BASE PROSPECTUS FOR THE ISSUE OF WARRANTS

MACQUARIE BANK LIMITED

(ABN 46 008 583 542)
(Incorporated with limited liability in the Commonwealth of Australia)



MACQUARIE

Warrant Programme

ISSUER
Macquarie Bank Limited

PRINCIPAL WARRANT AGENT
Deutsche Bank AG, London Branch

LUXEMBOURG WARRANT AGENT
Deutsche Bank Luxembourg S.A.

LUXEMBOURG LISTING AGENT
Deutsche Bank Luxembourg S.A.

REGISTRAR
Deutsche Bank Luxembourg S.A.

This document constitutes a prospectus for the purpose of Part IV of the Luxembourg law on prospectuses for securities dated 16 July 2019.

The date of this Base Prospectus is 20 November 2026.

Introduction

Any Warrants (as defined below) issued on or after the date of this Base Prospectus are issued subject to the provisions described herein. This does not affect any Warrants issued before the date of this Base Prospectus. Macquarie Bank has previously published, and may in the future publish, other prospectuses or offering documents in relation to the issue of other warrants.

Under the terms of its Warrant Programme described in this Base Prospectus ("**Programme**"), Macquarie Bank Limited (ABN 46 008 583 542) ("**Issuer**" or "**Macquarie Bank**" or "**MBL**") may from time to time issue warrants ("**Warrants**") of any kind including, but not limited to, Warrants relating to a specified index or a basket of indices ("**Index Warrants**"), a specified security or a basket of securities ("**Security Warrants**") or a specified bond or a basket of bonds ("**Bond Warrants**"). Each issue of Warrants will be issued on the terms and conditions set out in the section entitled "Terms and Conditions of the Warrants" on pages 48 to 99 inclusive of this Base Prospectus and the final terms ("**Final Terms**") for the issue of such Warrants (together, the "**Terms and Conditions**"). Each Final Terms with respect to Warrants to be listed on the Luxembourg Stock Exchange and to be admitted to trading on the professional segment of the Euro MTF Market operated by the Luxembourg Stock Exchange, will be delivered to the Luxembourg Stock Exchange on or prior to the date of listing of such Warrants. Macquarie Bank shall have complete discretion as to what type of Warrants it issues and when.

Macquarie Bank is an indirect subsidiary of Macquarie Group Limited (ABN 94 122 169 279) ("**MGL**") and in this Base Prospectus references to the "Macquarie Group" are references to MGL and its subsidiaries and references to the "Macquarie Bank Group" are references to Macquarie Bank and its subsidiaries.

This Base Prospectus is valid for a period of 12 months from the date of its approval by the Luxembourg Stock Exchange, being 20 November 2026 and expires on 20 November 2027.

This Base Prospectus is published on the Luxembourg Stock Exchange's internet site www.luxse.com and available on the internet site www.macquarie.com/au/en/investors/other-securities/macquarie-bank-limited-warrant-programme.html. The Final Terms for each issue of Warrants to be listed on the Luxembourg Stock Exchange will be published on the Luxembourg Stock Exchange's internet site www.luxse.com.

The Warrants of each issue may be sold by Macquarie Bank and/or any Manager (as defined under "General Description of the Programme" on pages 11 to 14 inclusive of this Base Prospectus) of an issue of Warrants (as applicable to such issue of Warrants) at such time and at such prices as Macquarie Bank and/or the Manager(s) may select. There is no obligation upon Macquarie Bank or any Manager to sell all of the Warrants of any issue. The Warrants of any issue may be offered or sold from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of Macquarie Bank.

The form of the Final Terms is set out on pages 100 to 106 inclusive of this Base Prospectus and will specify with respect to the issue of Warrants to which it relates, *inter alia,* the specific designation of the Warrants, the aggregate number and type of the Warrants, the date of issue of the Warrants, the issue price, the exercise price, the underlying asset or index to which the Warrants relate, the exercise period or date and certain other terms relating to the offering and sale of the Warrants. The Final Terms relating to an issue of Warrants will be attached to, or endorsed upon, the Global Warrant (as defined below) representing such Warrants.

Each issue of Warrants will entitle the holder thereof (on due exercise and, if applicable, subject to certification as to non-U.S. beneficial ownership) either to receive a cash amount (if any) calculated in accordance with the relevant terms or to receive physical delivery of the underlying assets against payment of a specified sum, all as set forth herein and in the applicable Final Terms.

Prospective purchasers of Warrants should ensure that they understand the nature of the relevant Warrants and the extent of their exposure to risks and that they consider the suitability of the relevant Warrants as an investment in the light of their own circumstances and financial condition. Warrants involve a high degree of risk, including the risk of expiring worthless. Potential investors should be prepared to sustain a total loss of the purchase price of their Warrants. See "Risk Factors" on pages 15 to 43 inclusive of this Base Prospectus.

This Base Prospectus may be used only for the purposes for which it has been published and does not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market ("Prospectus Regulation"). The Luxembourg financial sector supervisory authority, the *Commission de Surveillance du Secteur Financier* ("CSSF"), has neither approved nor reviewed information contained in this Base Prospectus.

This Base Prospectus falls within the scope of Part IV (*Admissions of securities to trading on a Luxembourg market not set out in the list of regulated markets published by ESMA*) of the Luxembourg law of 16 July 2019 on prospectuses for securities.

Investors should make their own assessment as to the suitability of investing in the Warrants.

Application has been made for Warrants issued under the Programme during the 12 month period from the date of this Base Prospectus to be admitted to the Official List of the Luxembourg Stock Exchange and for trading on the professional segment of the Euro MTF Market operated by the Luxembourg Stock Exchange. The Euro MTF is not a regulated market for the purposes of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended ("MiFID II"). Macquarie Bank may also issue unlisted Warrants.

Warrants will be issued in uncertificated registered form. Each issue of Warrants will be constituted and represented by a global warrant (each a "Global Warrant") executed as a deed poll in favour of the holders of those Warrants from time to time and which will be issued and deposited with a common depositary on behalf of Clearstream Banking, société anonyme ("Clearstream, Luxembourg") and Euroclear Bank S.A./N.V. ("Euroclear") on the date of issue of the relevant Warrants. Definitive Warrants will not be issued.

Amounts payable under the Warrants may be calculated by reference to one or more "benchmarks" (as specified in the applicable Final Terms) for the purposes of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "EU Benchmarks Regulation") and/or Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA. In this case, a statement will be included in the applicable Final Terms as to whether or not the relevant administrator of the "benchmark" is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("ESMA") under Article 36 of the EU Benchmarks Regulation and/or the FCA's register of administrators under Article 36 of Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA, as required by applicable law.

Important Notice

This Base Prospectus has not been, nor will be, lodged with the Australian Securities and Investments Commission ("ASIC") and is not a 'prospectus' or other 'disclosure document' for the purposes of the Corporations Act 2001 of Australia ("Corporations Act"). In addition, see the selling restrictions set out under the heading "Offering and Sale" on pages 133 to 142 inclusive of this Base Prospectus.

