor or replacement thereto).

“**T2 Business Day**” means a day on which T2 is open.

#### ***Interest Act (Canada) Disclosure***

**5.09** For the purposes of disclosure pursuant to the *Interest Act* (Canada) and not for any other purpose, where in any Note (i) a rate of interest is to be calculated on the basis of a year of 360 days, the yearly rate of interest to which the 360 day rate is equivalent is such rate multiplied by the number of days in the year for which such calculation is made and divided by 360, or (ii) a rate of interest is to be calculated during a leap year, the yearly rate of interest to which such rate is equivalent is such rate multiplied by 366 and divided by 365.

The Issuer confirms that it fully understands and is able to calculate the effective annual rate of interest applicable to each Note based on the methodology for calculating per annum rates provided for in the paragraph above if applicable. The Issuer hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to each Note, that the interest payable under each Note and the calculation thereof has not been adequately disclosed to the Issuer pursuant to Section 4 of the *Interest Act* (Canada).

#### ***Zero-Coupon Notes***

**5.10** If any Final Redemption Amount in respect of any Zero Coupon Note is not paid when due, interest shall accrue on the overdue amount at a rate per annum (expressed as a percentage per annum) equal to the Accrual Yield defined in, or determined in accordance with the provisions of, the applicable Final Terms or at such other Default Rate as may be specified for this purpose in the applicable Final Terms until the date on which, upon due presentation or surrender of the relevant Note (if required), the relevant payment is made or, if earlier, the seventh day after the date on which, the Issuing and Paying Agent or, as the case may be, the Registrar having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 15 that the Issuing and Paying Agent or, as the case may be, the Registrar has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder). The amount of any such interest shall be calculated in accordance with the provisions of Condition 5.06 as if the Rate of Interest was the Accrual Yield (or such other Default Rate specified in the applicable Final

Terms), the Outstanding Principal Amount was the overdue sum and the Day Count Fraction was as specified for this purpose in the applicable Final Terms or, if not so specified, 30E/360 (as defined in Condition 5.08).

## **5.11 Benchmark Discontinuation**

This Condition 5.11 shall apply to all Original Reference Rates other than SOFR (but in the case of €STR and BBSW only if Condition 5.03(iii)(E) or Condition 5.03(iii)(B), respectively, does not determine the Rate of Interest).

For greater certainty, this Condition 5.11 also applies to Condition 5.03(iv) to the extent that the ISDA Definitions do not provide for a successor rate or any successor rate also requires Benchmark Amendments or, in the case where the 2021 ISDA Definitions apply, where Section 8.6 (Generic Fallback Provisions) of the 2021 ISDA Definitions would otherwise apply.

### *(i) Independent Adviser*

If the Issuer determines a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part(s) thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, or if there is no successor rate, an Alternative Rate (in accordance with Condition 5.11(ii)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5.11(iii)) and any Benchmark Amendments (in accordance with Condition 5.11(iv)).

An Independent Adviser appointed pursuant to this Condition 5.11 shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Holders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 5.11.

In making any determination pursuant to this Condition 5.11, the Issuer shall act in good faith and in a commercially reasonable manner and, in the absence of bad faith or fraud, the Issuer shall have no liability whatsoever to the Calculation Agent, the Issuing and Paying Agent or the Holders or the Couponholders for any such determination made by it.

If the Issuer is unable to appoint an Independent Adviser or unable to make the determination set out in Condition 5.11 (i), (ii), (iii) and (iv) in consultation with an Independent Adviser, the Issuer, acting in good faith and in a commercially reasonable manner, may make such determinations itself in accordance with the provisions of this Condition 5.11 and taking into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets, and subject always to any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Final Terms.

### *(ii) Successor Rate or Alternative Rate*

If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5.11(iii)) subsequently be used in place of the Original Reference Rate to determine

the Rate of Interest (or the relevant component part(s) thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 5.11); or

- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5.11(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 5.11).

*(iii) Adjustment Spread*

If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the relevant Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

*(iv) Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5.11 and the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines (i) that amendments to these Conditions and/or the Issue and Paying Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "Benchmark Amendments") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5.11(v), vary these Conditions and/or the Issue and Paying Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

No consent of Holders shall be required in connection with effecting the relevant Successor Rate or Alternative Rate (as may be applicable), any Adjustment Spread and/or any Benchmark Amendments, or varying these Conditions and/or the Issuing and Paying Agency Agreement to give effect to such changes pursuant to this Condition 5.11, including the execution of any documents necessary or the taking of any steps by the Issuer or any parties to any relevant documents (if required).

In connection with any such variation in accordance with this Condition 5.11(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

*(v) Notices, etc.*

The occurrence of a Benchmark Event, any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5.11 will be notified promptly by the Issuer to the Issuing and Paying Agent and the Calculation Agent and, in accordance with Condition 13, the Holders. Such notice shall be irrevocable and shall specify the effective date(s) for such Successor Rate or Alternative Rate (as applicable), the Adjustment Spread (if any) and for the Benchmark Amendments, if any.

No later than one Business Day following the date of 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 (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5.11; and
- (B) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or (in either case) the applicable Adjustment Spread.

The Issuing and Paying Agent shall display such certificate at its offices for inspection by the Holders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Paying Agents and the Holders.

*(vi) Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 5.11 (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Conditions 5.02(b) or 5.03 will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread (if applicable) and Benchmark Amendments, in accordance with Condition 5.11(v). For the avoidance of doubt, this subparagraph 5.11(vi) shall apply to the determination of the Interest Rate on the relevant Interest Determination Date or Reset Determination Date (as applicable) only, and the Rate of Interest applicable to any subsequent Interest Period(s) or Reset Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 5.11.

*(vii) Definitions:*

As used in this Condition 5.11:

**“Adjustment Spread”** means either a spread (which may be positive or negative or zero), or the formula or methodology for calculating a spread, in either case, which the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (C) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (D) (if no such recommendation has been made, or in the case of an Alternative Rate), the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to provide an industry-accepted replacement rate for the Original Reference Rate; or

- (E) (if the Issuer determines there is no such spread, formula or methodology customarily applied) the Issuer determines, following consultation with the Independent Adviser (if any) and acting in good faith, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“**Alternative Rate**” means an alternative to the benchmark and screen rate which the Issuer determines in accordance with Condition 5.11(ii) as customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part(s) thereof) for the same interest period and in the same Specified Currency as the Notes.

“**Benchmark Amendments**” has the meaning given to it in Condition 5.11(iv).

“**Benchmark Event**” means:

- (A) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (B) the making of a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where and no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (D) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will be prohibited from being used either generally or in respect of the Notes or that it will be subject to restrictions or adverse consequences; or
- (E) an official announcement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate is or will be (or is deemed by such supervisor to be) no longer representative of its underlying relevant markets; or
- (F) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Holder using the Original Reference Rate (including, without limitation, under Regulation (EU) 2016/1011 or, in relation to the UK, Regulation (EU) 2016/1011 as it forms part of domestic law of the UK by virtue of the EUWA (as amended from time to time), if applicable).

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (B) and (C) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (D) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (E) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5.11(i).



**“Original Reference Rate”** means either (i) the benchmark or screen rate (as applicable) originally specified for the purposes of determining the Rate of Interest (or any component part(s) thereof) on the Notes, or (ii) any Successor Rate or Alternative Rate which replaces the Original Reference Rate pursuant to the operation of this Condition 5.11.

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

- (A) the European Commission, the central bank, reserve bank, monetary authority or similar institution for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (w) the central bank, reserve bank, monetary authority or similar institution for the currency to which the benchmark or screen rate (as applicable) relates, (x) any central bank or similar institution or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (y) a group of the aforementioned central banks or other supervisory authorities or (z) the Financial Stability Board or any part thereof.

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

## **5.12 Benchmark Transition Event - SOFR**

If the Original Reference Rate is specified in the applicable Final Terms as being SOFR, when any required Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions of this Condition 5.12 will apply.

### *(i) Benchmark Replacement*

Notwithstanding any other provision to the contrary in the Conditions, if the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date with respect to the Original Reference Rate have occurred prior to the Reference Time in respect of any determination of the Original Reference Rate on any date, the Benchmark Replacement will replace such Original Reference Rate for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.

In no event shall the Calculation Agent be responsible for determining 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 Calculation Agent will be entitled to conclusively rely on any determinations made by the Issuer or its designee and will have no liability for such actions taken at the direction of the Issuer or its designee.

### *(ii) Benchmark Replacement Conforming Changes*

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee (after consulting with the Issuer) 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 5.12, including without limitation any determination with respect to 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:

- (a) will be conclusive and binding absent manifest error;
- (b) if made by the Issuer, will be made in the Issuer's sole and absolute discretion;
- (c) if made by the Issuer's designee, will be made after consultation with the Issuer, and the designee will not make any such determination, decision or election to which the Issuer objects; and
- (d) notwithstanding anything to the contrary in the Conditions, shall become effective without consent from the Holders or any other party

Neither the Calculation Agent nor the Issuing and Paying Agent will have any liability for any determination made by or on behalf of the Issuer or its designee in connection with a Benchmark Transition Event or a Benchmark Replacement.

*(iv) Definitions*

**"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:

- (a) the sum of: (x) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the Original Reference Rate where applicable for the applicable Corresponding Tenor and (y) where applicable the Benchmark Replacement Adjustment (if any);
- (b) the sum of: (x) the ISDA Fallback Rate and (y) the Benchmark Replacement Adjustment (if any); or
- (c) the sum of: (x) the alternate rate of interest selected by the Issuer or its designee as the replacement for the Original Reference Rate where applicable for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then current Original Reference Rate for floating rate notes denominated in USD at such time and (y) the Benchmark Replacement Adjustment (if any).

**"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:

- (a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (b) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (c) 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 floating rate notes denominated in U.S dollars at such time.

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including without limitation changes to the definition of "Interest Period", determination dates, 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 decides 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 decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the Original Reference Rate (including the daily published component used in the calculation thereof):

- (a) in the case of 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 Original Reference Rate permanently or indefinitely ceases to provide the Original Reference Rate (or such component); or
- (b) in the case of paragraph (iii) of the definition of **"Benchmark Transition Event"**, the effective date as of which the Original Reference Rate (such component) will no longer be representative, which may be the date of the public statement or publication of information referenced in the definition of Benchmark Transition Event or another date.

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

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the Original Reference Rate (including the daily published component used in the calculation thereof):

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

statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate (or such component); or

- (c) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate (or such component) is no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, for purposes of the definitions of Benchmark Replacement Date and Benchmark Transition Event, references to Benchmark also include any reference rate underlying such Benchmark.

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

**“designee”** means an affiliate or other agent of the Issuer designated by the Issuer. For the avoidance of doubt, in no event shall the Calculation Agent or the Issuing and Paying Agent be the Issuer’s designee.

**“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 Relevant ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate where applicable for the applicable tenor.

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

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

**“Reference Time”** with respect to any determination of the Original Reference Rate (or such component) means:

- (a) where the Original Reference Rate (or such component) is SOFR, the SOFR Determination Time or the SOFR Index Determination Time, as applicable; or
- (b) otherwise, 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 (including any board thereof), or in either case any committee officially endorsed and/or convened thereby or any successor thereto.

**“Relevant ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto (the **“2006 Definitions”**), as amended or

supplemented from time to time or any successor definitional booklet for interest rate derivatives to the 2006 Definitions as amended or supplemented from time to time.

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

*(iv) Notices, etc.*

The occurrence of a Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 5.12 will be notified promptly by the Issuer to the Issuing and Paying Agent and the Calculation Agent and, in accordance with Condition 13, the Holders. Such notice shall be irrevocable and shall specify the effective date(s) on which such changes take effect.

No later than one Business Day following the date of 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 (i) that a Benchmark Transition Event has occurred, (ii) the relevant Benchmark Replacement and, (iii) where applicable, any Benchmark Replacement Adjustment and/or specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5.12; and

(b) certifying that the Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

The Issuing and Paying Agent shall make available such certificate at its offices for inspection by the Holders at all reasonable times during normal business hours.

*(v) Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 5.12(i), (ii) and (iii), the Original Reference Rate and the fallback provisions provided for in Conditions 5.02(b) or 5.03 will continue to apply unless and until the Calculation Agent has been notified of the Benchmark Replacement, and any Benchmark Replacement Adjustment (if applicable) and Benchmark Replacement Conforming Amendments (if any), in accordance with Condition 5.12(iii). For the avoidance of doubt, this subparagraph 5.12(iv) shall apply to the determination of the Interest Rate on the relevant Interest Determination Date or Reset Determination Date (as applicable) only, and the Rate of Interest applicable to any subsequent Interest Period(s) or Reset Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 5.12.

## **6. Redemption and Purchase**

### ***Redemption at Maturity***

**6.01** Unless previously redeemed, or purchased and cancelled each Note shall be redeemed at its Final Redemption Amount specified in the applicable Final Terms (which shall be par, save in the case of Zero Coupon Notes in respect of which the Final Redemption Amount shall be the amount per Calculation Amount specified in the applicable Final Terms, which amount is at least equal to a 100 per cent. of such Calculation Amount) in the Specified Currency on the Maturity Date.

### **Early Redemption for Taxation Reasons**

**6.02** If, in relation to any Series of Notes (provided that in respect of Subordinated Notes or, in the case of Bail-inable Notes where the redemption would lead to a breach of the Issuer's TLAC requirements, such redemption will be subject to the prior approval of the Superintendent):

- (A) (i) as a result of any change in the laws or regulations of Canada or any province or territory thereof or any authority or agency therein or thereof having power to tax or, in the case of Notes issued by a branch of the Issuer outside Canada, of the country in which such branch is located or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws or regulations which become effective on or after the Issue Date of such Notes or any other date specified in the applicable Final Terms, the Issuer would be required to pay additional amounts as provided in Condition 8, (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it and (iii) such circumstances are evidenced by the delivery by the Issuer to the Issuing and Paying Agent of a certificate signed by two senior officers of the Issuer stating that the said circumstances prevail and describing the facts leading thereto and an opinion of independent legal advisers of recognised standing to the effect that such circumstances prevail; or
- (B) in the case of Subordinated Notes only, following the occurrence of a Tax Event,

the Issuer may, at its option and having given no less than 30 nor more than 60 days' notice (ending, in the case of Floating Rate Notes, on an Interest Payment Date) to the Holders of the Notes in accordance with Condition 16, redeem all (but not some only), of the outstanding Notes at their Outstanding Principal Amount or, in the case of Zero Coupon Notes, their Amortised Face Amount (as defined in Condition 6.09) or such Early Redemption Amount as may be specified in the applicable Final Terms, together with accrued interest (if any) thereon, provided, however, that no such notice of redemption under (A) may be given earlier than 90 days (or, in the case of Floating Rate Notes a number of days which is equal to the aggregate of the number of days falling within the then current Interest Period plus 60 days) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

For the purposes of Condition 6.02(B), "**Tax Event**" means the Issuer has received an opinion of independent counsel of recognised standing experienced in such matters to the effect that, as a result of, (i) any amendment to, clarification of, or change (including any announced prospective change) in, the laws, or any regulations thereunder, or any application or interpretation thereof, of Canada, or any political subdivision or taxing authority thereof or therein or, in the case of Notes issued by a branch of the Issuer outside Canada, of the country in which such branch is located or of any political subdivision thereof or any authority or agency therein or thereof having power to tax, affecting taxation; (ii) any judicial decision, administrative pronouncement, published or private ruling, regulatory procedure, rule, notice, announcement, assessment or reassessment (including any notice or announcement of intent to adopt or issue such decision, pronouncement, ruling, procedure, rule, notice, announcement, assessment or reassessment) (collectively, an "**administrative action**"); or (iii) any amendment to, clarification of, or change in, the official position with respect to or the interpretation of any administrative action or any interpretation or pronouncement that provides for a position with respect to such administrative action that differs from the theretofore generally accepted position, in each of cases (i)-(iii), by any legislative body, court, governmental authority or agency, regulatory body or taxing authority, irrespective of the manner in which such amendment, clarification, change, administrative action, interpretation or pronouncement is made known, which amendment, clarification, change or administrative action is effective or which interpretation, pronouncement or administrative action is announced on or after the Issue Date of the Subordinated Notes, there is more than an insubstantial risk (assuming any proposed or announced amendment, clarification, change, interpretation, pronouncement or administrative action is effective and applicable) that the Issuer is, or may be, subject to more than a de minimis amount of additional taxes, duties or other governmental charges or civil

liabilities because the treatment of any of its items of income, taxable income, expense, taxable capital or taxable paid up capital with respect to the Subordinated Notes (including the treatment by the Issuer of interest on the Subordinated Notes) or the treatment of the Subordinated Notes, as or as would be reflected in any tax return or form filed, to be filed, or otherwise could have been filed, will not be respected by a taxing authority.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under Condition 6.06.

### ***Redemption due to TLAC Disqualification Event***

**6.02A** This Condition 6.02A applies to Bail-inable Notes only.

Where a TLAC Disqualification Event Call is specified as being applicable in the relevant Final Terms relating to a Series of Bail-inable Notes, the Issuer may, at its option, on giving not less than 30 days' nor more than 60 days' notice in accordance with Condition 15, on the date set out in the notice (which must fall within 90 days following such TLAC Disqualification Event (as defined below)) redeem all, but not some only, of the Series of Notes at the then Outstanding Principal Amount or, in the case of Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(A)) or such Early Redemption Amount as may be specified in, or determined in accordance with the provisions of the applicable Final Terms) together with accrual interest (if any) thereon. Such redemption will be subject to the prior approval of the Superintendent.

A "**TLAC Disqualification Event**" means the Office of the Superintendent of Financial Institutions ("**OSFI**") has advised the Issuer in writing that the Series of Bail-inable Notes will no longer be recognised in full as TLAC under the guideline for TLAC for banks in Canada in effect from time to time, as interpreted by the Superintendent, provided that a TLAC Disqualification Event shall not occur where the exclusion of the Series of Bail-inable Notes from the Bank's TLAC requirements is due to the remaining term to maturity of such Series of Bail-inable Notes being less than any period prescribed by any relevant TLAC eligibility criteria applicable as of the Issue Date of the first Tranche of such Series of Bail-inable Notes.

### ***Early Redemption for Regulatory Event***

**6.02B** This Condition 6.02B applies to Subordinated Notes only. The Issuer may, at its option and having given no less than 30 days' nor more than 60 days' notice (ending in the case of Floating Rate Notes, on an Interest Payment Date) to the Holders of the Subordinated Notes in accordance with Condition 15, with the prior written approval of the Superintendent, redeem the Subordinated Notes, in whole but not in part from time to time at any time within 90 days following a Regulatory Event Date at their Outstanding Principal Amount or, in the case of Zero Coupon Notes, their Amortised Face Amount (as defined in Condition 6.09) or such Early Redemption Amount as may be specified in, or determined in accordance with the provisions of the applicable Final Terms, together with accrued interest (if any) thereon.

For the purposes of this Condition 6.02B, "**Regulatory Event Date**" means the date specified in a letter from the Superintendent to the Issuer on which the Subordinated Notes will no longer be recognised in full as eligible "Tier 2 Capital" or will no longer be eligible to be included in full as risk-based "Total Capital" on a consolidated basis under the guidelines for capital adequacy requirements for banks in Canada as interpreted by the Superintendent

The Issuer may not exercise such option in respect of any Subordinated Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Subordinated Note under Condition 6.06.

## **Call Option**

*This Condition 6.03 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Issuer (other than for taxation reasons, TLAC Disqualification Event or Regulatory Event), such option being referred to as an “Issuer Call”. The applicable Final Terms contains provisions applicable to any Issuer Call and must be read in conjunction with this Condition 6.03 for full information on any Issuer Call. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount, any minimum or maximum amount of Notes which can be redeemed and the applicable notice periods.*

**6.03** If Call Option is specified in the applicable Final Terms as being applicable, then the Issuer may, having given the appropriate notice to the Holders in accordance with Condition 15, which notice shall specify the date fixed for redemption, and subject to such conditions as may be specified in the applicable Final Terms, redeem all or, if specified in the applicable Final Terms, some only of the Notes of this Series outstanding on any Optional Redemption Date at the Optional Redemption Amount(s) specified in, or determined in the manner specified in the applicable Final Terms together with accrued interest (if any) thereon on the date specified in such notice, provided that in respect of Subordinated Notes, or in respect of Bail-inable Notes where the redemption would lead to a breach of the Issuer’s TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under Condition 6.06.

**6.04** The appropriate notice referred to in Condition 6.03 is a notice given by the Issuer to the Holders of the Notes of the relevant Series in accordance with Condition 15, which notice shall be irrevocable and shall specify:

- the Series of Notes subject to redemption;
- whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of and (except in the case of a Temporary Global Note or Permanent Global Note) the serial numbers of the Notes of the relevant Series which are to be redeemed;
- the due date for such redemption, which shall be not less than 30 days nor more than 60 days (or such other notice period as may be specified in the applicable Final Terms) after the date on which such notice is given and which shall be such date or the next of such dates (“**Call Option Date(s)**”) or a day falling within such period (“**Call Option Period**”), as may be specified in the applicable Final Terms and which is, in the case of Notes which bear interest at a floating rate, a date upon which interest is payable; and
- the Optional Redemption Amount at which such Notes are to be redeemed.