Base Prospectus

This Base Prospectus is provided for the purpose of giving information with regard to the Issuer and its subsidiaries, which, according to the particular nature of the Issuer and the Warrants, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

This Base Prospectus has been prepared on the basis that any offer of Warrants in any Member State of the EEA (each a "**Relevant EEA State**") will be made pursuant to an exemption under the Prospectus Regulation, as implemented in that Relevant EEA State, from the requirement to publish a prospectus for offers of Warrants. Accordingly, any person making or intending to make an offer in that Relevant EEA State of Warrants which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Warrants may only do so in the circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus in relation to such offer. Neither the Issuer nor any Manager has authorised, nor does either authorise, the making of any offer of Warrants in circumstances in which an obligation arises for the Issuer or any Manager to publish or supplement a prospectus for such offer. In this Base Prospectus, unless otherwise specified or the context otherwise requires, 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.

Prohibition of sales to EEA retail investors

The Warrants 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; (ii) a customer within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (as amended, the "**Insurance Distribution Directive**"), 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 Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (as amended, the "**PRIIPs Regulation**") for offering or selling the Warrants or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Warrants or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Prohibition of sales to U.K. retail investors

The Warrants are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (the "**U.K.**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union

(Withdrawal) Act 2018 (the "EUWA"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("DISC") for offering, selling or distributing the Warrants or otherwise making them available to retail investors in the U.K. has been prepared and therefore offering, selling or distributing the Warrants or otherwise making them available to any retail investor in the U.K. may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

MiFID II product governance / target market

The Final Terms in respect of any Warrants may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Warrants and which channels for distribution of the Warrants are appropriate. Any person subsequently offering, selling or recommending the Warrants (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 Warrants (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Manager subscribing for any Warrants is a manufacturer in respect of such Warrants, but otherwise none of the Managers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

U.K. MiFIR product governance / target market

The Final Terms in respect of any Warrants may include a legend entitled "U.K. MiFIR Product Governance" which will outline the target market assessment in respect of the Warrants and which channels for distribution of the Warrants are appropriate. Any person subsequently offering, selling or recommending the Warrants (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 "U.K. MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Warrants (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 U.K. MiFIR Product Governance Rules, any Manager subscribing for any Warrants is a manufacturer in respect of such Warrants, but otherwise none of the Managers nor any of their respective affiliates will be a manufacturer for the purpose of the U.K. MiFIR Product Governance Rules.

Responsibility

Macquarie Bank, with its registered office at Level 1, 1 Elizabeth Street, Sydney, New South Wales, 2000, Australia, accepts responsibility for the information contained in this Base Prospectus. To the best of Macquarie Bank's knowledge (after having taken reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and this Base Prospectus makes no omission likely to affect its import.

Documents incorporated by reference

This Base Prospectus is to be read and construed in conjunction with all documents which are incorporated herein by reference (see "Documents Incorporated by Reference" on pages 44 to 47 inclusive of this Base Prospectus). This Base Prospectus shall, save as specified herein, be

read and construed on the basis that such documents are so incorporated by reference and form part of this Base Prospectus.

Internet site addresses in this Base Prospectus are included for reference only and the contents of any such internet sites are not incorporated by reference into, and do not form part of, this Base Prospectus.

No independent verification or advice

No Manager has independently verified all of the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any Manager as to the accuracy or completeness of any information contained in this Base Prospectus or any further information supplied in connection with the Programme.

Neither this Base Prospectus nor any information provided in connection with the Warrants is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation or a statement of opinion, or a report of either of those things, by Macquarie Bank or any Manager that any recipient of this Base Prospectus purchase any Warrants or any rights in respect of any Warrants. Each investor contemplating purchasing any Warrants or any rights in respect of any Warrants should make (and shall be deemed to have made) its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of Macquarie Bank.

No advice is given in respect of the taxation treatment of investors in connection with investment in any Warrants and each investor is advised to consult its own professional adviser.

Currency of information

Neither the delivery of this Base Prospectus nor any sale made in connection with this Base Prospectus at any time implies that the information contained herein concerning Macquarie Bank 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. Investors should review, amongst other things, the documents deemed to be incorporated herein by reference, when deciding whether or not to purchase any Warrants.

No review of affairs of Macquarie Bank or the Group

No Manager undertakes to review the financial condition or affairs of Macquarie Bank and its controlled entities ("**Group**") during the life of the Programme or to advise any investor in the Warrants of any information coming to the attention of such Manager.

No Macquarie Bank or the Group as issuer of the underlying securities or bonds or as sponsor of the underlying indices

In respect of Index Warrants, the specified index or basket or indices to which such Index Warrants relate shall not be (a) any index composed by Macquarie Bank or the Group or any legal

entity belonging to the same group as Macquarie Bank, or (b) any index provided by a legal entity or a natural person acting in association with, or on behalf of Macquarie Bank or the Group.

In respect of Security Warrants, the issuer or issuers of the specified share of shares to which such Security Warrants relate shall not be Macquarie Bank or the Group or any legal entity belonging to the same group as Macquarie Bank.

In respect of Bond Warrants, the issuer or issuers of the specified bonds to which such Bond Warrants relate shall not be Macquarie Bank or the Group or any legal entity belonging to the same group as Macquarie Bank.

Risk factors

An investment in the Warrants involves risks that include, without limitation, those described in "Risk Factors" on pages 15 to 43 inclusive of this Base Prospectus.

No authorisation

No person has been authorised to give any information or make any representations not contained in this Base Prospectus in connection with Macquarie Bank, the Group, the Programme or the issue or sale of the Warrants and, if given or made, such information or representation must not be relied upon as having been authorised by Macquarie Bank or any Manager.

Distribution

The offer and sale of the Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and trading in the Warrants has not been and will not be approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act of 1936. Warrants may not be offered, sold, resold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) at any time, unless the Final Terms relating to the Warrant expressly provide otherwise in connection with an offering of the Warrant pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. The Warrants will be exercisable by the holder only upon certification as to non-U.S. beneficial ownership unless the Final Terms relating to a Warrant expressly provides otherwise in connection with an offering of the Warrant pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. See "Offering and Sale – United States" on page 134 of this Base Prospectus.

The distribution of this Base Prospectus and any Final Terms and the offer or sale of Warrants may be restricted by law in certain jurisdictions. Neither Macquarie Bank nor any Manager represents that this Base Prospectus may be lawfully distributed, or that any Warrants may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, except for registration of this Base Prospectus, no action has been taken by Macquarie Bank or a Manager which would permit a public offering of any Warrants or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Warrants may 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 and the Managers have represented that all offers and sales by them will be made on the same terms.

Persons into whose possession this Base Prospectus or any Warrants come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Warrants in Australia, the United States, the European Economic Area, the U.K., Hong Kong, Singapore, Japan, Korea, India, Canada, the People's Republic of China, Malaysia, and Taiwan (see "Offering and Sale" on pages 133 to 142 inclusive of this Base Prospectus).

The Warrants create options exercisable by the relevant holder. There is no obligation upon any holder to exercise his or her Warrant nor, in the absence of such exercise, any obligation on Macquarie Bank to pay any amount or deliver any asset to any holder of a Warrant. The Warrants will be exercisable in the manner set forth herein and in the applicable Final Terms.

No offer

Neither this Base Prospectus nor any other information provided in connection with the Warrants or the Programme is intended to, nor does it, constitute an offer or invitation by or on behalf of Macquarie Bank or any other person to subscribe for, purchase or otherwise deal in any Warrants nor is it intended to be used for the purpose of or in connection with offers or invitations to subscribe for, purchase or otherwise deal in any Warrants.

Australian banking legislation

Macquarie Bank is an "authorised deposit-taking institution" ("**ADI**") as that term is defined under the Banking Act 1959 of Australia ("**Banking Act**").

The Banking Act provides that, in the event an ADI becomes unable to meet its obligations or suspends payment, the ADI's assets in Australia are to be available to meet specified liabilities of the ADI in priority to all other liabilities of the ADI (including the Warrants). These specified liabilities include certain obligations of the ADI to the Australian Prudential Regulation Authority ("**APRA**") in respect of amounts payable by APRA to holders of protected accounts and any administration costs incurred by APRA, other liabilities of the ADI in Australia in relation to protected accounts that account-holders keep with the ADI, debts to the Reserve Bank of Australia ("**RBA**") and any liabilities under an industry support contract (certified under section 11CB of the Banking Act), and then, any other liabilities, in order of their priority. A "**protected account**" is either (a) an account where the ADI is required to pay the account-holder, on demand or at an agreed time, the net credit balance of the account, or (b) another account or financial product prescribed by regulation. Changes to applicable law may extend the liabilities required to be preferred by law.

The Banking Act also provides that certain other debts of an ADI due to APRA shall in a winding-up of an ADI have, subject to section 13A(3) of the Banking Act, priority over all other unsecured debts of that ADI. Further, section 86 of the Reserve Bank Act 1959 of Australia provides that in a winding-up of an ADI, debts due by an ADI to the RBA shall, subject to section 13A(3) of the Banking Act, have priority over all other debts of the ADI. The liabilities which are preferred by law to the claim of a Warrantholder may be substantial and the Terms and Conditions do not limit the amount of such liabilities which may be incurred or assumed by Macquarie Bank from time to time.

Warrants issued under the Programme are not protected accounts for the purposes of the Financial Claims Scheme and are not deposit liabilities of Macquarie Bank. They are unsecured obligations of Macquarie Bank and in the event of the winding up of Macquarie Bank would rank equally with other unsecured obligations of Macquarie Bank and ahead of subordinated debt and obligations to shareholders (in their capacity as such).

Warrants are not guaranteed by the Australian Government or by any other party.

References to currencies

In this Base Prospectus, references to "A$" and "Australian Dollars" are to the lawful currency of the Commonwealth of Australia, references to "Japanese Yen" are to the lawful currency of Japan and references to "€" and "euro" are to the single 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 from time to time.

Supplement to the Prospectus

Macquarie Bank has undertaken, in connection with the listing of the Warrants, that if at any time while any Warrants are listed and traded there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Warrants and whose inclusion in this Base Prospectus or removal is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of Macquarie Bank and the rights attaching to the Warrants, Macquarie Bank will prepare and make available a supplement to this Base Prospectus or a further prospectus for use in connection with any subsequent issue of Warrants to be listed and traded.

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General Description of the Programme

This overview should be read, in relation to any Warrants, in conjunction with the Final Terms and, to the extent applicable, the Terms and Conditions. This overview is qualified in its entirety by the remainder of this Base Prospectus and any decision to invest in the Warrants should be based on a consideration of this Base Prospectus as a whole, including without limitation, the "Risk Factors" on pages 15 to 43 inclusive of this Base Prospectus and the documents incorporated herein by reference into this Base Prospectus (see "Documents Incorporated by Reference" on pages 44 to 47 inclusive of this Base Prospectus). Words or expressions defined or used in the Terms and Conditions shall, unless the contrary intention appears, have the same meaning in this overview.

Issuer:	Macquarie Bank Limited (ABN 46 008 583 542) ("**Macquarie Bank**"), a corporation constituted with limited liability under the laws of the Commonwealth of Australia and authorised to carry on banking business in, amongst others, the Commonwealth of Australia, and the U.K. Macquarie Bank offers retail and business banking and wealth management, as well as risk and capital solutions with a particular focus on financial markets, asset finance and commodities. Macquarie Bank offers a range of services to government, institutional, corporate and retail clients. Macquarie Bank may offer Warrants acting through its head office in Sydney or its London Branch as specified in the applicable Final Terms (if any) or (in other cases) as agreed with the relevant Manager. On 8 August 1994 Macquarie Bank Limited opened a London Branch. On 21 October 1994, Macquarie Bank Limited was registered under Schedule 21A to the Companies Act 1985 as having established a branch (Registration No. BR002678) in England and Wales. Macquarie Bank Limited, London Branch is an authorised person for the purposes of section 19 of the Financial Services and Markets Act 2000 ("**FSMA**"), is authorised by the Prudential Regulation Authority ("**PRA**") and is subject to regulation by the Financial Conduct Authority ("**FCA**") and limited regulation by the PRA (FCA Firm No. 170934). In the U.K., Macquarie Bank Limited, London Branch, conducts regulated banking business. Macquarie Bank has a right of substitution as set out in Condition 13 ("Substitution of the Issuer") on page 74 of this Base Prospectus.

Issuer Legal Entity Identifier (LEI): 4ZHCHI4KYZG2WVRT8631

Description:	Warrant Programme.

Managers:	Macquarie Bank may from time to time appoint one or more Managers in respect of an issue of Warrants.
Agents:	Deutsche Bank AG, London Branch has been appointed as principal warrant agent and Deutsche Bank Luxembourg S.A. has been appointed as Luxembourg warrant agent and Luxembourg listing agent for all Warrants listed on the Luxembourg Stock Exchange. Macquarie Bank Limited has been appointed as calculation agent. No trustee or other organisation has been appointed to represent investors in Warrants issued under the Programme.
Registrar:	Deutsche Bank Luxembourg S.A.
Programme:	A programme allowing for the issuance of Warrants of any kind including, but not limited to, Warrants relating to a specified index or a basket of indices or a specified security or a basket of securities or a specified bond or a basket of bonds (subject to applicable legal and regulatory restrictions) as specified in the applicable Final Terms. As at the date of this Base Prospectus, there shall be no Warrants issued in relation to proprietary indices. The applicable Final Terms will also specify whether Warrants are American-style Warrants or European-style Warrants, whether settlement shall be by way of cash payment or physical delivery, whether the Warrants are call Warrants or put Warrants, whether any coupon is payable and whether Warrants shall only be exercisable in units and whether averaging will apply.
Distribution:	Warrants may be distributed on a syndicated or non-syndicated basis.
Programme Term:	The Programme will not have a fixed maturity date.
Method of Issue:	Macquarie Bank may from time to time issue Warrants in one or more Series.
Issue Price:	Warrants may be issued at an issue price which is at par or at a discount to, or premium over, par, and on a fully or partly paid basis and will be specified in the relevant Final Terms (if any) or (in other cases) as agreed between Macquarie Bank and the relevant Manager(s).
Final Terms:	Each Final Terms will provide particular information relating to a particular issue of Warrants.