## **Partial Redemption**

**6.05** If the Notes are to be redeemed in part only on any date in accordance with Condition 6.03:

- such redemption must be for an amount not less than the Minimum Redemption Amount nor more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms;
- in the case of a partial redemption of Definitive Notes, the Notes to be redeemed shall be drawn by lot in such European city as the Issuing and Paying Agent may specify, or identified in such other manner or in such other place as the Issuing and Paying Agent may approve and deem appropriate and fair;



- in the case of a Global Note, the Notes to be redeemed shall be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system (to be reflected in the records of Euroclear and Clearstream, Luxembourg or such other relevant clearing system as either a pool factor or a reduction in principal amount, at their discretion); and
- in the case of Registered Notes, the Notes shall be redeemed (so far as may be practicable) *pro rata* to their principal amounts, provided always that the amount redeemed in respect of each Note shall be equal to the minimum Specified Denomination thereof or an integral multiple thereof,

subject always to compliance with all applicable laws and the requirements of any stock exchange on which the relevant Notes may be listed.

In the case of the redemption of part only of a Registered Note, a new Registered Note in respect of the unredeemed balance shall be issued in accordance with Conditions 2.04 to 2.08, which shall apply as in the case of a transfer of Registered Notes as if such new Registered Note were in respect of the untransferred balance.

### ***Put Option***

**6.06** This Condition 6.06 is not applicable to Bail-inable Notes or Subordinated Notes.

If Put Option is specified in the applicable Final Terms as being applicable, upon the Holder of any Note of this Series giving the required notice to the Issuer specified in the applicable Final Terms (which notice shall be irrevocable), the Issuer will, upon expiry of such notice, redeem such Note subject to and in accordance with the terms specified in the applicable Final Terms in whole (but not, in the case of a Definitive Note, in part only) on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in accordance with the provisions of, the applicable Final Terms, together with accrued interest (if any) thereon. In order to exercise such option, the Holder must, on any Business Day falling within the specified notice period, where a Note in definitive form is held outside of Euroclear or Clearstream, deposit the relevant Note (together, in the case of a Definitive Note that is not a Zero Coupon Note, with all unmatured Coupons appertaining thereto other than any Coupon maturing on or before the Optional Redemption Date (failing which the provisions of Condition 10.06 apply)) during normal business hours at the specified office of, in the case of a Bearer Note, any Paying Agent or, in the case of a Registered Note, the Registrar together with a duly completed early redemption notice (“**Put Notice**”) in the form which is available from the specified office of any Paying Agent or, as the case may be, the Registrar specifying, in the case of a Registered Note, the aggregate principal amount in respect of which such option is exercised (which must be a Specified Denomination specified in the applicable Final Terms). In the case of a Global Note or Note in definitive form held through Euroclear or Clearstream, to exercise the right to require the redemption of the Note, the Holder of the Note must, within the notice period, give a Put Notice to the Issuing and Paying Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes, of such exercise in accordance with the standard procedures of Euroclear and Clearstream (which may include notice being given on such Holder’s instruction by Euroclear or Clearstream or any common depositary or common safekeeper, as the case may be, to the Issuing and Paying Agent or the Registrar, as applicable, by electronic means) in a form acceptable to Euroclear and Clearstream from time to time including the aggregate principal amount in respect of which such option is exercised (which must be a Specified Denomination or an integral multiple thereof). Notwithstanding the foregoing, Notes represented by a Global Note shall be deemed to be deposited with a Paying Agent or the Registrar, as the case may be, for purposes of this Condition 6.06 at the time a Put Notice has been received by the Paying Agent or Registrar, as the case may be, in respect of such Notes. No Note so deposited and option exercised may be withdrawn (except as provided in the Issue and Paying Agency Agreement).

In the case of the redemption of part only of a Registered Note, a new Registered Note in respect of the unredeemed balance shall be issued in accordance with Conditions 2.04 to 2.08 which shall apply as in the case of a transfer of Registered Notes as if such new Registered Note were in respect of the untransferred balance.

The Holder of a Note may not exercise such Put Option in respect of any Note which is the subject of an exercise by the Issuer of its option to redeem such Note under either Condition 6.02 or 6.03.

### ***Redemption Irrevocable***

**6.06A** A notice of redemption under this Condition 6 shall be irrevocable, except that (a) in the case of Bail-inable Notes an order under subsection 39.13(1) of the CDIC Act, or in the case of Subordinated Notes, the occurrence of a Non-Viability Trigger Event, prior to the date fixed for redemption shall automatically rescind such notice of redemption and, in such circumstances, no Bail-inable Notes or Subordinated Notes shall be redeemed and no payment in respect of the Bail-inable Notes or Subordinated Notes shall be due and payable.

### ***Purchase of Notes***

**6.07** The Issuer or any of its subsidiaries may at any time purchase Notes in the open market or otherwise and at any price provided that all unmatured Coupons appertaining thereto are purchased therewith, and that in respect of Bail-inable Notes where a purchase for cancellation by the Issuer would lead to a breach of the Issuer's TLAC requirements or, in the case of Subordinated Notes, such purchase for cancellation will be subject to the prior approval of the Superintendent.

### ***Cancellation of Redeemed and Purchased Notes***

**6.08** All unmatured Notes and Coupons redeemed in accordance with this Condition 6 will be cancelled forthwith and may not be reissued or resold. All unmatured Notes and Coupons purchased in accordance with Condition 6.07 may be cancelled or may be held, reissued or resold.

**6.09** Unless otherwise specified in the applicable Final Terms, the Redemption Amount payable in respect of any Zero Coupon Note shall be the Amortised Face Amount of such Note. The "**Amortised Face Amount**" shall be an amount equal to the sum of:

- (i) the Reference Price specified in the applicable Final Terms; and
- (ii) (a) if Compounding Accrual is specified in the applicable Final Terms, the product of the Accrual Yield (compounded annually) being applied to the Reference Price or (b) if Linear Accrual is specified in the applicable Final Terms, the product of the Accrual Yield (without any compounding) being applied to the Reference Price

where:

"**Accrual Yield**" means the rate specified as such in the applicable Final Terms; and

"**Reference Price**" means the amount specified as such in the applicable Final Terms, which is the product of the Issue Price and the Calculation Amount,

from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period which is not a full year, the calculation in respect of the period of less than a full year shall be made on the basis of the Day Count Fraction (as defined in Condition 5.08) specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal

to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator 360), (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360), (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365) or (iv) Actual/Actual (ICMA) (in which case the Accrual Period will commence on (and include) the Issue Date of the first Tranche of Notes and end on (but exclude) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable).

**6.10** If any Redemption Amount (other than the Final Redemption Amount) of any Zero Coupon Note is improperly withheld or refused or default is otherwise made in the payment thereof, the Amortised Face Amount shall be calculated as provided in Condition 6.09 but as if references in subparagraph (ii) to the date fixed for redemption or the date upon which such Zero Coupon Note becomes due and repayable were replaced by references to the date (the “**Reference Date**”) which is the earlier of:

- (i) the date on which, upon due presentation or surrender of the relevant Note (if required), all amounts due have been paid; and
- (ii) the seventh day after the date on which, the Issuing and Paying Agent or, as the case may be, the Registrar having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 15 of that circumstance (except to the extent that there is a failure in the subsequent payment thereof to the relevant Holder). The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made, after as well as before judgement, unless the Reference Date falls on or after the Maturity Date, in which case the amount due and repayable shall be the scheduled Final Redemption Amount of the Note on the Maturity Date together with interest which may accrue in accordance with Condition 5.04.

## **7. Events of Default**

**7.01** The following events or circumstances (each an “**Event of Default**”) shall be acceleration events in relation to the Notes of any Series, namely:

- (i) in relation to Senior Notes:
  - (a) default is made for more than 30 Business Days (as defined in Condition 5.08) in the payment on the due date of interest or principal in respect of any such Senior Notes; or
  - (b) the Bank shall become insolvent or bankrupt or subject to the provisions of the *Winding-up and Restructuring Act* (Canada) (“**WURA**”), or any statute hereafter enacted in substitution therefor, as such Act, or substituted Act, may be amended from time to time, or if the Bank goes into liquidation, either voluntary or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Bank, or is ordered wound-up or otherwise acknowledges its insolvency.

Holders may only exercise, or direct the exercise of, rights under this Condition 7.01(i)(a) and (b) in respect of Bail-inable Notes where an order has not been made pursuant to subsection 39.13(1) of the CDIC Act in respect of the Bank. Notwithstanding the exercise of any rights by

Holders under this Condition 7.01 in respect of Bail-inable Notes, Bail-inable Notes will continue to be subject to conversion in whole or in part - by means of a transaction or series of transactions and in one or more steps - into common shares under subsection 39.2(2.3) of the CDIC Act until repaid in full. Neither a conversion of Bail-inable Notes into common shares under subsection 39.2(2.3) of the CDIC Act nor an NVCC Automatic Conversion upon the occurrence of a Non-Viability Trigger Event will be an Event of Default in relation to the Senior Notes. By its acquisition of the Bail-inable Notes, each Holder (including each holder of a beneficial interest in any Bail-inable Note), to the extent permitted by law, waives any and all claims, in law and/or in equity, against the Issuing and Paying Agent (in each case solely in its capacity as Agent), for, agrees not to initiate a suit against the Issuing and Paying Agent in respect of, and agrees that the Issuing and Paying Agent shall not be liable for, any action that the Issuing and Paying Agent takes, or abstains from taking, in either case in accordance with a Bail-in Conversion.

- (ii) in relation to Subordinated Notes, any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or to be effected by operation of law or pursuant to any judgement, decree or order of any court or any order, rule or regulation of any administrative or governmental body):
  - (a) the Issuer becomes insolvent or bankrupt or subject to the provisions of the WURA or any statute hereafter enacted in substitution therefor, as such Act or substituted Act, may be amended from time to time;
  - (b) the Issuer goes into liquidation either voluntary or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Bank, or is ordered wound-up; or
  - (c) the Issuer otherwise acknowledges its insolvency.

Neither an NVCC Automatic Conversion upon the occurrence of a Non-Viability Trigger Event pursuant to Condition 8 nor a Bail-in Conversion shall constitute an Event of Default. Following an NVCC Automatic Conversion no Holder of Notes shall have any rights against the Issuer with respect to repayment of the principal or, or interest on, the Subordinated Notes.

**7.02** If any Event of Default shall occur in relation to any Series of Notes, any Holder of a Note of the relevant Series may, by written notice to the Issuer, at the specified office of the Paying Agents, declare that such Note and (unless the Note is a Zero Coupon Note) all interest then accrued on such Note shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its Outstanding Principal Amount or, if such Note is a Zero Coupon Note, its Amortised Face Amount (as defined in Condition 6.09) or such other Early Redemption Amount as may be specified in the applicable Final Terms, together with all interest (if any) accrued thereon without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Notes to the contrary notwithstanding, unless, prior thereto, all Events of Default in respect of the Notes of the relevant Series shall have been cured.

## **8. Automatic Conversion of Subordinated Notes on Non-Viability Trigger Event**

Condition 8 applies to Subordinated Notes only.

### **8.01 Non-Viability Trigger Event**

A “**Non-Viability Trigger Event**” has the meaning set out in the OSFI Guideline for Capital Adequacy Requirements (CAR), Chapter 2 – Definition of Capital, effective November 2023, as such term may be amended

or superseded by OSFI from time to time, which term currently provides that each of the following constitutes a Non-Viability Trigger Event:

- (i) the Superintendent publicly announces that the Issuer has been advised, in writing, that the Superintendent is of the opinion that the Issuer has ceased, or is about to cease, to be viable and that, after the conversion of all contingent instruments and taking into account any other factors or circumstances that are considered relevant or appropriate, it is reasonably likely that the viability of the Issuer will be restored or maintained; or
- (ii) a federal or provincial government in Canada publicly announces that the Issuer has accepted or agreed to accept a capital injection, or equivalent support, from the federal government or any provincial government or political subdivision or agent or agency thereof without which the Issuer would have been determined by the Superintendent to be non-viable.

The date on which a Non-Viability Trigger Event occurs is a “**Conversion Date**”.

### **8.02 General Provisions relating to an NVCC Automatic Conversion**

(a) In Converting, the Issuer may make any decisions with respect to the identity of the Holders at that time as may be necessary or desirable to ensure NVCC Automatic Conversion occurs in an orderly manner, including disregarding any transfer of Notes that have not been settled or registered at that time.

(b) If a Subordinated Note is Converted, the Holder must immediately present and surrender the Subordinated Note (together, in the case of a Definitive Note, with such Receipts, Coupons and Talons as are attached thereto) to the specified office of, in the case of a Definitive Note, any Paying Agent or, in the case of Notes that are a Registered Note, the Registrar and the Paying Agent or Registrar (as the case may be) shall cancel or arrange for the cancellation of such Subordinated Note, but no failure or delay in such presentation and surrender and cancellation shall prevent, impede or delay the NVCC Automatic Conversion of Subordinated Notes required by Condition 8.03.

*The tax consequences of holding Common Shares following an NVCC Automatic Conversion will likely be different for most categories of holders from the tax consequences for them of holding Subordinated Notes. Each prospective investor should consult their own tax adviser regarding the tax consequences of a conversion of the Subordinated Notes into Common Shares.*

### **8.03 Automatic Conversion of Subordinated Notes**

Notwithstanding any other provisions in these Conditions, upon the occurrence of a Non-Viability Trigger Event, the Subordinated Notes will convert automatically and immediately (the expressions “**NVCC Automatic Conversion**” and “**Convert**”, “**Converted**” and “**Converting**” when used herein have corresponding meanings), on a full and permanent basis, into fully paid common shares of the Issuer (“**Common Shares**”) (in a number determined under 1.1(a) of the Schedule to these Conditions). The NVCC Automatic Conversion will occur in accordance with the terms set out in the Schedule to these Conditions.

An NVCC Automatic Conversion is deemed to be effected immediately following the occurrence of a Non-Viability Trigger Event and the rights of the holder of such Subordinated Notes as the holder thereof shall cease at such time and the person or persons entitled to receive Common Shares upon an NVCC Automatic Conversion shall be treated for all purposes as having become the holder or holders of record of such Common Shares at such time.

#### 8.04 Trigger Event Notice

As promptly as practicable after the occurrence of a Non-Viability Trigger Event, the Issuer shall give notice of the Non-Viability Trigger Event (a “**Trigger Event Notice**”) to the Holders in accordance with Condition 15 and the Issuing and Paying Agent and the notice must state the Conversion Date.

From and after the NVCC Automatic Conversion, the Subordinated Notes shall cease to be outstanding, the Holders thereof shall cease to be entitled to interest thereon and any Notes in definitive form or Global Notes shall represent only the right to receive upon surrender thereof certificates representing the applicable number of Common Shares determined in accordance with Condition 8.03.

An NVCC Automatic Conversion shall be mandatory and binding upon both the Issuer and all Holders of the Subordinated Notes notwithstanding anything else including, without limitation:

- (a) any prior action to or in furtherance of a redemption of the Subordinated Notes pursuant to Condition 6; and
- (b) any delay or implementation of the issuance or delivery of the Common Shares to the Holders of the Subordinated Notes.

#### 8.05 Right Not to Deliver Common Shares

Upon an NVCC Automatic Conversion, the Issuer reserves the right not to deliver some or all, as applicable, of the Common Shares issuable thereupon to any Ineligible Person or any person who, by virtue of the operation of the NVCC Automatic Conversion, would become a Significant Shareholder through the acquisition of Common Shares. In such circumstances, the Issuer will hold, as agent for such persons, the Common Shares that would have otherwise been delivered to such persons and will attempt to facilitate the sale of such Common Shares to parties other than the Issuer and its affiliates on behalf of such persons through a registered dealer to be retained by the Issuer on behalf of such persons. Those sales (if any) may be made at any time and at any price. The Issuer will not be subject to any liability for failure to sell such Common Shares on behalf of such persons or at any particular price on any particular day. The net proceeds received by the Issuer from the sale of any such Common Shares will be divided among the applicable persons in proportion to the number of Common Shares that would otherwise have been delivered to them upon the NVCC Automatic Conversion after deducting the costs of sale and any applicable withholding taxes.

#### 8.06 Definitions

For the purposes of these Conditions:

- (i) “**Ineligible Person**” means (i) any persons whose address is in, or whom the Issuer or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada to the extent that the issuance by the Issuer or delivery by its transfer agent to a person pursuant to an NVCC Automatic Conversion, of Common Shares would require the Issuer to take any action to comply with securities, banking or analogous laws of that jurisdiction, and (ii) any person to the extent that the issuance by the issuer or delivery by its transfer agent to that person, pursuant to an NVCC Automatic Conversion, of Common Shares would cause the Issuer to be in violation of any law to which the Issuer is subject; and
- (ii) “**Significant Shareholder**” means any person who beneficially owns directly, or indirectly through entities controlled by such person or persons associated with or acting jointly or in concert with such person, a percentage of the total number of outstanding shares of a class of the Issuer that is in excess of that permitted by the *Bank Act* (Canada).

## 9. Taxation

**9.01** All amounts payable (whether in respect of principal, interest or otherwise) in respect of the Notes or Coupons by or on behalf of the Issuer will be paid free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of Canada, any province or territory or political subdivision thereof or any authority or agency therein or thereof having power to tax and, in the case of Notes issued by a branch of the Issuer located outside Canada, the country in which such branch is located or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such Taxes is required by law or the interpretation or administration thereof. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the holder after such withholding or deduction shall equal the respective amounts of principal, interest or other amounts which would have been received in respect of the Notes or Coupons (as the case may be), in the absence of such withholding or deduction; except that no additional amounts shall be payable with respect to any payment in respect of any Note or Coupon:

- (i) to, or to a third party on behalf of, a holder who is liable for such Taxes in respect of such Note, or Coupon by reason of such person having some connection with Canada or the country in which the relevant branch of the Issuer is located otherwise than the mere holding of such Note or Coupon; or
- (ii) to, or to a third party on behalf of, a holder in respect of whom such Tax is required to be withheld or deducted by reason of the holder being (a) a person with whom the Issuer is not dealing at arm’s length (within the meaning of the *Income Tax Act* (Canada), or (b) an entity that is a “specified entity” (as defined in subsection 18.4(1) of the *Income Tax Act* (Canada)) in respect of the Issuer; or
- (iii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the thirtieth such day assuming that day to have been a Payment Date (as defined in Condition 10.14); or
- (iv) for or on account of any withholding tax or deduction imposed or collected pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (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, whether currently in effect or as published and amended from time to time (the “**FATCA Withholding Tax Rules**”); or
- (v) where any combination of items (i) to (iv) applies.

**9.02** For the purposes of these Conditions:

“**Relevant Date**” means, in respect of any Note or Coupon, the date on which payment thereof first becomes due and payable, or, if the full amount of the moneys payable has not been received by the Issuing and Paying Agent, or as the case may be, the Registrar on or prior to such due date, the date on which, the full amount of such moneys shall have been so received and notice to that effect shall have been duly given to the Holders in accordance with Condition 15.

**9.03** If the Issuer becomes subject generally at any time to any taxing jurisdiction other than or in addition to Canada or the country in which the relevant Branch of Account is located, references in Condition 6.02, Condition

9.01 and Condition 20.03 to Canada or the jurisdiction in which the relevant branch is located shall be read and construed as references to Canada or the country in which such branch is located and/or to such other jurisdiction(s).

**9.04** Unless the context otherwise requires, any reference in these Conditions to any payment due in respect of the Notes or Coupons shall be deemed to include any additional amounts which may be payable under this Condition 9. Unless the context otherwise requires, any reference in these Conditions to “**principal**” shall include any premium payable in respect of a Note, Redemption Amount and any other amounts in the nature of principal payable pursuant to these Conditions and “**interest**” shall include all amounts payable pursuant to Condition 5 and any other amounts in the nature of interest payable pursuant to these Conditions.

## **10. Payments**

### ***Payments – Bearer Notes***

**10.01** Conditions 10.01 to 10.07 are applicable in relation to Bearer Notes.

**10.02** Payment of amounts (other than interest) due in respect of Bearer Notes will be made against presentation and (save in the case of partial payment) surrender of the relevant Bearer Notes at the specified office of any of the Paying Agents.

Payment of Instalment Amounts in respect of an Instalment Note which is a Definitive Note with Receipts will be made against presentation of the Note together with the relevant Receipt and surrender of such Receipt.

**10.03** Payment of amounts in respect of interest on Bearer Notes will be made:

- (i) in the case of a Temporary Global Note or Permanent Global Note, against presentation of the relevant Temporary Global Note or Permanent Global Note at the specified office of any of the Paying Agents outside (unless Condition 10.04 applies) the United States and, in the case of a Temporary Global Note, upon due certification as required therein;
- (ii) in the case of Definitive Notes without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Definitive Notes at the specified office of any of the Paying Agents outside (unless Condition 10.04 applies) the United States; and
- (iii) in the case of Definitive Notes delivered with Coupons attached thereto at the time of their initial delivery, against surrender of the relevant Coupons or, in the case of interest due otherwise than on an Interest Payment Date, against presentation of the relevant Definitive Notes, in either case at the specified office of any of the Paying Agents outside (unless Condition 10.04 applies) the United States.