Form of Warrants:	Warrants will be issued in uncertificated registered form. Each issue of Warrants will be constituted and represented by a Global Warrant executed as a deed poll in favour of the holders of those Warrants from time to time and which will be issued and deposited with a common depositary on behalf of Clearstream, Luxembourg and Euroclear on the date of issue of the relevant Warrants. Definitive Warrants will not be issued. Each person who is for the time being shown in the records of Clearstream, Luxembourg or of Euroclear as the holder of a particular amount of Warrants (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the amount of Warrants standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Warrant Agents as the holder of such amount of Warrants for all purposes.
Use of Proceeds:	Proceeds realised from the issuance of Warrants will be used by Macquarie Bank for the Group's general corporate purposes.
Settlement Currencies:	The settlement currency will be set out in the applicable Final Terms.
Status of the Warrants:	Warrants will be direct, unsecured and unsubordinated obligations of Macquarie Bank. Warrants will rank *pari passu* without any preference among themselves. Claims against Macquarie Bank in respect of the Warrants will rank at least equally with the claims of other unsecured and unsubordinated creditors of Macquarie Bank (except creditors mandatorily preferred by law) and ahead of subordinated debt and obligations to shareholders (in their capacity as such). Claims on Warrants will become void unless claims in respect of payments are made within a period of ten years after the date on which the relevant payment first becomes due.
Governing Law:	The Warrants will be governed by English law.
Listing and admission to trading:	Warrants issued under the Programme may be listed on the official list of Luxembourg Stock Exchange and admitted to trading on the professional segment of the Euro MTF Market operated by the Luxembourg Stock Exchange. Application has been made for Warrants to be issued by Macquarie Bank under the Programme during the period of twelve months from the date of this Base Prospectus for listing on the Official List of the Luxembourg Stock Exchange and for trading on the professional segment of the Euro MTF Market operated by the Luxembourg Stock Exchange. The Euro MTF

	is not a regulated market for the purposes of MiFID II, as amended. Macquarie Bank may also issue unlisted Warrants.
Selling and transfer restrictions:	The offering, sale, delivery and transfer of Warrants and the distribution of this Base Prospectus and other material in relation to any Warrants are subject to restrictions as may apply in any country in connection with the offering and sale of a particular Tranche of Warrants including, in particular, restrictions in Australia, the United States of America, the European Economic Area, the U.K., Hong Kong, Singapore, Japan, Korea, India, Canada, the People's Republic of China, Malaysia and Taiwan. See "Offering and Sale" on pages 133 to 142 inclusive of this Base Prospectus. The various categories of potential investors include experienced investors, financial institutions, hedge funds, mutual funds and retirement funds. The Warrants may not be offered, sold, delivered or transferred to retail investors, that is, a person who is one (or more) of: (i) retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of the Insurance Distribution Directive, 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 Prospectus Regulation.

In addition, the Warrants may be subject to certain restrictions on resales and transfers set out in the section entitled "Important Notice" on pages 4 to 9 inclusive of this Base Prospectus.

Risk Factors

MBL is subject to a variety of risks that arise out of its financial services and other businesses, many of which are not within its control. MBL manages its ongoing business risks in accordance with its risk management policies and procedures. The following are the material risk factors that could affect its businesses, prospects, results of operations or financial condition. Investment considerations for the purpose of assessing the risks associated with Warrants issued under the Programme and the market for Warrants generally are also described below.

Potential investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents deemed to be incorporated by reference herein) and consult their own financial, tax and legal advisers as to the risks and investment considerations arising from an investment in the Warrants, the appropriate tools to analyse such an investment, and consider the suitability of such an investment in the context of the particular circumstances of each investor.

MBL is an ADI as that term is defined under the Banking Act. See "Australian banking legislation" on page 8 of this Base Prospectus.

Risk category 1: Risks relating to Warrants and the market generally

Worthless expiration of Warrants

The Warrants involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Prospective purchasers of Warrants should recognise that their Warrants, other than any Warrants having a minimum expiration value, may expire worthless. Purchasers should be prepared to sustain a total loss of the purchase price of their Warrants, to the extent of any minimum expiration value attributable to such Warrants.

The risk of the loss of some or all of the purchase price of a Warrant upon expiration means that, in order to recover and realise a return upon his or her investment, a purchaser of a Warrant must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant reference security (or basket of securities), index (or basket of indices) or bond (or basket of bonds). Assuming all other factors are held constant, the more a Warrant is "out-of-the-money" and the shorter its remaining term to expiration, the greater the risk that purchasers of such Warrants will lose all or part of their investment. With respect to European-style Warrants, the only means through which a holder can realise value from the Warrant prior to the Exercise Date in relation to such Warrant is to sell it at its then market price in an available secondary market. See "Possible Illiquidity of the Warrants in the Secondary Market" below.

Risks relating to the value of the relevant underlying

Fluctuations in the value of the relevant index or basket of indices will affect the value of Index Warrants. Fluctuations in the price of the relevant equity security or value of the basket of equity securities will affect the value of Security Warrants. Fluctuations in the price of the relevant bond or basket of bonds will affect the value of Bond Warrants. Assuming all other factors being equal, (i) for call Warrants linked to a security, an index or a bond, or a basket of securities, indices or bonds, when the price of the security/securities, index/indices or bond/bonds increases, the value of the Warrants increases and when the price of the security/securities, index/indices or bond/bonds decreases, the value of the Warrant decreases, and (ii) for put Warrants, when the price of the security/securities, index/indices or bond/bonds increases, the Warrant price decreases and when the price of the security/securities, index/indices or bond/bonds decreases,

the value of the Warrant increases. Purchasers of Warrants risk losing their entire investment if the value of the relevant underlying basis of reference does not move in the anticipated direction.

Loss of time value

The Cash Settlement Amount (in the case of Cash Settled Warrants) or the difference in the value of the Entitlement and the Exercise Price ("Physical Settlement Value") (in the case of Physical Delivery Warrants) at any time prior to expiration is typically expected to be less than the trading price of such Warrants at that time. The difference between the trading price and the Cash Settlement Amount or the Physical Settlement Value, as the case may be, will reflect, among other things, the "time value" of the Warrants. The "time value" of the Warrants will depend partly upon the length of the period remaining to expiration and expectations concerning the value of the reference security (or basket of securities), index (or basket of indices) or bond (or basket of bonds). Warrants offer hedging and investment diversification opportunities but also pose some additional risks with regard to erosion in value.

Limitations on Exercise

If so indicated in the Final Terms, MBL will have the option to limit the number of Warrants exercisable on any date (other than the final exercise date) to the maximum number specified in the Final Terms and, in conjunction with such limitation, to limit the number of Warrants exercisable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of Warrants being exercised on any date (other than the final exercise date) exceeds such maximum number and MBL elects to limit the number of Warrants exercisable on such date, a Warrantholder may not be able to exercise on such date all Warrants that such holder desires to exercise.

Minimum Exercise Amount

If so indicated in the Final Terms, a Warrantholder must tender a specified number of Warrants at any one time in order to exercise. Thus, Warrantholders with fewer than the specified minimum number of Warrants will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such Warrants incur the risk that there may be differences between the trading price of such Warrants and the Cash Settlement Amount (in the case of Cash Settled Warrants) or the Physical Settlement Value (in the case of Physical Delivery Warrants) of such Warrants.

Certain Considerations Regarding Hedging

Prospective purchasers intending to purchase Warrants to hedge against the market risk associated with investing in a reference security (or basket of securities), index (or basket of indices) or bond (or basket of bonds), should recognise the complexities of utilising Warrants in this manner. For example, the value of the Warrants may not exactly correlate with the value of the reference security (or basket of securities), index (or basket of indices) or bond (or basket of bonds). Due to fluctuating supply and demand for the Warrants, there is no assurance that their value will correlate with movements of the reference security (or basket of securities), index (or basket of indices) or bond (or basket of bonds). For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of any relevant index or basket.

Effect of Credit Rating Reduction

The value of the Warrants is expected to be affected, in part, by investors' general appraisal of MBL's creditworthiness. Such perceptions may be influenced by the ratings accorded to MBL's

outstanding securities by rating services such as Fitch Ratings. A reduction in the rating, if any, accorded to outstanding debt securities of MBL, by any such rating agency could result in a reduction in the trading value of the Warrants.

Time Lag after Exercise

There will be a time lag between the time a Warrantholder gives instructions to exercise and the time the applicable Cash Settlement Amount (in the case of Cash Settled Warrants) relating to such exercise is determined. Any such delay between the time of exercise and the determination of the Cash Settlement Amount will be specified in the applicable Final Terms or the applicable Terms and Conditions. However, such delay could be significantly longer, particularly in the case of a delay in exercise of Warrants arising from any daily maximum exercise limitation, the occurrence of a market disruption event (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies). The applicable Cash Settlement Amount may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount of the Warrants being exercised and may result in such Cash Settlement Amount being zero.

Possible Illiquidity of the Warrants in the Secondary Market

It is not possible to predict the price at which Warrants will trade in the secondary market or whether such market will be liquid or illiquid. MBL may, but is not obliged to, list Warrants on a stock exchange. Also, to the extent Warrants of a particular issue are exercised, the number of Warrants of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Warrants of such issue. A decrease in the liquidity of an issue of Warrants may cause, in turn, an increase in the volatility associated with the price of such issue of Warrants.

MBL may, but is not obliged to, at any time purchase Warrants at any price in the open market or by tender or private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation. MBL may, but is not obliged to, be a market-maker for an issue of Warrants. Even if MBL is a market-maker for an issue of Warrants, the secondary market for such Warrants may be limited. In addition, affiliates of MBL may purchase Warrants at the time of their initial distribution and from time to time thereafter. To the extent that an issue of Warrants becomes illiquid, an investor may have to exercise such Warrants to realise value.

Exercise Procedure and Exercise Notice

Warrantholders who wish to exercise their Warrants should ensure they follow the proper exercise procedures. If the Warrants are not properly exercised they will lapse.

Potential Adjustment Events

In relation to Security Warrants or Bond Warrants linked to one or more convertible or exchangeable bond, certain corporate events may occur which result in an adjustment to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any other Terms and Conditions of the Warrants and/or the applicable Final Terms. Such corporate events include reconstructions of capital, cash returns of capital, bonus issues, rights issues and extraordinary dividends. MBL will notify the Warrantholders of any such adjustment. There is no requirement that there should be an adjustment for every corporate action. Events in respect of which no adjustment is made to the terms of the Warrants may affect the value of the Warrants and return from the Warrants.

Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency in relation to a Security

In relation to Security Warrants or Bond Warrants linked to one or more convertible or exchangeable bond, the occurrence of a Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency (each as defined in Condition 15(B)(2)(b) of the Terms and Conditions of the Warrants) in relation to a Security may result in an adjustment to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any other Terms and Conditions of the Warrants and/or the applicable Final Terms or the cancellation of the relevant Warrants. As a result, the value of the Warrantholders' investment may be adversely affected. MBL will notify the Warrantholders of the occurrence of any such event and the action to be taken in relation to such event.

Exercise of Discretion by MBL

Warrantholders should note that some provisions of the Terms and Conditions of the Warrants confer discretion on MBL. The manner of exercise or non-exercise of these discretions could adversely affect the value of the Warrants.

Potential Conflicts of Interest

MBL and its affiliates may also engage in trading activities (including hedging activities) related to the interest underlying any Warrants and other instruments or derivative products based on or related to the interest underlying any Warrants for their proprietary accounts or for other accounts under their management. MBL and its affiliates may also issue other derivative instruments in respect of the interest underlying Warrants. MBL and its affiliates may also act as underwriter in connection with future offerings of shares or other securities related to an issue of Warrants or may act as financial adviser to certain Security Issuers or Basket Security Issuers or in a commercial banking capacity for certain Security Issuers or Basket Security Issuers. MBL will undertake the duties of calculation agent in respect of the Warrants unless another entity is specified in the applicable Final Terms. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Warrants. For the avoidance of doubt, the underlying of the Warrants shall not be any shares or bonds of MBL or its affiliates.

Exchange rate risk related to the Warrants

If Warrantholders purchase Warrants by a currency other than the settlement currency, they will be subject to the exchange rate movement of such currencies and incur conversion cost (being the buy/sell spread). If the underlying asset is denominated in a currency different from the settlement currency, they will also be subject to the exchange rate movement of such currencies. Market movement of currencies may adversely impact the payout of the Warrants.

Exchange traded fund (ETF) Risk

Where an underlying is an ETF, Warrantholders are exposed to the political, economic, currency and other risks related to the synthetic ETF's underlying index. If such ETF invests in derivatives, Warrantholders are exposed to the credit risk of the counterparties of such derivatives. Warrantholders should consider the potential contagion and concentration risk of such counterparties. If the ETF has underlying collateral, the market value of the collateral may fall substantially when the ETF seeks to realise the collateral. A higher liquidity risk is involved if an ETF involves derivatives that do not have an active market, and wider bid-offer spreads in the price of derivatives may result in losses in ETF. There may also be disparity between the performance of the ETF and the index due to, for example, failure of tracking strategy, fees and

expenses. Also, where the index that the ETF tracks is subject to restricted access, the efficiency in unit creation and redemption to keep the ETF price in line with its net asset value (NAV) may be disrupted, causing the ETF to trade at a higher premium to its NAV and hence suffer loss. For any dealing of structured products with ETFs as underlying, the Warrantholder should have read and understood all relevant product information (including offering documents) of the ETFs before placing orders.

Risks relating to Bond Warrants

In the event of the occurrence of certain credit-related circumstances in relation to a bond, the amount paid or the value of the underlying assets received, at settlement of the Warrants (after deduction of costs, break funding charges, loss of funding, tax and duties) determined by reference to the value of the bond(s) may reduce the value of the Warrants.

Warrantholders may be exposed to fluctuations in the creditworthiness of the relevant bond issuer, or to the imposition or increase of withholding taxes or other adverse performance of the bonds. Their exposure to the bonds may be leveraged by their investment in the Warrants compared to a direct investment in such bonds.

Emerging markets risk

Where the underlying asset is listed on or otherwise related to emerging market countries, investors should note that the economies of many emerging markets are still in the early stages of modern development and subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions that have a sudden and widespread effect.