**10.04** Notwithstanding the foregoing (and in relation to payments in U.S. dollars only), payments of amounts due in respect of interest on the Bearer Notes and exchanges of Talons for Coupon sheets in accordance with Condition 10.07 will not be made at the specified office of any Paying Agent in the United States (as defined in the United States Internal Revenue Code of 1986 and Regulations promulgated thereunder) unless (i) payment in full of amounts due in respect of interest on such Notes when due or, as the case may be, the exchange of Talons at all the specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (ii) such payment or exchange is permitted by applicable United States law. If clauses (i) and (ii) of the previous sentence apply, the Issuer shall forthwith appoint a further Paying Agent with a specified office in New York City.

**10.05** If the due date for payment of any amount due in respect of any Bearer Note is not a Payment Date (as defined in Condition 10.14), then the Holder thereof will not be entitled to payment thereof until the next day



which is a Payment Date and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 5.04 or, if appropriate, Condition 5.10.

**10.06** Each Definitive Note initially delivered with Coupons or Talons attached thereto should be presented and, save in the case of partial payment of the Redemption Amount, surrendered for final redemption together with all unmatured Coupons and Talons relating thereto, failing which:

- (i) if the Final Terms specify that this paragraph (i) of Condition 10.06 is applicable (and, in the absence of specification, this paragraph (i) shall apply to Definitive Notes which bear interest at a fixed rate or in fixed amounts), the amount of any missing unmatured Coupons (or, in the case of a payment not being made in full, that portion of the amount of such missing Coupon which the Redemption Amount paid bears to the Redemption Amount due) relating to Definitive Notes that are Fixed Rate Notes or bear interest in fixed amounts will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time within two years of the Relevant Date applicable to payment of such Redemption Amount (whether or not the Issuer's obligation to make payment in respect of such Coupon would otherwise have ceased under Condition 11);
- (ii) if the Final Terms specify that this paragraph (ii) of Condition 10.06 is applicable (and, in the absence of specification, this paragraph (ii) shall apply to Notes which bear interest at a floating rate or rates in variable amounts), all unmatured Coupons relating to such Definitive Notes that are Floating Rate Notes or that bear interest in variable amounts (whether or not such Coupons are surrendered therewith) shall become void and no payment shall be made thereafter in respect of them; and
- (iii) in the case of Definitive Notes initially delivered with Talons attached thereto, all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them.

The provisions of paragraph (i) of this Condition 10.06 notwithstanding, if any Definitive Notes should be issued with a Maturity Date and Rate or Rates of Interest such that, on the presentation for payment of any such Definitive Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required by paragraph (i) to be deducted would be greater than the Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Definitive Note, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the provisions of paragraph (i) in respect of such Coupons as have not so become void, the amount required by paragraph (i) to be deducted would not be greater than the Redemption Amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Definitive Note to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

**10.07** In relation to Definitive Notes initially delivered with Talons attached thereto, on or after the Interest Payment Date of the final Coupon comprised in any Coupon sheet, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent outside (unless Condition 10.04 applies) the United States in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 11 below. Each Talon shall, for the purpose of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relevant Coupon sheet matures.

### ***Payments – Registered Notes***

**10.08** Conditions 10.08 to 10.11 are applicable in relation to Registered Notes.

**10.09** Payment of the Final Redemption Amount (together with accrued interest) due in respect of Registered Notes will be made against presentation and, save in the case of partial payment of the Final Redemption Amount, surrender of the relevant Registered Notes at the specified office of the Registrar.

Notwithstanding the provisions of Condition 10.12, such payments will be made by transfer on the due date to the Designated Account of the Holder (or, in the case of joint Holders, the first-named) of the Registered Note as appearing in the register kept by the Registrar (the “**Register**”) (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date and (ii) where in definitive form, as at opening of business (local time in the place of the specified office of the Registrar) on the third Relevant Banking Day (as defined in Condition 2.07) before the due date for such payment (the “**Record Date**”).

**10.10** Notwithstanding the provisions of Condition 10.12, payment of amounts (whether principal, interest or otherwise) due (other than the Final Redemption Amount and accrued interest in respect thereof) in respect of each Registered Note will be made by transfer on the due date to the Designated Account of the Holder thereof (or, in the case of Joint Holders, the first-named) as appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date and (i) where in definitive form, as at opening of business (local time in the relevant place of the specified office of the Registrar) on the fifteenth Relevant Banking Day (as defined in Condition 2.07) before the due date for such payment (the “**Record Date**”).

**10.11** If the due date for any such payments is not a Payment Date, then the Holder thereof will not be entitled to payment thereof until the first day thereafter which is a Payment Date and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant Designated Account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions in which event interest shall continue to accrue as provided in Condition 5.03(iv) or, as appropriate, Condition 5.10. For the purposes of this Condition 10, “**Designated Account**” means the account (which, in the case of a payment in Japanese yen to a non resident of Japan, shall be a non resident account) maintained by a holder with a Designated Bank and identified as such in the Register and “**Designated Bank**” means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

### ***Payments – General Provisions***

**10.12** Save as otherwise specified in these Conditions, Conditions 10.13 to 10.16 are applicable in relation to Bearer Notes and Registered Notes.

**10.13** Payments of amounts due (whether principal, interest or otherwise) in respect of Notes will be made in the currency in which such amount is due by transfer to an account denominated in the relevant currency (or in the case of euro, an account to which euro may be credited or transferred) specified by the payee, other than payments in Renminbi. In the case of Bearer Notes, if payments are made by transfer, such payments will only be made by transfer to an account maintained by the payee outside of the United States. In no event will payment of amounts due in respect of Bearer Notes be made by a cheque mailed to an address in the United States.

Payments of amounts in Renminbi will be made by credit or transfer to a Renminbi account maintained by or on behalf of the payee with a bank in any Relevant Renminbi Settlement Centre as specified in the applicable Final Terms in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to settlement in Renminbi in the relevant Relevant Renminbi Settlement Centre).

Payments will, without prejudice to the provisions of Condition 9, be subject in all cases to (i) any applicable fiscal or other laws and regulations and (ii) any withholding or deduction required, including pursuant to the FATCA Withholding Tax Rules.

**10.14** For the purposes of these Conditions “**Payment Date**” means:

- (i) a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in (A) in the case of Notes in definitive form only, the place of presentation of the relevant Note or, as the case may be, Coupon and (B) each Financial Centre (other than T2) specified in the applicable Final Terms;
- (ii) if T2 is specified in the applicable Final Terms, a day which is a T2 Business Day; and
- (ii) either (A) in the case of any currency other than euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively); (B) in the case of payment in euro, a day which is a T2 Business Day; or (C) in the case of a payment in Renminbi, a day (other than a Saturday or Sunday) on which bank and foreign exchange markets are open for business for settlement in Renminbi payments in each Relevant Renminbi Settlement Centre.

**10.15** No commissions or expenses shall be charged to the Holders of Notes or Coupons in respect of such payments.

**10.16** If Alternative Currency Payment is specified as applicable in the Final Terms and the Issuer is due to make a payment in a currency (the “**original currency**”) other than Renminbi in respect of any Note or Coupon and the original currency is not available on the foreign exchange markets due to the imposition of exchange controls, the original currency’s replacement or disuse or other circumstances beyond the Issuer’s control, the Issuer will be entitled to satisfy its obligations in respect of such payment by making payment in the Alternative Currency on the basis of the spot exchange rate (the “**Alternative Currency FX Rate**”) at which the original currency is offered in exchange for the Alternative Currency in the London foreign exchange market (or, at the option of the Calculation Agent, in the foreign exchange market of any other financial centre which is then open for business) at noon, London time, two London Banking Days prior to the date on which payment is due or, if the Alternative Currency FX Rate is not available on that date, on the basis of a substitute exchange rate determined by the Calculation Agent acting in its absolute discretion from such source(s) and at such time as it may select. For the avoidance of doubt, the Alternative Currency FX Rate or substitute exchange rate as aforesaid may be such that the resulting Alternative Currency amount is zero and in such event no amount of the Alternative Currency or the original currency will be payable. Any payment made in the Alternative Currency or non-payment in accordance with this paragraph will not constitute an Event of Default under Condition 7.

For the purpose of this Condition 10.16, "**Calculation Agent**" means the relevant Issuing and Paying Agent or such other entity specified in the applicable Final Terms as the person responsible for the calculation of the Rate(s) of Interest and the Interest Amount(s) or such other amounts as may be specified in the applicable Final Terms.

**10.17** Notwithstanding any other provision in these Conditions, if Inconvertibility, Non-Transferability or Illiquidity occurs or if Renminbi is otherwise not available to the Issuer as a result of circumstances beyond its control and such unavailability has been confirmed by a Renminbi Dealer, acting in good faith and in a commercially reasonable manner, following which the Issuer is unable to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes, the Issuer on giving not less than five nor more than 30 days irrevocable notice to the Holders prior to the due date for payment, may settle any such payment (in whole or in part) in U.S. dollars on the due date at the U.S. dollars Equivalent of any such Renminbi denominated amount.

In such event, payments of the U.S. dollars Equivalent of the relevant principal or interest in respect of the Notes shall be made by transfer to the U.S. dollars account of the Relevant Account Holders for the benefit of the Holders. For the avoidance of doubt, no such payment of the U.S. dollars Equivalent shall by itself constitute a default in payment within the meaning of Condition 7.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 10.17 by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Paying Agent and all Holders and (in the absence of manifest error) no liability to the Issuer, the Paying Agent and all Holders shall attach to the RMB Rate Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

For the purposes of these Conditions:

"**Governmental Authority**" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of each Relevant Renminbi Settlement Centre.

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China.

"**Illiquidity**" means that the general Renminbi exchange market in each Relevant Renminbi Settlement Centre becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers.

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of RMB Notes in the general Renminbi exchange market in each Relevant Renminbi Settlement Centre, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Non-Transferability**" means the occurrence in each Relevant Renminbi Settlement Centre of any event that makes it impossible for the Issuer to transfer Renminbi (A) between accounts inside a Relevant Renminbi Settlement Centre, (B) from an account inside a Relevant Renminbi Settlement Centre to an account outside such Relevant Renminbi Settlement Centre, or (C) from an account outside a Relevant Renminbi Settlement Centre to an account inside such Relevant Renminbi Settlement Centre; in each case other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any

Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**“Relevant Renminbi Settlement Centre”** means each of the jurisdiction(s) specified as such in the applicable Final Terms or if no Relevant Renminbi Settlement Centre is specified in the relevant Final Terms, the Relevant Renminbi Settlement Centre shall mean Hong Kong only.

**“Renminbi Dealer”** means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in any Relevant Renminbi Settlement Centre reasonably selected by the Issuer.

**“RMB Rate Calculation Agent”** means the agent appointed from time to time by the Issuer for the determination of the RMB Spot Rate or identified as such in the relevant Final Terms.

**“RMB Rate Calculation Business Day”** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in each Relevant Renminbi Settlement Centre and in New York City.

**“RMB Rate Calculation Date”** means the day which is two RMB Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under the Conditions.

**“RMB Spot Rate”** for a RMB Rate Calculation Date means the spot CNY/U.S. dollars exchange rate for the purchase of U.S. dollars with RMB in the over-the-counter RMB exchange market in the Relevant Renminbi Settlement Centre in which the RMB Rate Calculation Agent is located for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11.00 a.m. (local time of the Relevant Renminbi Settlement Centre) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCN3 or if no such rate is available on a non deliverable basis by reference to Reuters Screen Rate TRADNDF. If neither rate is available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11.00 a.m. (local time of the Relevant Renminbi Settlement Centre) on the RMB Rate Calculation Date as the most recently available CNY/U.S. dollar official fixing rate for settlement on the relevant due date for payment reported by the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

**“U.S. dollars Equivalent”** means the Relevant Renminbi amount converted into U.S. dollars using the RMB Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation Agent.

## **11. Prescription**

**11.01** Subject to applicable law, the Issuer’s obligation to pay an amount of principal and interest in respect of Notes will cease if the Notes or Coupons, as the case may be, are not presented within two years after the Relevant Date (as defined in Condition 9.02) for payment thereof, or such other length of time as is specified in the applicable Final Terms.

**11.02** In relation to Definitive Notes initially delivered with Talons attached thereto, there shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon which would be void pursuant to Condition 10.06 or this Condition 11 or the maturity date or due date for the payment of which would fall after the due date for the redemption of the relevant Note, or any Talon the maturity date of which would fall after the due date for the redemption of the relevant Note.

## **12. The Paying Agents, the Registrar and the Calculation Agent**

**12.01** The initial Issuing and Paying Agent and the Registrar and their respective initial specified offices are specified below. The Calculation Agent in respect of any Notes and any additional or other Paying Agents shall be specified in Part A or Part B of the applicable Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Issuing and Paying Agent) or the Registrar or the Calculation Agent and to appoint additional or other Paying Agents or another Registrar or another Calculation Agent provided that it will at all times maintain (i) an Issuing and Paying Agent, (ii) in the case of Registered Notes, a Registrar, (iii) following the issue of Definitive Notes, and while any such Definitive Notes are outstanding, a Paying Agent (which may be the Issuing and Paying Agent) with a specified office in a continental European city, (iv) so long as the Notes are admitted to the Official List and to trading on the London Stock Exchange and/or admitted to listing or trading on any other stock exchange or relevant authority and the rules of such exchange or relevant authority so require, a Paying Agent (which may be the Issuing and Paying Agent) and a Registrar each with a specified office in London and/or in such other place as may be required by the rules of such other stock exchange or other relevant authority, (v) in the circumstances described in Condition 10.04, a Paying Agent with a specified office in New York City, and (vi) a Calculation Agent where required by the Conditions applicable to any Notes (in the case of (i), (ii), (iii) and (vi) with a specified office located in such place (if any) as may be required by the Conditions). The Paying Agents, the Registrar and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified office in the same metropolitan area. Notice of all changes in the identities or specified offices of any Paying Agent, the Registrar or the Calculation Agent will be given promptly by the Issuer to the Holders in accordance with Condition 15.

**12.02** The Paying Agents, the Registrar and the Calculation Agent act solely as agents of the Issuer and, save as provided in the Issue and Paying Agency Agreement or any other agreement entered into with respect to their respective appointments, do not assume any obligations towards or relationship of agency or trust for any Holder of any Note or Coupon and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Issue and Paying Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

## **13. Replacement of Notes**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Paying Agent or any Paying Agent (in the case of Bearer Notes and Coupons) or of the Registrar (in the case of Registered Notes) (the "**Replacement Agent**"), subject to all applicable laws and the requirements of any stock exchange on which the Notes are listed, upon payment by the claimant of all expenses incurred in connection with such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Replacement Agent may require. Mutilated or defaced Notes and Coupons must be surrendered before replacements will be delivered therefor.

## **14. Meetings of Holders and Modification**

The Issue and Paying Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Holders of Notes of any Series to consider any matter affecting their interest, including (without limitation) the modification by Extraordinary Resolution (as defined in the Issue and Paying Agency Agreement) of these Conditions insofar as the same may apply to such Notes. An Extraordinary Resolution passed by the Holders of Notes of any Series will be binding on all Holders of the Notes of such Series, whether or not they are present at any meeting, and whether or not they voted on the resolution, and on all Holders of Coupons relating to Notes of such Series.

The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons holding or representing Holders whatever the nominal amount of the Notes so represented, unless the business of such meeting includes consideration of proposals, *inter alia*, to (i) amend the Maturity Date or other redemption date of the Notes, or any Interest Payment Date in respect of any Notes, (ii) reduce or cancel the Outstanding Principal Amount of, or any premium payable on redemption of, the Notes, (iii) reduce the Rates of Interest in respect of the Notes, Fixed Coupon Amounts or vary the manner in which the Rate(s) of Interest are to be determined, (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest or Redemption Amount is indicated in the Final Terms, reduce any such minimum and/or maximum, (v) change any method of or basis for, calculating the Redemption Amount, including the method of or basis for, calculating the Amortised Face Amount, (vi) change the Specified Currency or Currencies of payment or Specified Denomination of the Notes, (vii) modify the provisions concerning the quorum required at any meeting of Holders of Notes or the majority required to pass an Extraordinary Resolution or (viii) modify or eliminate any of items (i) through (vii), inclusive above, in which case the necessary quorum shall be two or more persons holding or representing not less than seventy-five per cent., or at any adjourned meeting, not less than twenty-five per cent., in nominal amount of the Notes for the time being outstanding.

In addition, the Issue and Paying Agency Agreement provides that an Extraordinary Resolution may also be passed by either (i) a resolution in writing signed on behalf of the Holders of not less than seventy-five per cent. of the aggregate principal amount of Notes for the time being outstanding (whether such resolution in writing is contained in one document or several documents in the same form, each signed on behalf of one or more Holders) or (ii) consents given by way of electronic consents through the relevant clearing system(s) by or on behalf of a Holder of not less than seventy-five per cent. in principal amount of the Notes for the time being outstanding. The Issue and Paying Agency Agreement contains provisions for the purpose of determining whether a Written Resolution has been validly passed.

The Issuer may, with the consent of the Issuing and Paying Agent, but without the consent of the Holders of the Notes, make any modification to these Terms and Conditions (i) which is not materially prejudicial to the interests of the Holders of Notes, or (ii) to correct a manifest or proven error or an error that is of a formal, minor or technical nature, or to correct, cure or supplement any defective provision contained herein in respect of Notes. Subject as aforesaid, no other modification may be made to these Terms and Conditions except with the sanction of an Extraordinary Resolution adopted by the Holders.

Save as provided therein, the Issue and Paying Agency Agreement may be amended by agreement among the parties thereto and without the consent of any Holders of the Notes.

Notwithstanding anything in this Condition 14, the prior approval of the Superintendent is required to modify the terms of any Series of Bail-inable Notes or Subordinated Notes where such variation may affect the eligibility of the Notes as TLAC under the guidelines for TLAC for banks in Canada (in the case of Bail-inable Notes) or as regulatory capital under the guidelines for capital adequacy requirements for banks in Canada (in the case of Subordinated Notes).

## **15. Notices**

### ***To Holders of Bearer Notes***

**15.01** Notices to Holders of Bearer Notes will be deemed to be validly given if published in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times*) or, if permitted by the rules of the relevant stock exchange or other relevant authority, in the case of Notes represented by a Temporary Global Note or Permanent Global Note, if delivered to Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system for communication by them to the persons shown in their respective

records as having interests therein. The Issuer shall also ensure that notices are duly published in compliance with the requirements of each stock exchange or any other relevant authority on which the Notes are listed, including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any notice so given will be deemed to have been validly given on the date of first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers) or, as the case may be, on the first weekday after the date of such delivery to Euroclear and Clearstream, Luxembourg and/or such other clearing system. Holders of Coupons will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Notes in accordance with this Condition.

### ***To Holders of Registered Notes***

**15.02** Notices to Holders of Registered Notes will be deemed to be validly given if sent by first class mail (or equivalent) or, if posted to an overseas address, by air mail to them (or, in the case of joint Holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the register kept by the Registrar, or if permitted by the rules of the relevant stock exchange or other relevant authority, in the case of Registered Notes in global form, if delivered to Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system for communication by them to persons shown in their respective records as having interests therein. Any notice so given will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day or, as the case may be, on the first weekday after the date of such delivery to Euroclear and Clearstream, Luxembourg and/or such other clearing system. The Issuer shall also ensure that notices are duly published in compliance with the requirements of each stock exchange or any other relevant authority on which the Notes are listed, including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

### ***To Issuer***

**15.03** Notices to be given by any Holder shall be in writing and given by lodging the same, together with the relevant Note or Notes, with the Paying Agents or the Registrar (as applicable). While any of the Notes are represented by a Global Note, such notice may be given by any Holder to the Issuing and Paying Agent or the Registrar (as applicable) through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Issuing and Paying Agent or the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

## **16. Further Issues**

The Issuer may from time to time, without the consent of the Holders of any Notes or Coupons, create and issue further Notes, bonds or debentures having the same terms and conditions as such Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the Specified Denomination thereof) so as to form a single series with the Notes of any particular Series.

## **17. Currency Indemnity**

Subject to Condition 10.16, the currency in which the Notes are denominated or, if different, payable, as specified in the Final Terms (the “**Contractual Currency**”), is the sole currency of account and payment for all sums payable by the Issuer in respect of the Notes, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgement or order of a court of any jurisdiction or otherwise) by any Holder of a Note or Coupon in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the Contractual Currency which such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first day on which it is practicable to do so). If that amount is less than the amount



in the Contractual Currency expressed to be due to any Holder of a Note or Coupon in respect of such Note or Coupon the Issuer shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder of a Note or Coupon and shall continue in full force and effect despite any judgement, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Notes or any judgement or order. Any such loss aforesaid shall be deemed to constitute a loss suffered by the relevant Holder of a Note or Coupon and no proof or evidence of any actual loss will be required by the Issuer.

#### **18. Waiver and Remedies**

No failure to exercise, and no delay in exercising, on the part of the Holder of any Note, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

#### **19. Waiver of set-off and netting rights**

**This Condition 19 is only applicable to Bail-inable Notes.**

No Holder or beneficial owner of an interest in the Bail-inable Notes may exercise, or direct the exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to it by the Issuer arising under, or in connection with, the Bail-inable Notes, and each Holder or beneficial owner of an interest in the Bail-inable Notes shall, by virtue of its acquisition of any Bail-inable Note (or an interest therein), be deemed to have irrevocably and unconditionally waived all such rights of set-off, netting, compensation or retention. Notwithstanding the foregoing, if any amounts due and payable to any Holder or beneficial owner of an interest in the Bail-inable Notes by the Issuer in respect of, or arising under, the Bail-inable Notes are purportedly discharged by set-off, netting, compensation or retention, without limitation to any other rights and remedies of the Issuer under applicable law, such Holder or beneficial owner of an interest in the Bail-inable Notes shall be deemed to receive an amount equal to the amount of such discharge and, until such time as payment of such amount is made, shall hold such amount in trust for the Issuer and, accordingly, any such discharge shall be deemed not to have taken place and such set-off, netting, compensation or retention shall be ineffective.

#### **20. Branch of Account**

This Condition 20 applies to Senior Notes only.

**20.01** For the purposes of the *Bank Act* (Canada) the branch of account of the Bank for the deposit liabilities under the *Bank Act* (Canada) evidenced by the Senior Note shall be either the main Toronto branch or London branch as specified in the applicable Final Terms (the "**Branch of Account**"). If not specified in the applicable Final Terms, the Branch of Account will be the main branch of the Issuer in Toronto. Notes, irrespective of the Branch of Account specified in the applicable Final Terms, are obligations of the Bank.

**20.02** Senior Notes will be paid without the necessity of first being presented for payment at the Branch of Account.

**20.03** If the Branch of Account in respect of Senior Notes is not in Canada, the Bank may change the Branch of Account for the deposit liabilities under the *Bank Act* (Canada) evidenced by the Senior Note upon not less than seven days' prior notice to the Holder given in accordance with Condition 15 and upon and subject to the following terms and conditions:

- (i) if the Note is denominated in Yen, the Branch of Account shall not be in Japan;
- (ii) the Issuer shall indemnify and hold harmless the holders of the Senior Notes and Coupons relating thereto against any tax, duty, assessment or governmental charge which is imposed or levied upon such holder as a consequence of such change, and shall pay the reasonable costs and expenses of the Issuing and Paying Agent in connection with such change;
- (iii) notwithstanding (ii) above, no change of the Branch of Account may be made unless immediately after giving effect to such change (a) no Event of Default, and no event which, after the giving of notice or lapse of time or both, would become an Event of Default shall have occurred and be continuing and (b) payments of principal, interest or other amounts on Notes of this Series and Coupons relating thereto to holders thereof (other than Excluded Holders, as hereinafter defined) shall not, in the opinion of counsel to the Issuer, be subject to any taxes, as hereinafter defined, to which they would not have been subject had such change not taken place. For the purposes of this section, an “**Excluded Holder**” means a holder of a Note of this Series or Coupon relating thereto who is subject to taxes by reason of its having some connection with the Relevant Jurisdiction other than the mere holding of a Note of this Series or Coupon as a non-resident of such Relevant Jurisdiction. “**Relevant Jurisdiction**” means Canada, its provinces or territories and the jurisdiction in which the new Branch of Account is located, and “**taxes**” means any tax, duty, assessment or other governmental charge imposed or levied in respect of the payment of the principal of the Notes of this Series or interest thereon for or on behalf of a Relevant Jurisdiction or any authority therein or thereof having power to tax; and
- (iv) in the case of Bail-inable Notes, if the change is to another Branch of Account outside of Canada, prior approval of the Superintendent shall be required.

## **21. Law and Jurisdiction; Submission to Jurisdiction**

The Issue and Paying Agency Agreement, the Notes and Coupons and Talons related thereto are governed by and shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. By its acquisition of an interest in any Bail-inable Notes, each Holder or beneficial owner of any Bail-inable Notes is deemed to attorn to the jurisdiction of the courts in the Province of Ontario with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes.

## SCHEDULE

### SUBORDINATED NOTE CONVERSION MECHANISMS

These provisions apply to Subordinated Notes only.

#### 1.1 Definitions

For the purposes of Condition 8 and this Schedule, the following expressions have the following meanings:

**“Business Day”** means a day which is both (i) a day on which banks are open for general banking business in Toronto (not being a Saturday, Sunday or public holiday in that place) and (ii) a day which is a business day for purposes of the rules of the Relevant Stock Exchange.

**“Common Share Reorganisation”** means (i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all holders of Common Shares as a stock dividend, (ii) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares, or (iii) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares.

**“Conversion Price”** means the greater of:

- (i) the Current Market Price of a Common Share on the Conversion Date; and
- (ii) the Floor Price.

**“Current Market Price”** means the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (the **“TSX”**) measured in Canadian dollars, if such Common Shares are then listed on the TSX, for the VWAP Period. If the Common Shares are not then listed on the TSX, for the purpose of the foregoing calculation reference shall be made to the principal securities exchange or market on which the Common Shares are then listed or quoted or, if no such trading prices are available, **“Current Market Price”** shall be the fair value of the Common Shares as reasonably determined by the board of directors of the Bank.

**“Floor Price”** means CAD5.00, subject to adjustment thereafter in accordance with 1.3 and 1.4 of this Schedule.

**“Multiplier”** means 1.5.

**“Note Value”** means the nominal amount of a Subordinated Note plus accrued and unpaid interest on such Subordinated Note as of the date of the Conversion Date translated where required from the Specified Currency into Canadian dollars at the then Prevailing Exchange Rate.

**“Officer’s Certificate”** means a certificate signed by any one of the Issuer’s Chief Executive Officer, President, Group Heads, Chief Administrative Officer, Chief Financial Officer, Chief Risk Officer, Chief Human Resources Officer, Senior Executive Vice-Presidents, Chief Internal Auditor, Executive Vice-Presidents or Senior Vice-Presidents, or any two Vice-Presidents acting together, and delivered to the Issuing and Paying Agent.

**“Prevailing Exchange Rate”** means in respect of any currency, the indicative rate of exchange between the relevant currencies (in Canadian dollars per Specified Currency) reported by the Bank of Canada, on the date immediately preceding the Conversion Date (or if not available on such date, the date on which such indicative rate was last applicable prior to such date). If such exchange rate is no longer reported by the Bank of Canada, the relevant exchange rate shall be the simple average of the closing exchange rate between the relevant currencies (in Canadian dollars per Specified Currency) quoted at approximately the Specified Time, on such date by three major banks selected by the Issuer.

“**Specified Time**” means the time specified in the applicable Final Terms.

“**VWAP Period**” means the latest period of ten consecutive Business Days on which trading in Common Shares took place immediately preceding (but not including) the Conversion Date.

## 1.2 Automatic Conversion

(a) If the Issuer must Convert a Subordinated Note in accordance with Condition 8.03 then the number of fully paid Common Shares into which such Subordinated Note is Converted (the “**Conversion Number**”) will be calculated in accordance with the following formula:

$$\frac{\text{Multiplier x Note Value}}{\text{Conversion Price}}$$

rounding down, if necessary, to the nearest whole number of Common Shares.

(b) Fractions of Common Shares will not be issued following an NVCC Automatic Conversion and no cash payment will be made in lieu thereof.

(c) Upon an NVCC Automatic Conversion, any accrued but unpaid interest will be added to the nominal amount of the Subordinated Notes and such accrued but unpaid interest, together with the nominal amount of the Subordinated Notes, will be deemed repaid in full by the issuance of the Common Shares upon such NVCC Automatic Conversion and the Holders shall have no further rights and the Issuer shall have no further obligations under the Subordinated Notes.

(d) Neither the Issuer nor any of its subsidiaries shall be liable for any stamp duty, stamp duty reserve duty, or any other capital, issue, transfer, registration, financial transaction or documenting tax that may arise or be paid as a consequence of the delivery of Common Shares, which tax shall be borne solely by the Holder.

## 1.3 Capital Reorganisation, Consolidation, Mergers, Amalgamations or Comparable Transactions

In the event of a capital reorganisation, consolidation, merger or amalgamation of the Issuer or comparable transaction affecting the Common Shares, the Issuer will take necessary action to ensure that the Holders receive, pursuant to an NVCC Automatic Conversion, the number of Common Shares or other securities that such Holder would have received if the NVCC Automatic Conversion occurred immediately prior to the record date for such event.

## 1.4 Adjustments

(a) In the event of a Common Share Reorganisation, the Floor Price shall be adjusted so that it will equal the price determined by multiplying the Floor Price in effect immediately prior to such effective date or record date of such event by a fraction:

- (1) the numerator of which will be the total number of Common Shares outstanding on such effective date or record date before giving effect to such Common Share Reorganisation; and
- (2) the denominator of which will be the total number of Common Shares outstanding immediately after giving effect to such Common Share Reorganisation (including, in the case where securities exchangeable for or convertible into Common Shares are distributed, the number, without duplication, of Common Shares that would have been outstanding had all such securities been exchanged for or converted into Common Shares on such effective date or record date).

The adjustment shall be calculated to the nearest one-tenth of one cent provided that no adjustment of the Floor Price shall be required unless such adjustment would require an increase or decrease of at least 1 per cent. of the Conversion Price then in effect.

(b) In any case in which paragraphs 1.3 or 1.4 require that an adjustment will become effective immediately after a record date for an event referred to therein or herein, the Issuer may defer, until the occurrence of such event, issuing to the Holders of any Subordinated Notes upon a NVCC Automatic Conversion occurring after such record date and before the occurrence of such event, any additional Common Shares issuable upon such conversion by reason of the adjustment required by such event; provided, however, that the Issuer will deliver to such Holder evidence of such Holder's right to receive such additional Common Shares upon the occurrence of such event and the right to receive any dividends or other distributions made on such additional Common Shares declared in favor of holders of record of Common Shares on and after the date of the NVCC Automatic Conversion or such later date on which such Holder would, but for the provisions of this paragraph 1.4(b), have become the holder of record of such additional Common Shares.

(c) If the Issuer sets a record date to take any action that would require an adjustment provided for in paragraphs 1.3 or 1.4 and before the taking of such action, the Issuer abandons its plan to take such action, then no such adjustment shall be made.

(d) The Issuer will from time to time, immediately after the occurrence of any Common Share Reorganisation or other event that requires an adjustment or readjustment as provided in paragraph 1.3 or 1.4, deliver an Officers' Certificate of the Issuer to the Issuing and Paying Agent specifying the nature of the event requiring the same and the amount of the adjustment or readjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. Such Officers' Certificate of the Issuer and the amount of the adjustment or readjustment specified therein will be conclusive and binding on all parties in interest. Except in respect of any Common Share Reorganisation, the Issuer will forthwith give notice to the Holders of Notes in accordance with Condition 15 specifying the event requiring such adjustment or readjustment and the amount thereof, including the resulting Floor Price.

## **1.5 General**

(a) If tax is required to be withheld from any payment of interest in the form of Common Shares specified in paragraph 1.2(c) above, the number of Common Shares received by a Holder of Subordinated Notes shall reflect an amount net of any applicable withholding tax.

(b) Notwithstanding any other provision of the Notes, the conversion of the Subordinated Notes in connection with an NVCC Automatic Conversion shall not be an Event of Default and the only consequence of a Non-Viability Trigger Event shall be the conversion of such Notes into Common Shares.

## FORM OF FINAL TERMS OF THE NOTES

**[MIFID II PRODUCT GOVERNANCE / TARGET MARKET - Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>1</sup>**

**[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“UK MiFIR”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>2</sup>**

**[PRIIPS REGULATION PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [MiFID II / Directive 2014/65/EU (as amended, “MiFID II”)]; (ii) a customer within the meaning of Directive 2016/97/EU (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>3</sup>**

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail**

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<sup>1</sup> Legend to be included on front of the Final Terms if transaction is in scope of MiFID II and following the ICMA 1 “all bonds to all professionals” target market approach.

<sup>2</sup> Legend to be included on front of the Final Terms if transaction is in scope of UK MIFIR and following the ICMA 1 “all bonds to all professionals” target market approach.

<sup>3</sup> Legend to be included on front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared, in which case the selling restriction should be specified to be “Applicable”.

investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the UK Financial Services and Markets Act (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (as amended) as it forms part of domestic law of the UK by virtue of the EUWA (the “UK Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended) as it forms part of domestic law of the UK by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]<sup>4</sup>

[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (AS MODIFIED OR AMENDED FROM TIME TO TIME (the “SFA”) - [To insert notice if classification of the Notes is not “prescribed capital markets products”<sup>5</sup>, pursuant to Section 309B of the SFA].<sup>3</sup>]

[THESE NOTES ARE SUBJECT TO CONVERSION IN WHOLE OR IN PART - BY MEANS OF A TRANSACTION OR SERIES OF TRANSACTIONS AND IN ONE OR MORE STEPS - INTO COMMON SHARES OF ROYAL BANK OF CANADA OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE CANADA DEPOSIT INSURANCE CORPORATION ACT (CANADA) (“CDIC ACT”) AND TO VARIATION OR EXTINGUISHMENT IN CONSEQUENCE AND SUBJECT TO THE APPLICATION OF THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THE OPERATION OF THE CDIC ACT WITH RESPECT TO THE NOTES.]<sup>6</sup>

Final Terms dated [•]

[Logo]

**ROYAL BANK OF CANADA**  
(a Canadian chartered bank)  
(the “Issuer”)

Legal Entity Identifier (LEI): ES7IP3U3RHIGC71XBU11

Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]  
issued pursuant to the Base Prospectus as part of the  
Programme for the Issue of Securities

[The Notes will only be admitted to trading on [insert name of relevant QI market/segment], which is [an UK regulated market/a specific segment of a UK regulated market] (as defined in UK MiFIR), to which only qualified

<sup>4</sup> Legend to be included on front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared, in which case the selling restriction should be specified to be “Applicable”.

<sup>5</sup> Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

<sup>6</sup> Legend to be included on front of the Final Terms if the Notes are Bail-inable Notes.

investors (as defined in the UK Prospectus Regulation) can have access and shall not be offered or sold to investors that are not qualified investors.]<sup>7</sup>

## PART A - CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated July 16, 2024 [and the supplemental Prospectus[es] dated [●]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of [Regulation (EU) 2017/1129 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”)]/ UK Prospectus Regulation]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the UK Prospectus Regulation and must be read in conjunction with such Base Prospectus in order to obtain all relevant information. [The Base Prospectus, including all documents incorporated by reference therein, [is] [are] available for viewing on the Issuer’s website at <https://www.rbc.com/investor-relations/european-senior-notes-program.html> and copies may be obtained from the offices of the Issuer at Investor Relations, Royal Bank of Canada, 200 Bay Street, South Tower, Toronto, Ontario, Canada M5J 2J5 and the offices of the Issuing and Paying Agent, 160 Queen Victoria Street, London EC4V 4LA, England.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [original date] [and the supplemental Prospectus[es] dated [●]] which are incorporated by reference in the Base Prospectus dated July 16, 2024]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of [Regulation (EU) 2017/1129 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”)/the UK Prospectus Regulation] and must be read in conjunction with the Base Prospectus dated July 16, 2024 [and the supplemental Prospectus[es]] dated [●]], which [together] constitute[s] a base prospectus for the purposes of the UK Prospectus Regulation (the “**Base Prospectus**”), including the Conditions incorporated by reference in the Prospectus]. The Base Prospectus, including all documents incorporated by reference therein, are available for viewing on the Issuer’s website at <https://www.rbc.com/investor-relations/european-senior-notes-program.html> and copies may be obtained from the offices of the Issuer at Investor Relations, Royal Bank of Canada, 200 Bay Street, South Tower, Toronto, Ontario, Canada M5J 2J5 and the offices of the Issuing and Paying Agent, 160 Queen Victoria Street, London EC4V 4LA, England.]

1. [(i)] Series Number: [ ]
- [(ii)] Tranche Number: [ ]
- [(iii)] Date on which the Notes become fungible: [Not Applicable] [The Notes shall be consolidated and form a single Series and be interchangeable for trading purposes with the [ ] on [ ] [the Issue Date] [exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [23] below [which is expected to occur on or about [ ]].]

<sup>7</sup> Legend to be included for Notes with a minimum denomination of less than EUR 100,000 (or equivalent in another currency) or Subordinated Notes which will only be admitted to trading on a UK regulated market, or a specific segment of a UK regulated market, to which only qualified investors can have access.



2. Specified Currency or Currencies: [ ]  
(Condition 1.11)
3. Aggregate Principal Amount:  
 [(i)] Series: [ ]  
 [(ii)] Tranche: [ ]
4. Issue Price: [ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]
5. (i) Specified Denominations: [ ]  
(Condition 1.08 or 1.09)  
 [[ ] [and integral multiples of [ ] in excess thereof up to and including [ ]]. No Notes in definitive form will be issued with a denomination above [ ].]
- (ii) Calculation Amount: [ ]
6. (i) Issue Date: [ ]  
 (ii) Interest Commencement Date [ ] [Issue Date] [Not Applicable]  
 (iii) Trade Date [ ]
7. Maturity Date: [ ] [Interest Payment Date falling in or nearest to [specify month and year]], subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention]] (*The latter wording to be included where the Interest Payment Dates are subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention*)
8. Interest Basis: [[ ] per cent. Fixed Rate] [subject to change as indicated in paragraph 10 below]  
 [[ ] month] [EURIBOR / STIBOR / BBSW / CNH HIBOR / HIBOR / SONIA / SOFR / €STR [+/-] [ ] per cent. Floating Rate] [subject to change as indicated in paragraph 10 below]  
 [Fixed Rate Resettable Notes]  
 [[ ] per cent. Fixed Rate with a Step-Up]  
 [Zero Coupon]  
 (further particulars specified below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes shall be redeemed on the Maturity Date at [[par] / [ ] per cent. of their nominal amount]

10. Change of Interest Basis: [Not Applicable] [Paragraph [14/15] applicable for the period from and including [ ] to but excluding [ ]]  
 [Paragraph [14/15] applicable for the period from and including [ ] to but excluding [ ]]  
 [Paragraph 14(xii) applicable]  
 [[Coupon Switch Option applies: Coupon Switch Option Date is [ ] / [Prior to Coupon Switch Option Date, paragraph [14/15] applies. On and following Coupon Switch Option Date, paragraph [14/15] applies] / [Principal Financial Centre is [ ]] / [Notice Period is [ ]] / [Business Centres are [ ]]]
11. Put Option/ Call Option: [Put Option] (*Put Option not applicable to Bail-inable Notes or Subordinated Notes*)  
 [Call Option]  
 [Not Applicable]
12. (i) Date of Board approval for issuance of Notes obtained: [ ] [and [ ], respectively]] [Not Applicable]
- (ii) Status of the Notes: [Senior Notes/Subordinated Notes]
- 12A. Condition 4 - Negative Covenant (Subordinated Notes): [Applicable] [Not Applicable]
13. Bail-inable Notes: [Yes] [No]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. **Fixed Rate Note Provisions** (Condition 5.02 and 5.02a) [Applicable/Not Applicable] [Applicable in respect of the period from and including [the Interest Commencement Date/[ ] to but excluding [ ]]
- (i) Rate[(s)] of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] on each Interest Payment Date [up to [but excluding] the First Reset Date] [in the period from and including [ ] to but excluding [ ]]
- [As specified below, payable in arrear:
- | Fixed Interest Period<br>End Date | Rate of Interest<br>(Step-Up)<br>(per cent. per annum) |
|-----------------------------------|--|
| [ ]                               | [ ]  |
| [ ]                               | [ ]  |
| [ ]                               | [ ]  |
| [ ]                               | [ ]  |

- (ii) Interest Payment Date(s): [ ] [[ ] in each year, commencing [ ]], up to and including the Maturity Date,] [adjusted for payment day purposes only in accordance with the Business Day Convention specified in paragraph 14(iv) below] [adjusted for calculation of interest and for payment day purposes in accordance with the Business Day Convention specified in paragraph 14(iv) below] [not adjusted]
- (iii) Adjusted Interest Periods: [Applicable] [Not Applicable]
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
- (v) Business Centre(s): [ ] [Not Applicable]
- (vi) Fixed Coupon Amount[(s)]: [[ ] per Calculation Amount] [to (but excluding) the First Reset Date] [Not Applicable]
- (vii) Broken Amount(s): [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] [Not Applicable]
- (viii) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / Actual/360 / RBA Bond Basis / Actual/365 (Fixed)]
- (ix) Determination Dates: [Not Applicable] [[ ] in each year]
- (x) Default Rate: [As set out in Condition 5.04 / [ ]]
- (xi) Calculation Agent: [ ] [Not Applicable]
- (xii) Fixed Rate Resettable Note Provisions (Condition 5.02b)
- Applicable Conditions: In addition to Condition 5.02b, Condition [5.02 / 5.02a] is applicable to the Notes
  - Initial Rate of Interest: See paragraph 14(i) above
  - First Margin: [+/-] [ ] per cent. per annum
  - Subsequent Margin: [[+/-] [ ] per cent. per annum] [Not Applicable]
  - First Reset Date: [ ] [adjusted in accordance with [ ]]
  - Second Reset Date: [ ] [adjusted in accordance with [ ]]
  - Subsequent Reset Date(s): [ ] [adjusted in accordance with [ ]] [Not Applicable]
  - Reset Rate: [Mid-Swap Rate] [Benchmark Gilt Rate] [Reference Bond] [CMT Rate]
  - Relevant Screen Page: [ ] [Not Applicable]