Emerging market regions are also subject to special risks including: generally less liquid and less efficient securities markets; generally greater price volatility, exchange rate fluctuations and foreign exchange control; higher volatility of the value of debt; imposition of restrictions on the expatriation of funds or other assets; foreign exchange control; less publicly available information about issuers; uncertain and changing tax regimes; less liquidity; less well regulated markets; different accounting and disclosure standard; governmental interference; social, economic and political uncertainties and the risk of expropriation of assets.

No proprietary interest in the underlying asset

The Warrantholder will have no proprietary interest in the underlying assets and/or any instrument used for the purposes of hedging obligations under the Warrants. As a result, the Warrantholder will not have the ability to exercise any rights (including voting rights) attached to the underlying assets.

Illegality and impracticability

If the Issuer determines that the performance of its obligation under the Warrants has become or will become illegal or impracticable, it may cancel the Warrants and an investor may sustain loss as a result.

Change in Law, Hedging Disruption and Increased Cost of Hedging

If Change in Law, Hedging Disruption or Increased Cost of Hedging occurs, the Issuer may adjust the terms of the Warrants in its sole discretion or early terminate the Warrants at the fair market value less any hedging cost. In such case, the Warrantholder may lose a substantial part of their investment.

FX disruption

If FX Disruption (including impossibility or impracticability to convert any amount into the Settlement Currency, to transfer or repatriate any amount outside of the country in which the Hedge Positions are traded or to obtain firm quote for relevant foreign exchange rate) occurs, is continuing or exists on or prior to any date on which a payment is scheduled to be made, the Issuer may either suspend the settlement, settle in another currency or terminate the Warrants early. The Warrantholder may not be able to get back their investment on the scheduled date if the Issuer suspends the settlement and they may lose their entire investment if the suspension is not lifted. If the Warrants are settled in another currency or terminated early, the amount they receive can be substantially less than their initial investment.

Creditworthiness of the Issuer

The Warrantholder is reliant on the Issuer's creditworthiness and of no other person. If the Issuer becomes insolvent or defaults on its obligations under the Warrants, the Warrantholder can only claim as Issuer's unsecured creditor regardless of the performance of the underlying assets and they may not be able to recover all or even part of the amount due under the Warrants (if any). The Warrantholder has no rights under the terms of the Warrants against any person other than the Issuer.

The Warrants may be cancelled early following the exercise by the Issuer of a call option

Where the terms and conditions of the Warrants provide that the Issuer has the right to call the Warrants, following the exercise by the Issuer of such option, the Warrantholder will be unable to realise their expectations for a gain in the value of such Warrants and, if applicable, will no longer participate in the performance of the underlying asset(s) or any Coupon Amount payable under the Warrants.

The Issuer is under no obligation to consider the interests of Warrantholders when it determines whether or not to exercise its call option and they should consider the risk of reinvestment in light of other investments likely to be available at such time.

Taxes

Each Warrantholder will assume and be solely responsible for all taxes, duties and/or expenses arising in connection with any payment of a Cash Settlement Amount or other amount payable in accordance with the terms of the Warrants. In addition, the Issuer shall have the right to withhold or deduct from any amount payable to Warrantholders such amount as shall be necessary to account for any tax, duty, charge, withholding or other payment, whether realised or expected, in respect of any hedging transactions in respect of any Warrants. The Warrantholder is also required to indemnify the Issuer against any loss or cost in respect of tax paid or to be paid in accordance with the hedging transaction. The Issuer may determine the amount of any applicable capital gain tax on a first-in-first-out basis or such other basis at its discretion. If such tax is determined on a first-in-first-out basis, the tax subject to deduction, withholding and/or indemnity may be determined by reference to the overall position of the Issuer (or a counterparty of the Issuer) in the relevant asset which may include not only the Hedge Position for a particular series of Warrant but also Hedge Position for all other financial instruments issued, or transactions entered into, by the Issuer and/or its affiliates (or a counterparty of the Issuer) and proprietary position of the Issuer and/or its affiliates (or a counterparty of the Issuer). The amount of capital gain tax attributable to a particular series of Warrants would depend on the timing of the unwinding of the Hedge Positions for such Warrants relative to the timing for unwinding the Hedge Positions for other financial instruments or transactions over the same underlying assets or

disposal of the proprietary positions of the Issuer (and/or its affiliates or a counterparty of the Issuer). It is possible that the Warrantholder may suffer adverse tax consequence if the capital gain tax is determined on a first-in-first-out basis.

Foreign Account Tax Compliance Act

Under Sections 1471-1474 of the U.S. Internal Revenue Code ("FATCA", enacted in 2010 as part of the Hiring Incentives to Restore Employment Act), certain foreign financial institutions (such as MBL) will be required to provide the U.S. Internal Revenue Service with information on accounts held by U.S. persons or be subject to a 30% U.S. withholding tax on all, or a portion of, certain payments it receives. Compliance with FATCA will require substantial investment in a documentation and reporting framework. In the absence of compliance with FATCA, MBL could be exposed to a withholding tax which would reduce the cash available to be paid by MBL. In addition, under FATCA, MBL or other financial institutions through which payments on the Warrants are made or through which an investor owns its Warrants may be required to withhold amounts on the Warrants if (i) there is a "non-participating" non-U.S. financial institution in the payment chain or (ii) the Warrants are treated as "financial accounts" for purposes of FATCA and the investor does not provide certain information, which may include the name, address and taxpayer identification number with respect to direct and certain indirect U.S. investors.

While the Warrants are in global form and held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Warrants are discharged once it has paid the common depositary or common safekeeper for the clearing systems (as bearer or registered holder of the Warrants) and the Issuer therefore has no responsibility for any amount thereafter transmitted through hands of the clearing systems and custodians or intermediaries.

Prospective investors should refer to the section "United States Taxation – Foreign Account Tax Compliance Act" on pages 151 to 153 of this Base Prospectus.

The regulation and reform of "benchmarks" may adversely affect the value of Warrants linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks" (including, amongst others, the Sterling Overnight Index Average ("SONIA"), the Secured Overnight Financing Rate ("SOFR"), the Euro Short Term Rate ("€STR") and the euro interbank offered rate ("EURIBOR")) are the subject of national, international and regulatory guidance and reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from inter-bank offered rates) and "benchmarks" remain subject to ongoing

monitoring. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Warrants linked to or referencing such a "benchmark".

In Europe, the EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of “benchmarks”, the contribution of input data to a “benchmark” and the use of a “benchmark” within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

In the U.K., Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "U.K. Benchmarks Regulation") among other things, applies to the provision of “benchmarks” and the use of a “benchmark” within the U.K. Similarly, it prohibits the use in the U.K. by U.K. supervised entities of benchmark administrators that are not authorised by the FCA or registered on the FCA register (or, if non-U.K. based, not deemed equivalent or recognised or endorsed).

These reforms (including the EU Benchmarks Regulation and/or the U.K. Benchmarks Regulation) could, as applicable, have a material impact on any Warrants linked to or referencing a "benchmark", in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements imposed thereunder, as applicable. It is also not possible to predict whether such reforms will lead to any such benchmarks not being supported going forward. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant "benchmark".