- Mid-Swap Rate: [Semi-annualised / annualised] [Single Mid-Swap Rate] [Mean Mid-Swap Rate] [Not Applicable]
- Reference Bond: [ ] [Not Applicable]
- Fixed Leg Swap Duration: [6 months] [12 months] [ ] [Not Applicable]
- Mid-Swap Floating Leg Benchmark Rate: [EURIBOR] [BBSW] [Overnight SOFR compounded for the Floating Leg Swap Duration] [Overnight SONIA compounded for the Floating Leg Swap Duration] [Overnight €STR compounded for the Floating Leg Swap Duration] [ ] [Not Applicable]
- Floating Leg Swap Duration: [6 months] [12 months] [ ] [Not Applicable]
- Relevant Time: [ ] [Not Applicable]
- Reset Determination Dates: [ ] [Not Applicable]
- CMT Designated Maturity: [ ] [Not Applicable]
- CMT Reset Determination Time: [ ] [Not Applicable]
- Relevant Currency: [ ] [Not Applicable]
- Minimum Rate of Interest: [[ ] per cent. per annum] [Zero per cent. per annum] [Not Applicable]
- Maximum Rate of Interest: [[ ] per cent. per annum] [Not Applicable]

**15. Floating Rate Note Provisions**  
(Condition 5.03)

[Applicable/Not Applicable] [Applicable in respect of the period from and including [the Interest Commencement Date/[ ] to but excluding [ ]]

- (i) Specified Period(s): [ ] [Not Applicable]
- (ii) Specified Interest Payment Date(s): [ ], in each year (up to and including the Maturity Date) [subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(iv) below] [not subject to any adjustment, as the Business Day Convention in 15(iv) below is specified to be Not Applicable] [Not Applicable]
- (iii) First Interest Payment Date: [ ]
- (iv) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention] [Not Applicable]
- (v) Business Centre(s): [ ] [T2] [Not Applicable]

- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Issuing and Paying Agent): [[ ] shall be the Calculation Agent] [Not Applicable]
- (viii) Screen Rate Determination: [Applicable] [Not Applicable]
- Reference Rate: [[ ] month [EURIBOR] [STIBOR] [BBSW] [CNH HIBOR] [HIBOR]] [SONIA] [SOFR] [€STR]
  - Calculation Method: [Compounded Daily Rate] [Compounded Index Rate] (for SONIA and SOFR) [Not Applicable]
  - Observation Method: [Lag] [Shift] (for SONIA AND SOFR) [Not Applicable]
  - SONIA Compounded Index: [ ] [Not Applicable] (If applicable, include definition of SONIA Compounded Index specifying any relevant Screen Page and its time of publication and including definition of the Screen Page) (Only relevant to Floating Rate Notes that reference SONIA and specify Compounded Index Rate under Calculation Method above)
  - Compounded Daily €STR Convention: [Observation Lookback Convention] [Observation Shift Convention] [Not Applicable] (for €STR)
  - Interest Determination Date(s): [ ]  
(Second T2 Business Day prior to start of each Interest Period if EURIBOR, the second Hong Kong business day prior to the start of each Interest Period of CNH HIBOR, the [ ] London Banking Day prior to the relevant Interest Payment Date for each Interest Period if SONIA, the [ ] U.S. Government Securities Business Day prior to the relevant Interest Payment Date for each Interest Period if SOFR, the [ ] T2 Business Day prior to the end of each Interest Period if €STR)
  - Relevant Number: [[ ] London Banking Days] [Not Applicable] (to be completed for SONIA where Compound Index Rate specified under Calculation Method above)
  - Relevant Screen Page: [ ] [Not Applicable]
  - Designated Maturity: [ ] / [Not Applicable]
  - Relevant Time: [ ] [Not Applicable]
  - Reference Banks: [ ] [Not Applicable]

- ISDA Definitions: [2006 ISDA Definitions] [2021 ISDA Definitions] [ Not Applicable] *(to be completed for IBORs)*
- Relevant Financial Centre: [ ] [Not Applicable]
- Observation Look-back Period: [[ ] [London Banking Days] *(for SONIA)* [U.S. Government Securities Business Days] *(for SOFR)*] [[ ] T2 Business Days] *(for €STR)* [Not Applicable]
- (ix) ISDA Determination: [Applicable] [Not Applicable]
- ISDA Definitions: [2006/2021] ISDA Definitions
- Floating Rate Option: [ ] *(Ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions if 2021 ISDA Definitions are applicable or that it is a Floating Rate Option subject to the ISDA IBORs Supplement if the 2006 Definitions are applicable))*
- Designated Maturity: [ ] [Not Applicable] *(This is not required when the Floating Rate Option is an Overnight Floating Rate Option)*
- Reset Date: [ ]
- Compounding: [Applicable] [Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
  - Compounding Method: [Compounding with Lookback:
    - Lookback: [[ ] Applicable Business Days]
    - [Compounding with Observation Period Shift
    - Observation Period Shift: [[ ] Observation Period Shift Business Days]
    - Observation Period Shift Additional Business Days: [ ] [Not Applicable]
    - [Compounding with Lockout
    - Lockout: [[ ] Lockout Period Business Days]
- Averaging: [Applicable] [Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
  - Averaging Method: Averaging with Lookback
    - [Lookback:] [[ ] Applicable Business Days]]
    - [Averaging with Observation Period Shift]
    - [Observation Period Shift:] [[ ] Observation Period Shift Business Days]

- [Observation Period Shift Additional Business Days: [ ]]  
[Not Applicable]
- [Averaging with Lockout]
- Lockout: [[ ] Lockout Period Business Days]
- Lockout Period Business Days: [ ] Applicable Business Days]
- Index Provisions: [Applicable]/[Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
- Index Method: Compounded Index Method with Observation Period Shift
- Observation Period Shift: [ ] Observation Period Shift Business Days
- Observation Period Shift Additional Business Days: [ ]  
[Not Applicable]
- [Daily Capped Rate and/or Daily Floored Rate: [Applicable] [Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
- [Daily Capped Rate:] [[ ] per cent.]
- [Daily Floored Rate:] [[ ] per cent.]
- Unscheduled Holiday: [Applicable] [Not Applicable] *(Only include where the 2021 ISDA Definitions apply)*
- Period End Date/Termination Date adjustment for Unscheduled Holiday: [Applicable] [Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*
- Non-Representative: [Applicable] [Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*
- [Successor Benchmark [ ] Successor Benchmark Effective Date: [ ]] *(Only include where the 2021 ISDA Definitions apply)]*
- (x) Linear Interpolation: [Not Applicable] [Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (xi) Margin(s): [[+/-][ ] per cent. per annum] [Not Applicable]
- (xii) Minimum Rate of Interest: [[ ] per cent. per annum] [Zero per cent. per annum] [Not Applicable]  
(Condition 5.03(v))
- (xiii) Maximum Rate of Interest: [[ ] per cent. per annum] [Not Applicable]  
(Condition 5.03(v))
- (xiv) Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)  
Actual/365 (Fixed)]

Actual/360  
 Actual/360 (Observation Period)  
 30/360 or 360/360 or Bond Basis  
 30E/360 or Eurobond Basis  
 30E/360 (ISDA)  
 Actual/365 (Sterling)  
 RBA Bond Basis]

(xv) Default Rate: [As set out in Condition 5.04 / [ ] ]

**16. Zero Coupon Note Provisions**

[Applicable/Not Applicable]

(i) Accrual Method: [Linear Accrual/Compounding Accrual]

(ii) Accrual Yield: [ ] per cent. per annum

(iii) Reference Price: [ ] per Calculation Amount

(iv) Day Count Fraction: [30/360]

[30E/360]

[Actual/360]

[Actual/365]

[Actual/Actual (ICMA)]

(v) Determination Dates: [[ ] in each year] [Not Applicable]

(vi) Default Rate: [Accrual Yield / [ ] ]

**PROVISIONS RELATING TO REDEMPTION**

**17. Call Option**

[Applicable/Not Applicable]

(Condition 6.03)

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [ ] per Calculation Amount

(iii) Redeemable in part: [Applicable] [Not Applicable]  
 If redeemable in part:

(a) Minimum Redemption Amount: [ ] [per Calculation Amount]

(b) Maximum Redemption Amount: [ ] [per Calculation Amount]

(iv) Notice period: Minimum period: [15] [ ] days (*This must not be less than 5 business days*)

Maximum period: [30] [ ] days



18. **Put Option** [Applicable/Not Applicable] (*Put Option not applicable to Bail-inable Notes or Subordinated Notes*)  
(Condition 6.06)
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of [ ] per Calculation Amount  
each Note and method, if any, of  
calculation of such amount(s):
- (iii) Notice period: Minimum period: [15] [ ] days (*This must not be less than 15 business days*)  
Maximum period: [30] [ ] days
19. **Final Redemption Amount of each Note** [Par] / [[ ] per Calculation Amount]
20. **Bail-inable Notes - TLAC** [Applicable] [Not Applicable]  
**Disqualification Event Call**
21. **Early Redemption Amount**
- (i) Early Redemption Amount(s) payable [[ ] per Calculation Amount] / [As per Condition 6.09  
on redemption for taxation reasons[, and 6.10]  
TLAC Disqualification Event][,  
Regulatory Event] or on event of  
default:
- (ii) Early Redemption Amount includes [Yes: no additional amount in respect of accrued interest  
amount in respect of accrued to be paid / No: together with the Early Redemption  
interest: Amount, accrued interest shall also be paid]
22. **Provisions relating to the NVCC** [Applicable/Not Applicable: the Notes are not  
**Automatic Conversion** Subordinated Notes]  
(Condition 8)
- Specified Time: [ ]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

23. (i) Form of Notes: [Bearer Notes] [Bearer Notes exchangeable for  
Registered Notes]
- [Temporary Global Note exchangeable for a Permanent  
Global Note which is exchangeable for Definitive Notes  
[and/or Registered Notes] in the limited circumstances  
specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive  
Notes [and/or Registered Notes] on [ ] days' notice]
- [Exchange Date: Not earlier than [ ]]
- [Permanent Global Note exchangeable for Definitive  
Notes [and/or Registered Notes] in the limited  
circumstances specified in the Permanent Global Note]

[Registered Notes]

[Global Registered Note registered in the name of a nominee for a [common depositary/common safekeeper] for Euroclear and Clearstream]

- (ii) New Global Note (in respect of Bearer Notes) or New Safekeeping Structure (in respect of Registered Notes): [Yes] [No]
24. Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable] [ ]
25. Relevant Renminbi Settlement Centre: [Not Applicable] [ ]
26. Calculation Agent for purposes of Condition 10.16 (if other than Issuing and Paying Agent): [ ] shall be the Calculation Agent [Not Applicable]
27. Name and address of RMB Rate Calculation Agent (for purposes of Condition 10.17): [Not Applicable] [ ]
28. Branch of Account: [Main branch in Toronto] [London branch]
29. Unmatured Coupons missing upon Early Redemption: [Condition 10.06(i) applies] [Condition 10.06(ii) applies]
30. Talons for future Coupons to be attached to Definitive Notes (Condition 1.06) [Yes, as the Notes have more than 27 Coupon payments, Talons may be required if, on exchange into definitive form, more than 27 Coupon payments are still to be made] [No]
31. Alternative Currency Payment (Condition 10.16): [Applicable] [Not Applicable]  
[Alternative Currency: [ ]]

### [THIRD PARTY INFORMATION]

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

Signed on behalf of the Issuer:

By: \_\_\_\_\_  
Duly authorised

By: \_\_\_\_\_  
Duly authorised

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing/Admission to Trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the FCA and to] trading on [the Professional only/Wholesale segment of]<sup>1</sup> [the London Stock Exchange's Main Market] / [name of QI only segment]<sup>2</sup> with effect from [ ].]  
[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to [the Official List of the FCA and to] trading on [the Professional only/Wholesale segment of]<sup>1</sup> [the London Stock Exchange's Main Market] / [name of QI only segment]<sup>2</sup> with effect from [ ].]
- [Tranche[s] [ ] of the Notes [is/are] already admitted to the Official List of the FCA and to] trading on [the Professional only/Wholesale segment of]<sup>1</sup> [the London Stock Exchange's Main Market] / [name of QI only segment]<sup>2</sup> with effect from [ ].]
- (ii) Estimate of total expenses related [ ] to admission: [ ]

### 2. RATINGS

- Ratings: [The Notes to be issued [have been] / [are expected to be] specifically rated]:
- [S&P Canada: [ ]]  
[Moody's Canada: [ ]]  
[Fitch: [ ]]  
[DBRS: [ ]]
- [Not Applicable]
- (Need to include a brief explanation of the meaning of the ratings if this has been published previously by the rating provider)*

### 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Save [for any fees payable to the [Managers/Dealers] [ ] as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

<sup>1</sup> To be specified if Specified Denomination are less than EUR 100,000.

<sup>2</sup> To be specified if Specified Denomination are less than EUR 100,000.

**4. [Fixed Rate Notes and Fixed Rate Resettable Notes only - YIELD**

Indication of yield:

[ ] [Not Applicable]

[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**5. OPERATIONAL INFORMATION**

(i) ISIN: [ ]

(ii) Common Code: [ ]

(iii) CFI: [See [ ], as updated and as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]

(iv) FISN: [See [ ], as updated and as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]

(v) WKN or any other relevant codes: [ ] [Not Applicable]

(vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A., their addresses and the relevant identification number(s): [Not Applicable] [ ]

(vii) Names and addresses of additional Paying Agent(s), Registrar and Transfer Agents (if any): [ ]

(viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of nominee of one of the ICSDs acting as common safekeeper,)]*[include this text for registered notes]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and

registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][include this text for registered notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Not Applicable]

**6. DISTRIBUTION**

- (i) Canadian Selling Restrictions: [Canadian Sales Permitted] [Canadian Sales Not Permitted]
- (ii) Prohibition of Sales to EEA Retail Investors: [Applicable] [Not Applicable]
- (iii) Prohibition of Sales to UK Retail Investors: [Applicable] [Not Applicable]
- (iv) Whether TEFRA D or TEFRA C applicable or TEFRA Rules not applicable: [TEFRA D Rules applicable] [TEFRA C Rules applicable] [TEFRA Rules not applicable]
- (v) Prohibition of Sales to Belgian Consumers: [Applicable] [Not Applicable]
- (vi) Singapore Sales to Institutional Investors and Accredited Investors only: [Applicable] [Not Applicable]

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

- (i) Use of proceeds: [As specified in the Base Prospectus] [ ] [See "Use of Proceeds" in the Base Prospectus] [The Notes are specified to be ["Green Bonds"] ["Social Bonds"] ["Sustainability Bonds"] and the net proceeds are intended to be allocated to [Green Assets] [Social Assets] [Green and Social Assets] [as described under Use of Proceeds - Sustainable Notes in the Base Prospectus]]
- (ii) Estimated Net proceeds: [ ]

**8. UK BENCHMARKS REGULATION**

UK Benchmarks Regulation: Article 29(2) statement on benchmarks: [Not Applicable]  
 Amounts payable under the Notes will be calculated by reference to [ ] which [is/are] provided by [ ]. As at [ ], [ ] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the FCA

pursuant to Article 36 of Regulation (EU) 2016/1011 as is part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time). [As far as the Issuer is aware, the [Bank of England][Federal Reserve Bank of New York][European Central Bank], as administrator of [SONIA][SOFR][€STR], is not required to be registered by virtue of article 2 of the UK Benchmarks Regulation.] [As far as the Issuer is aware the transitional provisions of Article 51 of the UK Benchmarks Regulation apply, such that [ ] [is/are] not currently required to obtain authorisation or registration (or, if located outside the UK, recognition, endorsement or equivalence).]

## FORM OF PRICING SUPPLEMENT OF THE EXEMPT NOTES

Set out below is a form of Pricing Supplement for use in connection with each Tranche of Exempt Notes issued under the Programme. This pro forma Pricing Supplement is subject to completion and amendment to set out the terms upon which each Tranche or Series of Notes to be issued.

### IMPORTANT NOTICE

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 (AS AMENDED) AS IT FORMS PART OF DOMESTIC LAW OF THE UNITED KINGDOM (THE “UK”) BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (“UK PROSPECTUS REGULATION”) FOR THIS ISSUE OF NOTES. THE NOTES WHICH ARE THE SUBJECT OF THIS PRICING SUPPLEMENT ARE NOT COMPLIANT WITH THE UK PROSPECTUS REGULATION AND THE FCA HAS NEITHER APPROVED NOR REVIEWED THE INFORMATION CONTAINED IN THIS PRICING SUPPLEMENT.**

**[MIFID II PRODUCT GOVERNANCE / TARGET MARKET - Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>1</sup> [other appropriate target market legend to be included.]**

**[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“UK MiFIR”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>2</sup> [other appropriate target market legend to be included.]<sup>2</sup>**

**[PRIIPS REGULATION PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article**

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<sup>1</sup> Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

<sup>2</sup> Legend to be included on front of the Pricing Supplement if ISM Notes and if transaction is in scope of UK MiFIR and following the ICMA 1 “all bonds to all professionals” target market approach.



4(1) of [MiFID II / Directive 2014/65/EU (as amended, “MiFID II”)]; (ii) a customer within the meaning of Directive 2016/97/EU (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended) of the UK Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>3</sup>

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the UK Financial Services and Markets Act (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended) as it forms part of domestic law of the UK by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]<sup>4</sup>**

**[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (AS MODIFIED OR AMENDED FROM TIME TO TIME (the “SFA”) - [To insert notice if classification of the Notes is not “prescribed capital markets products”<sup>5</sup>, pursuant to Section 309B of the SFA].<sup>2</sup>**

**[THESE NOTES ARE SUBJECT TO CONVERSION IN WHOLE OR IN PART - BY MEANS OF A TRANSACTION OR SERIES OF TRANSACTIONS AND IN ONE OR MORE STEPS - INTO COMMON SHARES OF ROYAL BANK OF CANADA OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE CANADA DEPOSIT INSURANCE CORPORATION ACT (CANADA) (“CDIC ACT”) AND TO VARIATION OR EXTINGUISHMENT IN CONSEQUENCE AND SUBJECT TO THE APPLICATION OF THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THE OPERATION OF THE CDIC ACT WITH RESPECT TO THE NOTES.]<sup>6</sup>**

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<sup>3</sup> Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared, in which case the selling restriction should be specified to be “Applicable”.

<sup>4</sup> Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared, in which case the selling restriction should be specified to be “Applicable”.

<sup>5</sup> Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

<sup>6</sup> Legend to be included on front of the Final Terms if the Notes are Bail-inable Notes.

**Pricing Supplement dated [•]**

**[Logo]**

**ROYAL BANK OF CANADA**

*(a Canadian chartered bank)*

(the “**Issuer**”)

Legal Entity Identifier (LEI): ES7IP3U3RHIGC71XBU11

Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]  
issued pursuant to the Base Prospectus as part of the  
Programme for the Issue of Securities

**PART A - CONTRACTUAL TERMS**

Any person making or intending to make an offer of the Notes in the EEA or the UK may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the Financial Services and Markets Act 2000 or Regulation (EU) 2017/1129 (as amended) or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation or Regulation (EU) 2017/1129 (as amended), in each case, in relation to such offer.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

[This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Base Prospectus July 16, 2024 [and the supplements to it dated [ ]] which [together] constitute[s] the Base Prospectus<sup>7</sup> (the “**Base Prospectus**”). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus and all documents incorporated by reference therein are available for viewing at <https://www.rbc.com/investor-relations/european-senior-notes-program.html> and may be obtained from the offices of the Issuer at Investor Relations, Royal Bank of Canada, 200 Bay Street, South Tower, Toronto, Ontario, Canada M5J 2J5 and the offices of the Issuing and Paying Agent, 160 Queen Victoria Street, London EC4V 4LA, England.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated July 16, 2024 [and the supplements to it dated [ ]] which [together] constitute[s] the Base Prospectus<sup>2</sup> (the “**Base Prospectus**”).

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs.*

*Italics denote guidance for completing the Pricing Supplement.]*

- |  |   |
|--|---|
| 1. [(i)] Series Number:                          | [ ]   |
| [(ii)] Tranche Number:                           | [ ]   |
| [(iii)] Date on which the Notes become fungible: | [Not Applicable] [The Notes shall be consolidated and form a single Series and be interchangeable for trading purposes with the [ ] on [ ] [the Issue Date] [exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to |

<sup>7</sup> Only include details of a supplemental prospectus in which the Conditions have been amended for the purposes of all future issues under the Programme.

in paragraph [23] below [which is expected to occur on or about [ ]].]

2. Specified Currency or Currencies:  
(Condition 1.11)

[ ]

3. Aggregate Principal Amount:

[(i)] Series:

[ ]

[(ii)] Tranche:

[ ]

4. Issue Price:

[ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]

5. (i) Specified Denominations:  
(Condition 1.08 or 1.09)

[ ]

[[ ] [and integral multiples of [ ] in excess thereof up to and including [ ]]. No Notes in definitive form will be issued with a denomination above [ ].]\*\*

(ii) Calculation Amount:

[ ]

*[If only one Specified Denomination and no integral multiples in excess thereof, insert the Specified Denomination. If there is more than one Specified Denomination, and no integral multiples in excess thereof, insert the highest common factor of the Specified Denominations. If there are integral multiples in excess of the Specified Denomination(s), insert the highest common factor of the integral multiples and the Specified Denomination(s).] [Note - there must be a common factor in the case of two or more Specified Denominations or integral multiples in excess of the Specified Denomination(s).]*

6. (i) Issue Date:

[ ]

(ii) Interest Commencement Date

[Specify] [Issue Date] [Not Applicable]

(iii) Trade Date

[ ]

7. Maturity Date:

*[Specify date or (for Floating Rate Notes) [Interest Payment Date falling in or nearest to [specify month and year]][, subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention]] (The latter wording to be included where the Interest Payment*

---

\*\* If item 23 indicates that a Global Note is exchangeable for Definitive Notes at the option of a Holder, the Specified Denominations may not include integral multiples.

*Dates are subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention)*

8. Interest Basis: [[ ] per cent. Fixed Rate] [subject to change as indicated in paragraph 10 below]

[[•] month] [[EURIBOR/STIBOR/BBSW/CNH HIBOR/HIBOR/SONIA/SOFR]/ €STR [ ] [+/-][•] per cent. Floating Rate] [subject to change as indicated in paragraph 10 below]

[Fixed Rate Resettable Notes]

[[ ] per cent. Fixed Rate with a Step-Up]

[Zero Coupon]

[Other]

*(Further particulars specified below)*

*(N.B. If two or more of the above apply, state which are applicable and complete the relevant particulars)*

9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes would be redeemed on the Maturity Date at [[par] / [ ] per cent. of their nominal amount / other]

*(N.B. If two or more of the above apply, state which are applicable and complete the relevant particulars)*

10. Change of Interest Basis / Redemption / Payment Basis: [Not Applicable] [Paragraph [14/15] applicable for the period from and including [ ] to but excluding [ ]] [Paragraph [14/15] applicable for the period from and including [ ] to but excluding [ ]] [Paragraph 14(xii) applicable]

[[Coupon Switch Option applies: Coupon Switch Option Date is [ ]] / [Prior to Coupon Switch Option Date, paragraph [14/15] applies. On and following Coupon Switch Option Date, paragraph [14/15] applies] / [Principal Financial Centre is [ ]] / [Notice Period is [ ]] / [Business Centres are [ ]]]

[Other]

11. Put Option/ Call Option: [Put Option] *(Put Option not applicable to Bail-inable Notes or Subordinated Notes)* [Call Option] [Not Applicable]

12. (i) Date of Board approval for issuance of Notes obtained: [ ] [and [ ], respectively]] [Not Applicable]  
*(N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or, if Subordinated Notes, specify date of most recent Standing Resolution of Board of Directors for issue of Subordinated Indebtedness obtained if other than [ ])*

(ii) Status of the Notes: [Senior Notes/Subordinated Notes]

13. Bail-inable Notes: [Yes] [No]

13A. Condition 4 - Negative Covenant (Subordinated Notes): [Applicable] [Not Applicable]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. **Fixed Rate Note Provisions** (Condition 5.02 and 5.02a) [Applicable/Not Applicable] [Applicable in respect of the period from and including [the Interest Commencement Date/[ ] to but excluding [ ]]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Rate[(s)] of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] on each Interest Payment Date [up to [but excluding] the First Reset Date] [in the period from and including [ ] to but excluding [ ]]

[As specified below, payable in arrear:

Fixed Interest Period End Date	Rate of Interest (Step-Up) (per cent. per annum)
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

(ii) Interest Payment Date(s): [[ ]] [[ ] in each year, commencing [ ], up to and including the Maturity Date,] [adjusted for payment day purposes only in accordance with the Business Day Convention specified in paragraph 14(iv) below] [adjusted for calculation of interest and for payment day purposes in accordance with the Business Day Convention specified in paragraph 14(iv) below] [not adjusted]

(iii) Adjusted Interest Periods: [Applicable] [Not Applicable]

- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
- (v) Business Centre(s): [ ] [Not Applicable]
- (vi) Fixed Coupon Amount[(s)]: [[ ] per Calculation Amount] [up to (but excluding) the First Reset Date]] [Not Applicable]
- (vii) Broken Amount(s): [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] [Not Applicable]
- (Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])*
- (viii) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA)/Actual/360/RBA Bond Basis / Actual/365 (Fixed) / other]
- (ix) Determination Dates: [Not Applicable] [[ ] in each year] *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (x) Default Rate: [As set out in Condition 5.04 / [ ]]
- (xi) Calculation Agent: [ ] [Not Applicable]
- (xii) Fixed Rate Resettable Note Provisions (Condition 5.02b)
- Applicable Conditions: In addition to Condition 5.02b, Condition [5.02 / 5.02a] is applicable to the Notes
  - Initial Rate of Interest: See paragraph 14(i) above
  - First Margin: [+/-] [ ] per cent. per annum
  - Subsequent Margin: [[+/-] [ ] per cent. per annum] [Not Applicable]
  - First Reset Date: [ ] [adjusted in accordance with [ ]]
  - Second Reset Date: [ ] [adjusted in accordance with [ ]]
  - Subsequent Reset Date(s): [ ] [adjusted in accordance with [ ]] [Not Applicable]
  - Reset Rate: [Mid-Swap Rate] [Benchmark Gilt Rate] [Reference Bond] [CMT Rate]
  - Relevant Screen Page: [ ] [Not Applicable]
  - Mid-Swap Rate: [Semi-annualised / annualised] [Single Mid-Swap Rate] [Mean Mid-Swap Rate] [Not Applicable]

- Reference Bond: [ ] [Not Applicable]
- Fixed Leg Swap Duration: [6 months] [12 months] [ ] [Not Applicable]
- Mid-Swap Floating Leg Benchmark Rate: [EURIBOR] [BBSW] [Overnight SOFR compounded for the Floating Leg Swap Duration] [Overnight SONIA compounded for the Floating Leg Swap Duration] [Overnight €STR compounded for the Floating Leg Swap Duration] [ ] [Not Applicable]
- Floating Leg Swap Duration [6 months] [12 months] [ ] [Not Applicable]
- Relevant Time: [ ] [Not Applicable]
- Reset Determination Dates: [ ] [Not Applicable]
- CMT Designated Maturity: [ ] [Not Applicable]
- CMT Reset Determination Time: [ ] [Not Applicable]
- Relevant Currency: [ ] [Not Applicable]
- Minimum Rate of Interest: [[ ] per cent. per annum] [Zero per cent. per annum] [Not Applicable]
- Maximum Rate of Interest: [[ ] per cent. per annum] [Not Applicable]

(xiii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable / [ ]]

**15. Floating Rate Note Provisions**  
(Condition 5.03)

[Applicable/Not Applicable] [Applicable in respect of the period from and including [the Interest Commencement Date/] to but excluding [ ]]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Specified Period(s): [ ] [Not Applicable]
- (ii) Specified Interest Payment Date(s): [ ], in each year (up to and including the Maturity Date) [subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(iv) below] [not subject to any adjustment, as the Business Day Convention in 15(iv) below is specified to be Not Applicable]/[Not Applicable]
- (iii) First Interest Payment Date: [ ]
- (iv) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention] [Not Applicable]
- (v) Business Centre(s): [ ] [T2] [Not Applicable]

- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination *Other*]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Issuing and Paying Agent): [[ ] shall be the Calculation Agent] [Not Applicable]
- (viii) Screen Rate Determination: [Applicable] [Not Applicable]
- Reference Rate: [[ ] month [EURIBOR] [STIBOR] [BBSW] [CNH HIBOR] [HIBOR]] [SONIA] [SOFR] [€STR] [ ] *(Additional information is required if other, including fallback provisions)*
  - Calculation Method: [Compounded Daily Rate] [Compounded Index Rate] *for SONIA and SOFR* [Not Applicable]
  - Observation Method: [Lag] [Shift] *(for SONIA and SOFR)* [Not Applicable]
  - SONIA Compounded Index: [ ] [Not Applicable] *(If applicable, include definition of SONIA Compounded Index specifying any relevant Screen Page and its time of publication and including definition of the Screen Page) (Only relevant to Floating Rate Notes that reference SONIA and specify Compounded Index Rate under Calculation Method above)*
  - Compounded Daily €STR Convention: [Observation Lookback Convention] [Observation Shift Convention] [Not Applicable] *(for €STR)*
  - Interest Determination Date(s): [ ]  
*(Second T2 Business Day prior to start of each Interest Period if EURIBOR, the second Hong Kong business day prior to the start of each Interest Period of CNH HIBOR, the [ ] London Banking Day prior to the relevant Interest Payment Date for each Interest Period if SONIA, the [ ] U.S. Government Securities Business Day prior to the relevant Interest Payment Date for each Interest Period if SOFR, the [ ] T2 Business Day prior to the end of each Interest Period if €STR)*
  - Relevant Number: [[ ] London Banking Days] [Not Applicable] *(to be completed for SONIA where Compound Index Rate specified under Calculation Method above)*
  - Relevant Screen Page: [ ] [Not Applicable]



*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is on page which shows a composite rate or amend fallback provisions appropriately.)*

- Designated Maturity:  [Not Applicable]
- Relevant Time:  [Not Applicable]
- Reference Banks:  [Not Applicable]
- ISDA Definitions: [2006 ISDA Definitions] [2021 ISDA Definitions]  [Not Applicable] *(to be completed for IBORs)*
- Relevant Financial Centre:  [Not Applicable]
- Observation Look-back Period: [] [London Banking Days] *(for SONIA)* [U.S. Government Securities Business Days] *(for SOFR)* [] T2 Business Days] *(for €STR)* [Not Applicable]
- (ix) ISDA Determination: [Applicable] [Not Applicable]
- ISDA Definitions: [2006/2021] ISDA Definitions
- Floating Rate Option:  *(Ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions if 2021 ISDA Definitions are applicable or that it is a Floating Rate Option subject to the ISDA IBORs Supplement if the 2006 Definitions are applicable))*
- Designated Maturity:  [Not Applicable] *(This is not required when the Floating Rate Option is an Overnight Floating Rate Option)*
- Reset Date:  [ ]
- Compounding: [Applicable] [Not Applicable] *(If not applicable, delete the remaining items of this subparagraph)*
  - Compounding Method: [Compounding with Lookback:  
Lookback: [] Applicable Business Days  
[Compounding with Observation Period Shift  
Observation Period Shift: [] Observation Period Shift Business Days  
Observation Period Shift Additional Business Days: [] [Not Applicable]  
[Compounding with Lockout  
Lockout: [] Lockout Period Business Days]

- Averaging: [Applicable] [Not Applicable] (If not applicable, delete the remaining items of this subparagraph)
- Averaging Method:
  - Averaging with Lookback
  - [Lookback:] [[ ] Applicable Business Days]
  - [Averaging with Observation Period Shift]
  - [Observation Period Shift:] [[ ] Observation Period Shift Business Days]
  - [Observation Period Shift Additional Business Days: [ ]]
  - [Not Applicable]
  - [Averaging with Lockout]
  - Lockout: [[ ] Lockout Period Business Days]
  - Lockout Period Business Days: [ ] Applicable Business Days]
- Index Provisions: [Applicable]/[Not Applicable] (If not applicable, delete the remaining items of this subparagraph)
- Index Method:
  - Compounded Index Method with Observation Period Shift
  - Observation Period Shift: [ ] Observation Period Shift Business Days
  - Observation Period Shift Additional Business Days: [ ] [Not Applicable]
- [Daily Capped Rate and/or Daily Floored Rate:
  - [Applicable] [Not Applicable] (If not applicable, delete the remaining items of this subparagraph)
  - [Daily Capped Rate:] [[ ] per cent.]
  - [Daily Floored Rate:] [[ ] per cent.]
- Unscheduled Holiday: [Applicable] [Not Applicable] (Only include where the 2021 ISDA Definitions apply)
- Period End Date/Termination Date adjustment for Unscheduled Holiday: [Applicable] [Not Applicable] (Only include where the 2021 ISDA Definitions apply)
- Non-Representative: [Applicable] [Not Applicable] (Only include where the 2021 ISDA Definitions apply)
- [Successor Benchmark
  - [ ] Successor Benchmark Effective Date: [ ] (Only include where the 2021 ISDA Definitions apply)]

- (x) Linear Interpolation: [Not Applicable] [Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (xi) Margin(s): [+/-][ ] per cent. per annum
- (xii) Minimum Rate of Interest: [[ ] per cent. per annum] [Zero per cent. per annum] (Condition 5.03(v)) [Not Applicable]
- (xiii) Maximum Rate of Interest: [[ ] per cent. per annum] [Not Applicable] (Condition 5.03(v))
- (xiv) Day Count Fraction: [Actual/Actual or Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/360  
Actual/360 (Observation Period)  
30/360 or 360/360 or Bond Basis  
30E/360 or Eurobond Basis  
30E/360 (ISDA)  
Actual/365 (Sterling)  
RBA Bond Basis]  
[Other]
- (xv) Default Rate: [As set out in Condition 5.04 / [ ] ]
- (xvi) Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating Interest on Floating Rate Notes, if different from those set out in the Conditions: [Not Applicable / [ ] ]

**16. Zero Coupon Note Provisions**

[Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Accrual Method: [Linear Accrual / Compounding Accrual]
- (ii) Accrual Yield: [ ] per cent. per annum
- (iii) Reference Price: [ ] per Calculation Amount
- (iv) Any other formula / basis of determining amount payable: [Not Applicable / [ ] ]
- (v) Day Count Fraction: [30/360]  
[30E/360]

[Actual/360]

[Actual/365]

[Actual/Actual (ICMA)]

[Other]

(vi) Determination Dates: [[ ] in each year] (*insert dates. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)  
[Not Applicable]

(vii) Default Rate: [Accrual Yield / [ ] ]

## PROVISIONS RELATING TO REDEMPTION

### 17. Call Option

(Condition 6.03)

[Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [ ] per Calculation Amount

(iii) Redeemable in part: [Applicable] [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

If redeemable in part:

(a) Minimum Redemption Amount: [ ] [per Calculation Amount]

(b) Maximum Redemption Amount: [ ] [per Calculation Amount]

(iv) Notice period:<sup>8</sup> Minimum period: [15] [ ] days (*This must not be less than 5 business days*)

Maximum period: [30] [ ] days

### 18. Put Option

(Condition 6.06)

[Applicable/Not Applicable] (*Put Option not applicable to Bail-inable Notes or Subordinated Notes*)  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [ ] per Calculation Amount

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<sup>8</sup> If setting notice periods which are different to those provided in the terms and conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the issuer and its issuing and paying agent.

(iii) Notice period:<sup>9</sup> Minimum period: [15] [ ] days (*This must not be less than 15 business days*)

Maximum period: [30] [ ] days

19. **Final Redemption Amount of each Note** [Par] / [[ ] per Calculation Amount / *other*]

20. **Bail-inable Notes - TLAC Disqualification Event Call** [Applicable] [Not Applicable]

21. **Early Redemption Amount of each Note**

(i) Early Redemption Amount(s) payable on redemption for taxation reasons[, TLAC Disqualification Event][, Regulatory Event] or on event of default: or other early redemption and/or the method of calculating the same: [[ ] per Calculation Amount] / [As per Condition 6.09 and 6.10 [*specify other*] / See appendix] [*If effective date for changes in law triggering redemption for taxation reasons is not Issue Date, indicate effective date.*]

(ii) Early Redemption Amount includes amount in respect of accrued interest: [Yes: no additional amount in respect of accrued interest to be paid / No: together with the Early Redemption Amount, accrued interest shall also be paid]

22. **Provisions relating to the NVCC Automatic Conversion** (Condition 8) [Applicable/Not Applicable: the Notes are not Subordinated Notes] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

Specified Time: [ ]<sup>10</sup>

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

23. (i) Form of Notes: [Bearer Notes] [Bearer Notes exchangeable for Registered Notes]

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [and/or Registered Notes] in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes [and/or Registered Notes] on [ ] days' notice]

[Exchange Date: Not earlier than [ ]]

[Permanent Global Note exchangeable for Definitive Notes [and/or Registered Notes] in the limited

<sup>9</sup> If setting notice periods which are different to those provided in the terms and conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the issuer and its issuing and paying agent.

<sup>10</sup> Specify time and city.

circumstances specified in the Permanent Global Note]

[Registered Notes]

[Global Registered Note registered in the name of a nominee for a [common depository/common safekeeper] for Euroclear and Clearstream]

[Other]

(ii) New Global Note (in respect of Bearer Notes) or New Safekeeping Structure (in respect of Registered Notes):

[Yes] [No]

24. Financial Centre(s) or other special provisions relating to payment dates:

[Not Applicable] [give details (including specifying "T2" and/or financial centre(s) as applicable - N.B. T2 is not required to be specified in the case of payment in euro as the definition of Payment Date already covers this in that case). Note that this item relates to the date and place of payment, and not interest period end dates, to which item 14(v) relate]

25. Relevant Renminbi Settlement Centre:

[Not Applicable / [ ]]

26. Calculation Agent for purposes of Condition 10.16 (if other than Issuing and Paying Agent):

[ ] shall be the Calculation Agent] [Not Applicable]

27. Name and address of RMB Rate Calculation Agent (for purposes of Condition 10.17):

[Not Applicable / [ ]]

28. Branch of Account:

[Main branch in Toronto] [London branch] [other] [Not Applicable]

29. Unmatured Coupons missing upon Early Redemption:

[Condition 10.06(i) applies] [Condition 10.06(ii) applies]

30. Talons for future Coupons to be attached to Definitive Notes (Condition 1.06)

[Yes, as the Notes have more than 27 Coupon payments, Talons may be required if, on exchange into definitive form, more than 27 Coupon payments are still to be made] [No]

31. Redenomination, renominatisation and reconventioning provisions:

[Not Applicable] [The provisions annexed to the Pricing Supplement apply]

32. Consolidation provisions:

[ ]

33. Alternative Currency Payment (Condition 10.16):

[Applicable] [Not Applicable]  
[Alternative Currency: [ ]]

34. Other final terms:

[Not Applicable] [give details]

[Include Notice provisions other than those found in Condition 14]

[Include additional Events of Default (Condition 7.01) and any Default Interest Rate (Condition 5.08)]

**[THIRD PARTY INFORMATION**

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

**[Purpose of Pricing Supplement**

This Pricing Supplement comprises the final terms for issue [and admission to trading on the [specify relevant market] of the Notes described herein issued under the Base Prospectus pursuant to the Programme for the Issuance of Securities of Royal Bank of Canada.]

Signed on behalf of the Issuer:

By: .....  
Duly authorised

By: .....  
Duly authorised

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

[Not Applicable] [Application [has been / will be / is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to [the International Securities Market of the London Stock Exchange] [*specify other relevant market*] with effect from [ ].]

[Tranche[s] [ ] of the Notes [is/are] already admitted to [the International Securities Market of the London Stock Exchange] [*specify relevant market*] with effect from [ ].]

### 2. RATINGS

Ratings:

[The Notes to be issued [have been] / [are expected to be] [have not been] specifically rated]:

[S&P Canada: [ ]]

[Moody's Canada: [ ]]

[[Other]: [ ]]

*(Need to include a brief explanation of the meaning of the ratings if this has been published previously by the rating provider)*

### 3. OPERATIONAL INFORMATION

(i) ISIN: [ ]

(ii) Common Code: [ ]

(iii) CFI: [See [ ], as updated and as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]

(iv) FISN: [See [ ], as updated and as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN] [Not Applicable] [Not Available]

*(If the CFI and/or FISN is not required or requested as at the completion of the Final Terms, it/they should be specified to be "Not Applicable".)*

(v) WKN or any other relevant codes: [ ] [Not Applicable]



(vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A., their addresses and the relevant identification number(s): [Not Applicable] [give name(s), address(es) and number(s)]

(vii) Delivery: Delivery [against / free of payment]

(viii) Names and addresses of additional Paying Agent(s), Registrar and Transfer Agents (if any): [ ]

(ix) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of nominee of one of the ICSDs acting as common safekeeper,)]*[include this text for registered notes]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,)]*[include this text for registered notes]*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Not Applicable]

#### 4. DISTRIBUTION

(i) Method of distribution: [Syndicated] [Non syndicated]

(ii) If syndicated, name(s) of Manager(s) and underwriting commitments: [ ] [Not Applicable]

(iii) Date of Subscription Agreement: [ ] [Not Applicable]

(iv) Stabilisation Manager(s) (if any): [ ] [Not Applicable]

- (v) If non-syndicated, the name of [ ] [Not Applicable]  
relevant Dealer:
- (vi) Canadian Selling Restrictions: [Canadian Sales Permitted] [Canadian Sales not Permitted]
- (vii) Prohibition of Sales to Belgian Consumers: [Applicable] [Not Applicable]
- (viii) Prohibition of Sales to EEA Retail Investors: [Applicable] [Not Applicable]  
*(If the Notes clearly do not constitute “packaged” products, or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared or if the Issuer wishes to prohibit offers EEA retail investors for any other reason, “Applicable” should be specified)*
- (ix) Prohibition of Sales to UK Retail Investors: [Applicable] [Not Applicable]  
*(If the Notes clearly do not constitute “packaged” products, or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared or if the Issuer wishes to prohibit offers to UK retail investors for any other reason, “Applicable” should be specified)*
- (x) U.S. Selling Restrictions: [Regulation S, Compliance Category 2] [TEFRA D Rules applicable] [TEFRA C Rules applicable] [TEFRA Rules not applicable]
- (xi) Additional Selling Restrictions: [ ] [Not Applicable]
- (xii) Singapore Sales to Institutional Investors and Accredited Investors only: [Applicable] [Not Applicable]  
*(Should always be “Applicable” unless there is an intention for sales into Singapore to investors other than Institutional Investors and Accredited Investors)*

## 5. REASONS FOR THE OFFER [AND ESTIMATED NET PROCEEDS]

- (i) Use of proceeds: [As specified in the Base Prospectus] [ ] [See “Use of Proceeds” in the Base Prospectus] [The Notes are specified to be [“Green Bonds”] [“Social Bonds”] [“Sustainability Bonds”] and the net proceeds are intended to be allocated to [Green Assets] [Social Assets] [Green and

Social Assets] [as described under Use of Proceeds - Sustainable Notes in the Base Prospectus]]

[(ii) Estimated Net proceeds: [ ] ]

## 6. UK BENCHMARKS REGULATION

UK Benchmarks Regulation: Article 29(2) [Not Applicable]  
statement on benchmarks:

Amounts payable under the Notes will be calculated by reference to [ ] which [is/are] provided by [ ]. As at [ ], [ ] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 of Regulation (EU) 2016/1011 as is part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time. [As far as the Issuer is aware, the [Bank of England][Federal Reserve Bank of New York][European Central Bank], as administrator of [SONIA][SOFR][€STR], is not required to be registered by virtue of article 2 of the UK Benchmarks Regulation.] [As far as the Issuer is aware the transitional provisions of Article 51 of the UK Benchmarks Regulation apply, such that [ ] [is/are] not currently required to obtain authorisation or registration (or, if located outside the UK, recognition, endorsement or equivalence).]