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Such factors 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 or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Warrants linked to, referencing, or otherwise dependent (in whole or in part) upon, a "benchmark".

The terms and conditions of the Warrants provide for certain fallback arrangements in the event that a published benchmark (including any page on which such benchmark may be published (or any replacement service)) becomes unavailable, including the possibility that the interest rate could be set by reference to a successor rate or an alternative rate or the effective application of a fixed rate based on the rate which applied in the previous period when the published benchmark was available, which could have an adverse effect on the value or liquidity of, and return on, any Warrants which reference the published benchmark. Due to the uncertainty concerning the availability of a successor rate or an alternative rate, the relevant fallback provisions may not operate as intended at the relevant time. Any changes to a benchmark or changes in the manner of administration of a benchmark could result in an adjustment to the terms and conditions, early redemption, discretionary valuation by the Calculation Agent, delisting or other consequences in relation to the Warrants linked to such benchmark. No consent of the Warrantholders shall be required in connection with effecting any successor rate or alternative rate (as applicable). In

addition, no consent of the Warrantholders shall be required in connection with any other related adjustments and/or amendments to the terms and conditions of the Warrants (or any other document) which are made in order to effect any successor rate or alternative rate (as applicable).

Any such consequences could have a material adverse effect on the value or liquidity of and return on any such Warrants. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Warrants or could have a material adverse effect on the value or liquidity of, and the amount payable under, such Warrants.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation, the U.K. Benchmarks Regulation or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Warrants in making any investment decision with respect to any Warrants referencing a "benchmark".

Risk category 2: Factors that may affect the Issuer's ability to fulfil its obligations under Warrants issued under the Programme

The factors described below represent the inherent risks relating to MBL and the Macquarie Bank Group. The value of the Warrants depends upon, amongst other things, the ability of MBL to fulfil its obligations under the Warrants. The factors described below relating to MBL and the Macquarie Bank Group are not intended to be exhaustive and the Issuer makes no representation to the contrary.

Macro-economic risks

MBL's and the Macquarie Bank Group's business and results of operation have been and may, in the future, be adversely affected by financial markets, global credit and other economic and geopolitical challenges generally.

The Macquarie Bank Group's businesses operate in or depend on the operation of global markets, including through exposures in securities, loans, derivatives and other activities. The Macquarie Bank Group may be adversely affected by various factors it cannot control, including uncertainty and volatility in global credit markets, liquidity constraints, increased funding costs, the level and volatility of interest rates, constrained access to funding, uncertainty concerning government shutdowns and debt ceilings, changes in government spending due to geopolitical events, fluctuations in equity and capital market activity, supply chain disruptions and labour shortages. These factors could also adversely affect the Macquarie Bank Group's access to and costs of funding and in turn may negatively impact its liquidity and competitive position.

Global markets may also be adversely affected by climate change, extreme weather events or natural disasters, widespread health emergencies, cyber-attacks or campaigns, existing or emerging military conflicts (e.g. Russia-Ukraine, Israel-Palestine, the war between the United States/Israel and Iran and other conflicts in the Middle East), terrorism or other economically-significant external events such as increasing trade protectionism, tensions between the U.S. and China and concerns about China's intentions regarding Taiwan.

Existing or emerging conflicts have caused, and may continue to cause, supply shocks in energy, food and other commodities markets, disruption to global shipping lanes and supply chains, increased inflation, cybersecurity risks, increased volatility in commodity, currency and other financial markets and heightened geopolitical tensions. In particular, the ongoing conflict in the

Middle East between the United States/Israel and Iran has significantly impacted and is likely to continue impacting shipping activity, particularly for oil and LNG, and supply chains. These events have led to increased energy prices and price volatility, increasing inflation both globally and in Australia. A prolonged disruption of oil and LNG shipping as a result of this conflict may lead to a broader economic slowdown, negatively impacting the Macquarie Bank Group's businesses and results of operations. The extent and duration of the conflict in the Middle East, the likelihood of future escalations, the extent and impact of existing and future sanctions, the potential blockade of key trade corridors, other market disruptions and volatility, and the result of any diplomatic negotiations are highly uncertain. As a result, the Macquarie Bank Group has limited ability to fully assess the potential impact of this war on its operations and financial performance.

The dynamic and constantly evolving sanctions environment continues to drive heightened sanctions compliance risk and complexity in applying control frameworks across the market. New or increased sanctions, the lifting of sanctions or a divergence in sanctions regimes between the authorities with jurisdiction over the Macquarie Bank Group could continue to disrupt regional and global energy, commodities and financial markets, potentially impacting the Macquarie Bank Group's businesses and results of operations.

The trade barriers that have been imposed or threatened over the past year have disrupted, and are likely to continue to disrupt, global trade flows and economic growth and increase inflation and market volatility. The impact of these trade barriers has been exacerbated by unpredictable announcements, frequent revisions, legal challenges and short time frames for implementation. These trade barriers have increased and may continue to increase volatility in financial markets, including equity, currency and interest rate markets, adversely affect business investment, negatively impact investor confidence, lead to the re-direction of exports, reduce co-operation and escalate tensions between the countries targeted by trade barriers and result in lower economic growth in both the countries impacted by trade sanctions and globally, any of which may negatively impact MBL's and the Macquarie Bank Group's business and results of operations.

Actions by central banks, including changes to interest rate targets, balance sheet management and government-sponsored lending facilities, are beyond the Macquarie Bank Group's control and are difficult to predict. Sudden changes in monetary policy, including responses to increased inflation or changes to fiscal or trade policies, could lead to financial market volatility, affect market interest rates and the value of financial instruments and other assets and liabilities, and impact the Macquarie Bank Group's customers.

The Macquarie Bank Group's trading income may be adversely affected during times of subdued market conditions and client activity. Increased market volatility can lead to trading losses or cause the Macquarie Bank Group to reduce the size of its trading activities to limit its risk exposure.

Market conditions and declines in asset values may cause the Macquarie Bank Group's clients to transfer their assets out of the Macquarie Bank Group's funds, other products or their brokerage accounts, resulting in reduced net revenues.

The Macquarie Bank Group's realisations from asset sales may be less than anticipated in the event economic conditions deteriorate. These conditions may also negatively impact the Macquarie Bank Group's ability to exit investment positions due to decreased transaction activity. If financial markets decline, revenues from the Macquarie Bank Group's products may decrease. In addition, increased volatility may reduce the value of the Macquarie Bank Group's assets and increase the Macquarie Bank Group's capital requirements. Increased capital requirements may

require the Macquarie Bank Group to raise additional capital at times, and on terms that are less favourable than the Macquarie Bank Group would achieve during stable market conditions.

Sudden declines and significant volatility in asset prices may substantially reduce or eliminate the trading markets for certain assets, making it difficult to sell, hedge or value them. If the Macquarie Bank Group cannot sell or hedge these assets, its ability to limit losses is reduced. The Macquarie Bank Group may also have difficulty obtaining insurance that depends on asset values, or obtaining insurance on appropriate terms, as a result of this volatility. Difficulty in valuing assets may also negatively affect the Macquarie Bank Group's capital, liquidity or leverage ratios, increase funding costs and require the Macquarie Bank Group to hold additional capital.