## CANADIAN BANK TLAC REGIME

In connection with the Bail-in Regime, the TLAC Guideline applies to and establishes standards for D-SIBs, including the Bank. Under the TLAC Guideline, the Bank is required to maintain a minimum capacity to absorb losses composed of external long-term debt that meets the prescribed criteria or regulatory capital instruments to support recapitalization in the event of failure. Bail-inable Notes and regulatory capital instruments that meet the prescribed criteria will constitute TLAC of the Bank.

In order to comply with the TLAC Guideline, Bail-inable Notes must provide for terms and conditions necessary to meet the prescribed criteria and qualify at their issuance as TLAC instruments of the Issuer under the TLAC Guideline. Those criteria include the following:

- the Issuer cannot directly or indirectly have provided financing to any person for the express purpose of investing in the Bail-inable Notes;
- the Bail-inable Notes are not subject to set-off or netting rights;
- the Bail-inable Notes must not provide rights to accelerate repayment of principal or interest payments outside of bankruptcy, insolvency, wind-up or liquidation, except that events of default relating to the non-payment of scheduled principal and/or interest payments will be permitted where they are subject to a cure period of no less than 30 business days and clearly disclose to investors that: (i) acceleration is only permitted where an Order (as defined below) has not been made in respect of the Issuer; and (ii) notwithstanding any acceleration, the instrument could still be subject to a Bail-in Conversion prior to its repayment;
- the Bail-inable Notes may be redeemed or purchased for cancellation (as applicable) only at the initiative of the Issuer and, where the redemption or purchase would lead to a breach of the Issuer's minimum TLAC requirements, that redemption or purchase would be subject to the prior approval of the Superintendent;
- the Bail-inable Notes do not have credit-sensitive dividend or coupon features that are reset periodically based in whole or in part on the Issuer's credit standing; and
- where an amendment or variance of the Bail-inable Notes' terms and conditions would affect their recognition as TLAC, that amendment or variance will only be permitted with the prior approval of the Superintendent.

## USE OF PROCEEDS

Except as otherwise set out in the applicable Final Terms (including, without limitation, in relation to Green Bonds, Social Bonds or Sustainability Bonds as described below), the net proceeds of the issue of each Tranche of Notes will be added to the general funds of the Issuer or used by the Issuer and/or its affiliates for hedging the Notes. Except as otherwise set out in the applicable Final Terms, the purpose of an issue of Subordinated Notes will be to enlarge the Issuer's capital base.

### Sustainable Notes

Where Notes are specified as being "Green Bonds", "Social Bonds" or "Sustainability Bonds", as described in the "Reasons for the Offer and Estimated Net Proceeds" in Part B of the applicable Final Terms (or applicable Pricing Supplement), the proceeds of the issue will be used as follows:

- **Green Bonds** - to finance and/or refinance, in part or in full, relevant Eligible Assets consisting of Green Assets (as defined below) in accordance with the Sustainable Bond Framework;
- **Social Bonds** - to finance and/or refinance, in part or in full, relevant Eligible Assets consisting of Social Assets (as defined below) in accordance with the Sustainable Bond Framework; and
- **Sustainability Bonds** - to finance and/or refinance, in part or in full, relevant Eligible Assets consisting of Green Assets and Social Assets in accordance with the Sustainable Bond Framework.

Eligible Assets may include, but are not limited to, loans to organizations, businesses and projects that meet the eligibility criteria as described in the Issuer's Sustainable Bond Framework dated June 2020 and available at: <https://www.rbc.com/investor-relations/sustainable-bonds.html> (as may be amended from time to time, the "**Sustainable Bond Framework**"). The Sustainable Bond Framework addresses the four core components of the International Capital Market Association's ("**ICMA**") Green Bond Principles 2018, Social Bond Principles 2018 and Sustainable Bond Guidelines 2018.

The Issuer's Sustainable Bond Framework may be updated from time to time as market practice evolves. This section contains a short summary of the Issuer's Sustainable Bond Framework as at the date of the Base Prospectus.

The eligible categories for the purposes of the eligibility criteria for Green Bonds and Sustainability Bonds ("**Green Assets**") in the Sustainable Bond Framework, as at the date hereof, consist of the following categories (all as more fully described in the Sustainable Bond Framework):

- Renewable energy
- Energy efficiency
- Pollution prevention and control
- Sustainable land use
- Clean transportation
- Sustainable water and wastewater management
- Green buildings
- Climate adaptation and resilience

The eligible categories for the purposes of the eligibility criteria for Social Bonds and Sustainability Bonds (“**Social Assets**”) in the Sustainable Bond Framework, as at the date hereof, consist of the following categories (all as more fully described in the Sustainable Bond Framework):

- Access to essential services
- Affordable housing
- Indigenous communities and businesses
- Women-owned businesses
- Leadership in diversity and inclusion

Where an organization derives 90 per cent or more of its revenues from activities in the Eligible Categories above, it will be considered as eligible for financing from Sustainable Notes, as applicable. In such instances, the use of proceeds can be used by the organization for general purposes, so long as this financing does not fund activities that contravene the Eligible Categories.

The Issuer will not knowingly allocate any proceeds from the issuance of Sustainable Notes to finance any entity whose current principal industry or primary activity has been assessed by the Issuer as being weapons, tobacco, gambling, adult entertainment and/or predatory lending.

The Issuer will maintain a register of Eligible Assets, which will include separate portfolios of assets: Green, Social and Sustainability (together, the “**Sustainable Bond Asset Portfolios**”). The Sustainable Bond Asset Portfolios will be reviewed by a Sustainable Bond Working Group (the “**Working Group**”) on a quarterly basis to ensure that all Eligible Assets continue to meet the Eligible Categories. Assets that have been terminated or no longer comply will be removed from the Sustainable Bond Asset Portfolios. All Eligible Assets in the Issuer’s Sustainable Bond Asset Portfolios will be tagged accordingly as Eligible Assets in the Issuer’s information management systems.

The proceeds will be managed in a portfolio approach, and the Green, Social and Sustainability portfolios will be managed separately. The Working Group of the Issuer will monitor the aggregate amount of assets in each of the Issuer’s Sustainable Bond Asset Portfolios on a quarterly basis to ensure that the total Eligible Assets in each portfolio is equal to or greater than the relevant aggregate amount of proceeds raised by the Issuer’s Green Bonds, Social Bonds and Sustainability Bonds.

If for any reason the relevant aggregate amount of Eligible Assets in the Issuer’s Sustainable Bond Asset Portfolios is less than the total outstanding amount of the relevant Green Bonds, Social Bonds and Sustainability Bonds issued, the Issuer will hold the unallocated amount in cash or liquid securities in accordance with the Issuer’s normal liquidity management policy until the amount can be allocated to the relevant Eligible Assets.

The Issuer intends to publish reporting in respect of its Sustainable Notes within a year from relevant issuance, to be renewed annually until full allocation and in case of any material changes. Such reporting will be made publicly available through <http://www.rbc.com> and may include (but will not be limited to):

- Net proceeds raised from each of the Issuer’s Green Bonds, Social Bonds and Sustainability Bonds;
- Aggregate amounts of funds allocated to each of the Eligible categories; and
- The balance of unallocated proceeds at the reporting period end.

Where feasible, the Issuer will provide further information and examples of eligible organizations, businesses and projects financed or refinanced by the Sustainable Notes, including quantitative performance measures. Disclosure of information related to Use of Proceeds, impact reporting, and organizations, businesses and projects financed or refinanced will be made, subject to the Issuer's confidentiality obligations and the availability of information.

Pursuant to the recommendations under the Green Bond Principles 2018, Social Bond Principles 2018 and Sustainable Bond Guidelines 2018 published by the ICMA, the Issuer has obtained Second-Party Opinion, which will also be available on: <https://www.rbc.com/investor-relations/sustainable-bonds.html>.

The Second-Party Opinion may be amended, expanded or replaced from time to time.

None of the Dealers will verify, monitor or maintain the application of proceeds of any Sustainable Note during the life of the relevant Sustainable Notes.

The Issuer may request, on an annual basis, a limited assurance report of the allocation of proceeds from the Issuer's Sustainable Notes to Eligible Assets, provided by its external auditor.

**The Sustainable Bond Framework and any of the reports, assessments, opinions or contents of any websites included or referred to in this "Use of Proceeds" section are not, and nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus.**

There is no direct contractual link between any Sustainable Notes and any green, social or sustainability targets of the Issuer. Therefore, payments of interest, principal or other amounts, as applicable, payable in respect of any Sustainable Bonds and rights to accelerate under the Sustainable Notes will not be impacted by the performance of Eligible Assets funded out of the proceeds of issue (or amounts equal thereto) of the Sustainable Notes or by any other green, social or sustainable assets of the Issuer.

Potential investors in any Sustainable Notes should also refer to "***Risk Factors - 3. Risks related to Green Bonds, Social Bonds and Sustainability Bonds***".

## TAXATION

### Canadian Taxation

The following summary describes the material Canadian federal income tax considerations under the *Income Tax Act* (Canada) (the “**Act**”) and *Income Tax Regulations* (the “**Regulations**”) generally applicable to a holder of Notes who acquires beneficial ownership of Notes pursuant to the Base Prospectus or common shares on a conversion (“**Common Shares**”), and who, for purposes of the Act and at all relevant times, (i) is not resident and is not deemed to be resident in Canada; (ii) deals at arm’s length with the Issuer, any issuer of Common Shares, and with any Canadian resident (or deemed Canadian resident) to whom the holder assigns or otherwise transfers the Notes; (iii) is not affiliated with the Issuer or any issuer of Common Shares, (iv) is entitled to receive all payments (including any interest and principal) made on the Notes as beneficial owner; (v) does not use or hold and is not deemed to use or hold Notes or Common Shares in or in the course of carrying on a business in Canada; (vi) is not a “specified non-resident shareholder” of the Issuer for purposes of the Act or a non-resident person not dealing at arm’s length with a “specified shareholder” (within the meaning of subsection 18(5) of the Act) of the Issuer; and (vii) is not an insurer carrying on an insurance business in Canada and elsewhere (a “**Non-resident Holder**”).

This summary does not address the possible application of the “hybrid mismatch arrangement” rules contained in the Act to a Non-resident Holder (i) that disposes of a Note to a person or entity with which it does not deal at arm’s length or to an entity that is a “specified entity” (as defined for purposes of such rules) with respect to the Non-resident Holder or in respect of which the Non-resident Holder is a “specified entity”, (ii) that acquires, holds or disposes of a Note under, or in connection with, a “structured arrangement” (as defined for purposes of such rules), or (iii) in respect of which the Issuer is a “specified entity”. Such Non-resident Holders should consult their own tax advisers.

This summary is based upon the provisions of the Act and the Regulations in force on the date hereof, proposed amendments to the Act and the Regulations in a form publicly announced prior to the date hereof (the “**Tax Proposals**”) by or on behalf of the Minister of Finance (Canada) (included for this purpose in the reference to the Act and Regulations), and the administrative practices and policies published in writing by the Canada Revenue Agency (the “**CRA**”) prior to the date hereof. This summary assumes that such Tax Proposals will be enacted as currently proposed but no assurance can be given that this will be the case. This summary does not take into account or anticipate any other changes in law, whether by legislative, governmental or judicial action or interpretation, nor does it take into account provincial, territorial or foreign income tax legislation. Subsequent developments could have a material effect on the following description.

**This summary is of a general nature only, and is not intended to be, nor should it be considered to be, legal or tax advice to any particular person including any Non-resident Holder. This summary describes only the Canadian federal withholding tax considerations associated with a Non-resident Holder acquiring, holding and disposing of a Note and a Common Share and does not describe any other Canadian federal income tax considerations which may be relevant to a prospective investor’s decision to acquire Notes pursuant to the Base Prospectus. Prospective investors, including Non-resident Holders, should consult their own legal and/or tax advisers with respect to their particular circumstances.**

In general, for the purpose of the Act, all amounts not otherwise expressed in Canadian dollars must be converted into Canadian dollars based on the single day exchange rate as quoted by the Bank of Canada for the applicable day or such other rate of exchange that is acceptable to the Minister of National Revenue (Canada).



## **Interest on Notes**

Interest paid or credited or deemed to be paid or credited by the Issuer on a Note (including amounts on account of, or in lieu of, or in satisfaction of interest) to a Non-resident Holder will not be subject to Canadian non-resident withholding tax unless all or any portion of such interest (other than on a “prescribed obligation” described below) is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class or series of shares of the capital stock of a corporation. A “prescribed obligation” is an “indexed debt obligation” (defined below) no amount payable in respect of which, other than an amount determined by reference to a change in the purchasing power of money, is contingent or dependent upon any of the criteria described in the preceding sentence. An “indexed debt obligation” is a debt obligation the terms or conditions of which provide for an adjustment to an amount payable in respect of the obligation for a period during which the obligation was outstanding that is determined by reference to a change in the purchasing power of money.

In the event that a Note the interest (or deemed interest) payable on which is not exempt from Canadian withholding tax is redeemed, cancelled or purchased by the Issuer or any other person resident or deemed to be resident in Canada from a Non-resident Holder or is otherwise assigned or transferred by a Non-resident Holder to a person resident or deemed to be resident in Canada for an amount which exceeds, generally, the issue price thereof, the excess may be deemed to be interest and may, together with any interest that has accrued on the Note to that time, be subject to non-resident withholding tax. Such excess will not be subject to withholding tax if the Note is considered to be an “excluded obligation” for purposes of the Act. A Note that: (a) is not an indexed debt obligation; (b) was issued for an amount not less than 97 per cent. of the principal amount (as defined in the Act) of the Note, and (c) the yield from which, expressed in terms of an annual rate (determined in accordance with the Act) on the amount for which the Note was issued does not exceed  $\frac{4}{3}$  of the interest stipulated to be payable on the Note, expressed in terms of an annual rate on the outstanding principal amount from time to time, will be an excluded obligation for this purpose.

If applicable, the normal rate of Canadian non-resident withholding tax is 25 per cent but such rate may be reduced under the terms of an applicable income tax treaty or convention between Canada and the country in which the Non-resident Holder is resident.

Generally, there are no other taxes on income (including capital gains) payable by a Non-resident Holder on interest, discount, or premium on a Note or on the proceeds received by a Non-resident Holder on the disposition of a Note including a redemption, payment on maturity, conversion (including a Bail-in Conversion), cancellation or purchase.

## **Common Shares Acquired on a Conversion**

Dividends paid or credited, or deemed under the Act to be paid or credited, on Common Shares of the Issuer or of any affiliate of the Issuer that is a Canadian resident corporation to a Non-resident Holder will generally be subject to Canadian non-resident withholding tax at the rate of 25 per cent. on the gross amount of such dividends unless the rate is reduced under the provisions of an applicable income tax treaty or convention between Canada and the country in which the Non-resident Holder is resident.

A Non-resident Holder will not be subject to tax under the Act in respect of any capital gain realised on a disposition or deemed disposition of a Common Share unless the Common Share is or is deemed to be “taxable Canadian property” of the Non-resident Holder for the purposes of the Act and the Non-resident Holder is not entitled to an exemption under an applicable income tax treaty or convention between Canada and the country in which the Non-resident Holder is resident.

## UK Taxation

The following applies only to persons who are the beneficial owners of the Notes and is a summary of the Issuer's understanding of current law and HM Revenue & Customs published practice (which may not be binding on HM Revenue & Customs) in the UK relating principally to the UK withholding tax treatment of payments in respect of the Notes. It does not apply to individuals, or where the income is deemed for tax purposes to be the income of any other person. Some aspects do not apply to certain classes of person (such as dealers and persons connected with the Issuer) to whom special rules may apply. The UK tax treatment of prospective Holders depends on their individual circumstances and may be subject to change in the future. Holders who are in any doubt as to their tax position should consult their professional advisers. Holders who may be liable to taxation in jurisdictions other than the UK in respect of their acquisition, holding or disposal of Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain UK taxation aspects of payments in respect of the Notes. Prospective Holders should also be aware that the particular terms of issue of any Tranche may affect the tax treatment.

The following is a general guide only and is not intended to be exhaustive.

### Notes issued where the Branch of Account is the Bank's London branch

#### *Payments of interest on the Notes*

The Issuer, provided that it is and continues to be a bank within the meaning of section 991 of the *Income Tax Act 2007* (the "UK Act"), and provided that the interest on the Notes is and continues to be paid in the ordinary course of its business within the meaning of section 878 of the UK Act, will be entitled to make payments of interest without withholding or deduction for or on account of UK income tax.

Payments of interest on the Notes may be made without deduction of or withholding on account of UK income tax provided that the Notes carry a right to interest and the Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the UK Act or admitted to trading on a "multilateral trading facility" operated by a regulated recognised stock exchange (within the meaning of section 987 of the UK Act). The London Stock Exchange is a recognised stock exchange and the ISM is a multilateral facility operated by a regulated recognised stock exchange for the purposes of section 987 of the UK Act. The Notes will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) and admitted to trading on the London Stock Exchange (which would include being admitted to trading on the London Stock Exchange Main Market or the Professional Securities Market). Provided, therefore, that the Notes carry a right to interest and remain so listed on a "recognised stock exchange" or are admitted to trading on a "multilateral trading facility" operated by a regulated recognised stock exchange, interest on the Notes will be payable without withholding or deduction on account of UK income tax whether or not the Issuer carries on a banking business in the UK and whether or not the interest is paid in the ordinary course of its business.

Interest on the Notes may also be paid without withholding or deduction on account of UK income tax where interest on the Notes is paid by a company (such as the Issuer) and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner is within the charge to UK corporation tax as regards the payment of interest, provided that HM Revenue & Customs has not given a direction (in circumstances where it has reasonable grounds to believe that it is likely that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

In other cases, an amount generally must be withheld from payments of interest on the Notes on account of UK income tax at the basic rate (currently 20 per cent.), subject to available exemptions or reliefs; for example, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Holder, HM Revenue & Customs can, following a request by the Holder, issue a notice to the Issuer to pay interest to the Holder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

#### ***Other rules relating to UK withholding tax***

Where the Notes are to be, or may fall to be, redeemed at a premium, then, depending on the circumstances, any such element of premium may constitute a payment of interest for UK tax purposes. Any such payments of interest, subject to the exemptions described above, may be subject to UK withholding tax and reporting requirements as described above and below respectively.

The above description of the UK withholding tax position assumes that there will be no substitution of the Issuer and does not consider the tax consequences of any such substitution.

The Issuer's understanding is that the ISM is currently a multilateral trading facility for the purposes of section 987 of the UK Act and accordingly the Exempt Notes constitute "quoted Eurobonds" for the purposes of section 987 of the UK Act provided that they carry a right to interest, are and continue to be admitted to trading on the ISM and that the ISM is and remains a "multilateral trading facility" for those purposes.

#### ***Stamp duty and stamp duty reserve tax (SDRT) in relation to Notes***

A charge to stamp duty or SDRT may, in certain circumstances, arise on the issue, transfer and/or settlement of Notes and SDRT may also be payable in relation to any agreement to transfer Notes. This will depend upon the Terms and Conditions of the relevant Notes (as amended and supplemented by the applicable Final Terms). Holders should take their own advice from an appropriately qualified professional adviser in this regard.

#### ***Reporting of information in respect of the Notes***

Holders (whether or not the Branch of Account of the Notes they hold is the Issuer's London branch) may wish to note that, in certain circumstances, HM Revenue & Customs has the power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the UK who either pays or credits interest to or receives interest for the benefit of a Holder. These provisions will apply whether or not the interest has been subject to withholding or deduction for or on account of UK income tax and whether or not the Holder concerned is resident in the United Kingdom for UK tax purposes. In certain circumstances, HM Revenue & Customs may communicate this information to the tax authorities of certain other jurisdictions.

If the Notes are treated as deeply discounted securities for the purposes of the *Income Tax (Trading and other Income) Act 2005*, any person in the UK (including any UK based paying agent) who pays amounts payable on redemption of the Notes to, or receives such amounts for the benefit of, another person may also be required by HM Revenue & Customs to provide certain information (which may include the name and address of the beneficial owner of the amount payable on redemption) to HM Revenue & Customs. In this regard HM Revenue & Customs published guidance for the year 2021/2022 indicates that HM Revenue & Customs will not exercise its power to obtain information in relation to such payments in that year. Any information obtained may, in certain circumstances, be exchanged by HM Revenue & Customs with the tax authorities of the jurisdiction in which the Holder is resident for tax purposes.

In the UK, the International Tax Compliance Regulations 2015 (SI 2015/878) (as amended) implemented the CRS, EU Council Directive 2014/107/EU on the automatic exchange of tax information, and the UK/U.S. intergovernmental agreement on the Foreign Account Tax Compliance Act. The regulations seek to unify the

requirements of these arrangements and require prescribed UK financial institutions (including, where relevant, the London Branch of the Issuer) to identify specified account holders that are resident overseas and keep records and report specified information to HMRC. HMRC will automatically exchange the financial information reported by financial institutions with the tax authorities in the applicable investors' countries of residence where those countries have signed up to automatic exchange.

### **Foreign Account Tax Compliance Act**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("**FATCA**") impose a reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not enter into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA (a "**Participating FFI**") and (ii) in certain instances, an investor who does not provide information sufficient to determine whether the investor is a U.S. person or, in the case of certain non-financial non-exempt entities, does not provide information sufficient to determine whether the investor has substantial U.S. owners. The Issuer is classified as an FFI. The Issuer anticipates that any Notes issued in global form will be held by FFIs that are Participating FFIs but there is no guarantee that a custodian or broker through which an investor holds a Note will be a Participating FFI.

This withholding regime is now in effect for payments from sources within the United States and will apply to "**foreign passthru payments**" (a term not yet defined) no earlier than the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. This withholding would potentially apply to payments in respect of any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the "**grandfathering date**", which, with respect to Notes that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are published with the U.S. Federal Register. If such Notes are materially modified after the applicable grandfathering date, payments made after the date any such material modification occurs may be subject to this withholding tax. This withholding would also potentially apply to payments in respect of any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the grandfathering date and additional Notes of the same series are issued after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions, including Canada, have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). IGAs generally limit instances when FATCA withholding is required. Nevertheless, these IGAs currently contain no rules regarding the withholding, if any, that may be required on foreign passthru payments.

**FATCA is particularly complex and some aspects of its application are uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, signed IGA and IGAs that have been agreed in substance and published by the U.S. Treasury, all of which are subject to amendment or further interpretation by one or more governments or governmental agencies. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.**

## **The Proposed Financial Transactions Tax (“FTT”)**

On February 14, 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate.

Prospective Holders are advised to seek their own professional advice in relation to the FTT.

### ***Common Reporting Standard***

Similar to sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, under the Organization for Economic Co-operation and Development’s (“**OECD**”) initiative for the automatic exchange of information, many countries have committed to automatic exchange of information relating to accounts held by tax residents of signatory countries, using a common reporting standard.

Canada is one of over 90 countries that has signed the OECD’s Multilateral Competent Authority Agreement and Common Reporting Standard (“**CRS**”), which provides for the implementation of the automatic exchange of tax information. Canadian financial institutions are required to report certain information concerning certain investors resident in participating countries to the Canada Revenue Agency and to follow certain due diligence procedures. The Canada Revenue Agency then provides such information on a bilateral, reciprocal basis to the tax authorities in the applicable investors’ countries of residence, where such countries have enacted the CRS or otherwise as required under CRS. The UK Government has enacted legislation giving effect to the EU’s implementation of CRS (contained in certain EU Council Directives). Similar implementing legislation is expected to be introduced by other signatory countries to the CRS.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Barclays Bank PLC, Citigroup Global Markets Limited, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Morgan Stanley & Co. International plc, RBC Europe Limited and UBS AG London Branch (the “**Dealers**”). Notes may also be sold by the Issuer directly to institutions who are not Dealers. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealership agreement dated July 16, 2024 (as amended, supplemented or replaced, the “**Dealership Agreement**”) and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealership Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

### Other relationships

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business and/or for companies involved directly or indirectly in the sector in which the Issuer and/or its affiliates operate, and for which such Dealers have received or may receive customary fees, commissions, reimbursement of expenses and indemnification. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Bank or any of its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and/or their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account or for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Bank or Bank’s affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain of the Dealers or their affiliates that have a lending relationship with the Bank routinely hedge their credit exposure to the Bank consistent with their customary risk management policies. Typically, such Dealers and/or their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. The Dealers and/or their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Issuer may sell Notes to one or more of the Dealers including RBC Europe Limited, which is a wholly-owned indirect subsidiary of the Bank. The terms of the Programme were negotiated at arm’s length between the Issuer and the Dealers. In addition to any proceeds from any offering of the Notes under the Programme being applied, directly or indirectly, for the benefit of RBC Europe Limited in its capacity as a wholly-owned indirect subsidiary of the Bank, RBC Europe Limited will receive a portion of any fees and commissions payable in connection with any such offering of Notes in its capacity as a Dealer.

The Dealers are entitled in certain circumstances to be released and discharged from their obligations under the Dealership Agreement prior to the closing of the issue of the Notes under the Programme, including in the event that certain conditions precedent are not delivered or met to their satisfaction on the relevant Issue Date. In this situation, the issuance of the relevant Notes may not be completed. Investors will have no rights against the Issuer or the Dealers in respect of any expense incurred or loss suffered in these circumstances.

## **Canada**

While the Senior Notes are exempt from the prospectus requirement under the securities laws of each province and territory of Canada, the Subordinated Notes are not exempt from the prospectus requirement. This Base Prospectus has not been approved by any regulator or regulatory authority in Canada and the Subordinated Notes have not been and will not be qualified for sale under securities laws.

If the applicable Final Terms specify “Canadian Sales Permitted”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has offered, sold or distributed and that it will offer, sell or distribute any Notes, in Canada in compliance with the securities laws of Canada or any province or territory thereof. In respect of an offer, sale or distribution of Subordinated Notes, each Dealer shall comply with any further selling restrictions agreed between such Dealer and the Issuer in respect of offers in Canada.

If the applicable Final Terms specify “Canadian Sales not Permitted”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or distributed, and that it will not offer, sell or distribute any Notes, directly or indirectly, in Canada or to, or for the benefit of any resident thereof.

In the case of Subordinated Notes offered by a Dealer outside Canada, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it will deliver to any purchaser who purchases from such Dealer any Subordinated Notes purchased by such Dealer hereunder a notice stating that, by purchasing such Subordinated Notes, such purchaser represents and agrees that it has not offered or sold and that it will not offer or sell, directly or indirectly, any of such Subordinated Notes in Canada to, or for the benefit of, any resident thereof, except in compliance with applicable Canadian provincial and territorial securities laws or pursuant to exemptions therefrom and will deliver to any other purchaser to whom it sells any such Subordinated Notes a notice substantially the same as the statement in this sentence.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree that it will not distribute or deliver this Base Prospectus, any Drawdown Prospectus or any other offering material relating to the Notes in Canada in contravention of the securities laws of Canada or any province or territory thereof.

## **United States of America**

Regulation S, Category 2, TEFRA D Rules apply, unless TEFRA C Rules are specified as applicable in the applicable Final Terms or unless TEFRA Rules are not applicable.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or under the securities laws of any state or political sub-division of the United States, and may not be offered or sold within the United States or to, or for the account of or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has further agreed and each further Dealer in respect of an issue of Notes will be required to agree that it, its affiliates, and any person acting on its or their behalf will not offer or sell the Notes at any time except in accordance with Rule 903 of Regulation S, and that neither it, its affiliates, nor any persons acting on its or their behalf will engage in any directed selling efforts with respect to the Notes and it and they will comply with the offering restrictions requirements of Regulation S. The terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until forty days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the United States Internal Revenue Code of 1986 and regulations promulgated thereunder.

The Notes and have not been approved or disapproved by the United States Securities and Exchange Commission ("**SEC**") or any other regulatory agency in the United States, nor has the SEC or any other regulatory agency in the United States passed upon the accuracy or adequacy of this document or the merits of the Notes. Any representation to the contrary is a criminal offence.

#### **Prohibition of sales to EEA Retail Investors**

Unless the Final Terms in respect of any Notes specifies "**PROHIBITION OF SALES TO EEA RETAIL INVESTORS**" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
  - (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the EU Prospectus Regulation; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the applicable Final Terms in respect of any Notes specifies "**Prohibition of Sales to EEA Retail Investors**" as "Not Applicable", then in relation to each member state of the EEA (each, a "**Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this document as completed by the applicable Final Terms in relation thereto to the public in that Member State except that it may make an offer of Notes to the public in that Member State:



- (a) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors, as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer(s) nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation; provided that no such offer of Notes referred to in (a) to (c) above shall require the publication by the Issuer or any Dealer(s) of a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended).

### **Prohibition of Sales to UK Retail Investors**

Unless the Final Terms in respect of any Notes specifies “**PROHIBITION OF SALES TO UK RETAIL INVESTORS**” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the EUWA; or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies “**PROHIBITION OF SALES TO UK RETAIL INVESTORS**” as “Not Applicable”, each Dealer has represented and agreed, and each Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “**an offer of Notes to the public**” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended) as it forms part of domestic law of the UK by virtue of the EUWA.

### **Selling Restrictions addressing additional UK Securities Laws**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

### **Belgium**

Other than in respect of Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a "**Belgian Consumer**"), and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

### **Republic of France**

The Issuer and the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France (other than to qualified investors as described below), and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France (other than to qualified investors as described below), this Base Prospectus, the applicable Final Terms or any

other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France pursuant to Article L. 411-2 1° of the French *Code monétaire et financier* only to qualified investors (*investisseurs qualifiés*), other than individuals, as defined in Article 2 of the EU Prospectus Regulation and Article L. 411-2 of the French *Code monétaire et financier*.

This Base Prospectus is not required and has not been submitted to the clearance procedures of the AMF in France.

### **Republic of Italy**

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the EU Prospectus Regulation and any applicable provision of Italian laws and regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the EU Prospectus Regulation and Article 34-ter of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time, and applicable Italian laws.

Any offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must:

- (i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Legislative Decree No. 58 of February 24, 1998, as amended (the “**Financial Services Act**”), CONSOB Regulation No. 20307 of February 15, 2018 (as amended from time to time) and Legislative Decree No. 385 of September 1, 1993, as amended (the “**Banking Act**”); and
- (ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time and/or any other Italian authority).

### **Provisions relating to the secondary market in Italy**

*In relation to Notes with a denomination less than EUR 100 000, please note that in accordance with Article 100-bis of the Financial Services Act, to the extent it is applicable, where no exemption from the rules on public offerings applies under (a) and (b) above, Notes which are initially offered and placed in Italy or abroad to qualified investors only, but in the following year are systematically (“sistematicamente”) distributed on the secondary market in Italy, become subject to the public offer and the prospectus requirement rules provided under the EU Prospectus Regulation. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.*

## The Netherlands

For selling restrictions in respect of the Netherlands see “Prohibition of sales to EEA and UK Retail Investors” above.

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold, and will not, directly or indirectly, offer or sell the Notes in The Netherlands, other than to qualified investors within the meaning of the EU Prospectus Regulation

In addition to the above, if the Issuer issues Zero Coupon Notes and these Zero Coupon Notes are offered in the Netherlands as part of their initial distribution or immediately thereafter:

- (a) transfer and acceptance of such Zero Coupon Notes may only take place either by and between individuals not acting in the course of their profession or business or through the mediation of either a permit holder (*Toegelaten Instelling*) of Euronext Amsterdam N.V. or the Issuer itself in accordance with the Savings Certificate Act of 21 May 1985 (*Wet inzake Spaarbewijzen*); and
- (b) certain identification requirements in relation to the issue and transfer of, and payment on the Zero Coupon Notes have to be complied with pursuant to section 3a of the Savings Certificate Act;

Furthermore, unless such Zero Coupon Notes qualify as commercial paper or certificates of deposit and the transaction is carried out between professional lenders and borrowers:

- (a) each transaction concerning such Zero Coupon Notes must be recorded in a transaction note, stating the name and address of the other party to the transaction, the nature of the transaction and details, including the number and serial number of the Zero Coupon Notes concerned;
- (b) the obligations referred to under (a) above must be indicated on a legend printed on Zero Coupon Notes that are not listed on a stock market; and
- (c) any reference to the words “to bearer” in any documents or advertisements in which a forthcoming offering of Zero Coupon Notes is publicly announced is prohibited.

For purposes of this paragraph, **Zero Coupon Notes** are Notes to bearer in definitive form that constitute a claim for a fixed sum of money against the Issuer and on which interest does not become due prior to maturity or on which no interest is due whatsoever.

## Japan

No registration pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the “**FIEA**”) has been made or will be made with respect to the Notes. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan (as defined under Article 6, Item 5 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949 of Japan, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of any Resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## PRC

The Notes may not be offered, sold or delivered to any person for reoffering, resale or redelivery, in the PRC in contravention of any applicable laws and regulations.

The Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in the PRC to any person to whom it is unlawful to make the offer or solicitation in the PRC.

The Issuer does not represent that the Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in the PRC, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken which would permit a public offering of any Notes or distribution of the Base Prospectus in the PRC. Accordingly, the Notes are not being offered or sold within the PRC by means of the Base Prospectus or any other document. Neither the Base Prospectus nor any advertisement or other offering material in relation to the Notes may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

Qualified investors in the PRC, who are permitted to purchase the Notes pursuant to the applicable PRC laws and regulations, are responsible for obtaining all relevant government regulatory approvals, licences, verification, registrations and/or filings themselves, including, but not limited to, any which may be required from the relevant PRC authorities, and complying with all relevant PRC laws and regulations, including, but not limited to, all relevant foreign exchange regulations and/or outbound investment regulations.

## Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the “SFO”) other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); (ii) to “professional investors” as defined in the SFO and any rules made under the SFO; or (iii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O); and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

## Singapore

Unless the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer will be required to acknowledge that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and

will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

If the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer will be required to acknowledge that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer will be required to represent, warrant and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Unless otherwise stated in the applicable Final Terms, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## Switzerland

- (a) Unless otherwise specifically provided in a Pricing Supplement in respect of Exempt Notes only and subject to paragraph (b), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that (i) the Senior Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (as amended, the “FinSA”), (ii) no application has or will be made to admit the Senior Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland, (iii) neither this Base Prospectus nor any applicable Final Terms or Pricing Supplement nor any other offering or marketing material relating to the Senior Notes constitutes a Base Prospectus pursuant to the FinSA, and (iv) neither this Base Prospectus nor any Final Terms or Pricing Supplement nor any other offering or marketing material relating to the Senior Notes may be publicly distributed or otherwise made publicly available in Switzerland.
- (b) The Issuer and the relevant Dealer(s) may agree in respect of any Notes to be issued that (i) such Notes may be publicly offered in Switzerland within the meaning of FinSA, and/or (ii) an application may be made by or on behalf of the Issuer to admit such Notes on a trading venue (exchange or multilateral trading facility) in Switzerland, provided that the Issuer and the relevant Dealer(s) comply with the applicable requirements of the FinSA in connection with such public offering and/or application for admission to trading, including, without limitation, any requirement to prepare and publish a Base Prospectus in accordance with FinSA and the listing rules of the relevant trading venue in Switzerland.

## **General**

No action has been or will be taken in any country or jurisdiction by the Issuer or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in such country or jurisdiction where action for that purpose is required. The Dealership Agreement provides that each Dealer will comply to the best of its knowledge with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any Final Terms or any such offering material, in all cases at its own expense.

The Dealership Agreement also provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, in applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "General" above.

Selling restrictions may be supplemented or modified by the agreement of the Issuer and the relevant Dealer(s).

Persons into whose hands the Base Prospectus, any Final Terms or any Note comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

## GENERAL INFORMATION

1. Any Tranche of Notes which will be admitted to the Market will be admitted separately upon submission of the applicable Final Terms and any other information required, subject to the issue of the relevant Notes. Prior to official listing, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day after the day of the transaction. The admission of the Programme in respect of the Notes to trading on the Market and the ISM is expected to be granted on or around July 22, 2024.
2. The establishment and updates of the Programme and the issue of Notes was authorised by resolutions of the Board of Directors of the Issuer passed on February 29, 2012 and May 24, 2023 amending and/or amending and restating prior resolutions of the Board of the Issuer in respect of the Programme and Administrative Resolutions of the Board of Directors of the Issuer adopted on October 14, 2004 and most recently amended at a meeting held on May 29, 2024. The issue of Subordinated Notes is also subject to a resolution of the Board of Directors dated February 27, 2024, or any subsequent resolution replacing such resolution as is specified in the applicable Final Terms or Pricing Supplement for any Notes. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.
3. Other than (i) the matters disclosed under the subsection entitled "Tax examinations and assessments" in Note 22 of the 2023 Audited Consolidated Financial Statements set out on page 220 of the Issuer's 2023 Annual Report, (ii) the legal and regulatory matters disclosed (with the exception of the subsection entitled "Other matters") in Note 25 of the 2023 Audited Consolidated Financial Statements set out on pages 223 to 224 of the Issuer's 2023 Annual Report and (iii) the legal and regulatory matters disclosed in the subsection entitled "Legal and regulatory matters" in Note 13 of the Issuer's Second Quarter 2024 Unaudited Interim Condensed Consolidated Financial Statements set out on page 81 of the Issuer's Second Quarter 2024 Report to Shareholders and in each case incorporated by reference herein, there are no, nor have there been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the twelve months prior to the date of this document which may have, or have had in the recent past, individually or in the aggregate, a significant effect on the financial position or profitability of the Issuer or of the Issuer and its subsidiaries taken as a whole.
4. Since April 30, 2024, the last day of the financial period in respect of which the most recent unaudited interim condensed consolidated financial statements of the Issuer have been published, there has been no significant change in the financial position or financial performance of the Issuer and its subsidiaries taken as a whole. Since October 31, 2023, the date of its last published audited annual consolidated financial statements, there has been no material adverse change in the prospects of the Issuer and its subsidiaries taken as a whole.
5. For the period of 12 months following the date of this Base Prospectus, all of the following documents will, when published, be available for inspection from <https://www.rbc.com/investor-relations/european-senior-notes-program.html> and may be inspected, in physical form, during normal business hours at the specified office of the Issuing and Paying Agent and the Registrar, and can be obtained from the executive and head offices of the Issuer, namely:
  - (i) the *Bank Act* (being the charter of the Issuer) and by-laws of the Issuer;



- (ii) the Issue and Paying Agency Agreement (which includes the form of the Global Notes, the Definitive Notes, the Coupons and the Talons);
- (iii) the latest Annual Report of the Issuer for the two most recently completed fiscal years, which includes audited annual consolidated financial statements of the Issuer, management's report on internal control over financial reporting and the related auditor's reports;
- (iv) the most recent quarterly report including the unaudited interim condensed consolidated financial statements;
- (v) each Final Terms for a Tranche of Notes admitted to trading on the Main Market or any other regulated market in the UK and each Pricing Supplement for a Tranche of Exempt Notes admitted to trading on the ISM;
- (vi) a copy of the Base Prospectus together with any supplement to the Base Prospectus or Drawdown Prospectus; and
- (viii) a copy of the Registration Document.

In addition, copies of this Base Prospectus, any documents incorporated by reference, each Final Terms for Notes admitted to trading on the Market and each Pricing Supplement for Exempt Notes admitted to trading on the ISM will also be available for inspection on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> or the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. Copies of the Bank's periodic financial reports may also be available for viewing under the name of the Issuer on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR+) at [www.sedarplus.com](http://www.sedarplus.com) (an internet based securities regulatory filing system). Please note that websites and URLs referred to herein do not form part of the Base Prospectus.

6. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg which are the entities in charge of keeping the records in respect of the Notes. The appropriate common code and International Securities Identification Number or other relevant identification numbers for the relevant Notes will be contained in the Final Terms relating thereto. If the Notes are to clear through an additional or alternative clearing system, the appropriate information (including address) will be specified in the applicable Final Terms. The address of Euroclear is 3 Boulevard du Roi Albert II, B.1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue J. F. Kennedy, L-1855 Luxembourg.
7. The price and amount of Notes to be issued under the Base Prospectus will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.
8. The yield for any particular Tranche of Fixed Rate Notes will be specified in the applicable Final Terms and will be calculated on the basis of the compound annual rate of return if the relevant Notes were to be purchased at the Issue Price on the Issue Date and held to maturity. The Final Terms in respect of any Floating Rate Notes will not include any indication of yield.

The yield specified in the applicable Final Terms in respect of a Tranche of Notes will not be an indication of future yield.

9. Settlement arrangements will be agreed between the Issuer, the relevant Dealer and the Issuing and Paying Agent or, as the case may be, the Registrar in relation to each Tranche of Notes.
10. The Issuer has no intention to provide any post-issuance information in relation to any issue of Notes.
11. The Legal Entity Identifier (LEI) of the Issuer is ES7IP3U3RHIGC71XBU11.

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