Concerns about, or defaults by, one or more institutions or a sovereign entity could trigger market-wide liquidity problems, losses or defaults by other institutions, a drop in the value and liquidity of financial instruments and disruptions to capital markets that may further affect the Macquarie Bank Group. Negative perceptions of a financial institution's soundness can lead counterparties to limit their exposure and depositors to withdraw their deposits, further weakening the institution. Technology such as social media (and the speed at which information is disseminated) and online banking platforms mean that this can happen more quickly than in the past. Bank collapses in the United States and Europe in 2023 have heightened these concerns. The commercial soundness of many financial institutions may be closely interrelated due to credit, trading, clearing or other relationships among financial institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, hedge funds and exchanges that the Macquarie Bank Group deals with daily. If any of the Macquarie Bank Group's counterpart financial institutions fail, the Macquarie Bank Group's exposures to them may lose some or all their value. These events may have a serious adverse effect on the Macquarie Bank Group's liquidity, profitability and value.

MBL's and the Macquarie Bank Group's ability to operate their businesses could be impaired if their liquidity is constrained.

Liquidity is essential to MBL's and the Macquarie Bank Group's business. Financial institutions have failed in the past due to lack of liquidity. Inadequate liquidity, or even the perception thereof, poses a serious risk to their ability to operate. MBL's and the Macquarie Bank Group's liquidity may be impacted by factors such as deposit losses, market disruptions, macroeconomic shocks, increases to liquidity and regulatory capital requirements due to legal and regulatory changes, restrictive central bank actions such as quantitative tightening that may reduce monetary supply and increase interest rates, the insolvency of a major market participant or systemically important financial institution, any idiosyncratic event impacting MBL's or the Macquarie Bank Group's reputation and/or business, any other unexpected cash outflows or higher-than-anticipated funding needs. Uncertainty around these factors could undermine confidence in MBL and the Macquarie Bank Group or the financial system as a whole.

Factors beyond MBL's and the Macquarie Bank Group's control, such as periods of market stress, declining investor confidence or financial market illiquidity may increase their funding costs and reduce their access to conventional funding sources. Regulators may impose increased liquidity requirements on financial institutions, which could require MBL and the Macquarie Bank Group to hold larger amounts of highly liquid assets and/or constrain MBL's and the Macquarie Bank Group's ability to raise funding or deploy capital. MBL's and the Macquarie Bank Group's ability to liquidate assets may be impaired if there is not a liquid market for them, or other market participants are seeking to sell similar assets at the same time, as is likely to occur in a liquidity or other market crisis or in response to changes in law or regulation.

If MBL's and the Macquarie Bank Group's access to stable and lower cost sources of funding, such as customer deposits and the equity and debt capital markets, is reduced, they may need to seek alternative funding that could be more expensive or be limited in availability in order to satisfy their liquidity coverage and net stable funding requirements.

Failing to effectively manage MBL's and the Macquarie Bank Group's liquidity could constrain their ability to fund or invest in their businesses, adversely affecting their operations, prospects, financial performance or financial condition.

Failure of MBL or the Macquarie Bank Group to maintain their credit ratings and those of their subsidiaries could adversely affect their cost of funds, liquidity, competitive position and access to capital markets.

The credit ratings assigned to MBL or the Macquarie Bank Group and certain subsidiaries by rating agencies are based on their evaluation of a number of factors, including the Macquarie Bank Group's ability to maintain stable and diverse earnings, strong capital ratios, strong credit quality and risk management controls, funding stability and security, disciplined liquidity management as well as its key operating environments, including the availability of systemic support in Australia. A credit rating downgrade could also result from the occurrence of the other risks identified in this section or by other events that are not related to the Macquarie Bank Group where there has been no deterioration in its business, such as changes to ratings methodology or criteria.

Failure to maintain their current credit ratings could (i) adversely affect MBL's or the Macquarie Bank Group's funding costs, liquidity, competitive position, the willingness of counterparties to transact with the Macquarie Bank Group and its ability to access capital markets; or (ii) trigger MBL's or the Macquarie Bank Group's obligations under certain bilateral provisions in some of their trading and collateralised financing contracts. These provisions may permit counterparties to terminate contracts with the Macquarie Bank Group or require it to post collateral. Such terminations could cause losses and impair MBL's and the Macquarie Bank Group's liquidity by requiring them to find other sources of financing or to make significant cash payments or securities movements.

Changes and increased volatility in currency exchange rates may adversely impact the Macquarie Bank Group's financial results and its financial and regulatory capital positions.

Although the Financial Statements (as defined in the *"Documents Incorporated by Reference*" section) are presented in Australian Dollars, a significant portion of the Macquarie Bank Group's operating income and expenses arise from its offshore business activities, which are conducted in a variety of currencies. Changes in the exchange rate between the Australian Dollar and other currencies can impact the Macquarie Bank Group's financial statements and the economics of its business.

Although the Macquarie Bank Group seeks to carefully manage its exposure to foreign currencies, in part through matching assets and liabilities in local currencies and using foreign exchange forward contracts to hedge its exposure, the Macquarie Bank Group is still exposed to exchange risk, which is heightened during periods of significant currency volatility. If the Macquarie Bank Group is unable to hedge or has not completely hedged its exposure to currencies other than the Australian Dollar, the Macquarie Bank Group's reported profit and foreign currency translation reserve could be affected.

In addition, because the Macquarie Bank Group's regulatory capital position is assessed in Australian Dollars, its capital ratios may be adversely impacted by a depreciating Australian Dollar, which would increase the capital requirement for assets denominated in currencies other than Australian Dollars.

MBL's and the Macquarie Bank Group's businesses are subject to the risk of loss associated with price volatility in the equity markets and other markets in which they operate.

Changes in interest rates, exchange rates, equity and commodity prices, credit spreads and other market exposures could reduce the value of financial instruments and other financial assets that the Macquarie Bank Group carries at fair market value and reduce its advisory and other fee income. These changes may result from changes in economic conditions, monetary and fiscal policies, market liquidity, availability and cost of capital, international and regional political events, acts of war or terrorism, corporate, political, financial or other scandals that reduce investor confidence, natural disasters or pandemics or a combination of these or other factors.

MBL and the Macquarie Bank Group trade in foreign exchange, interest rate, commodity, bullion, energy, securities and other markets and are an active price maker in the derivatives market. Certain financial instruments that MBL and/or the Macquarie Bank Group hold and contracts they enter are complex, and these structured products often lack readily available markets in times of liquidity stress. Additionally, several markets MBL and the Macquarie Bank Group trade in, in particular energy markets, may experience heightened volatility due to uncertainty and supply chain disruptions from ongoing conflicts and the implementation or proposed implementation of new trade barriers. Changes in equity market prices or interest rates may reduce the value of MBL's and the Macquarie Bank Group's clients' portfolios, which in turn may reduce the fees they earn for managing assets in certain parts of their business. Higher interest rates or attractive prices for other investments could cause MBL's and the Macquarie Bank Group's clients to transfer their assets out of their funds or other products.

Interest rate risk arises from a variety of sources, including mismatches between the repricing periods of assets and liabilities. As a result of these mismatches, movements in interest rates can affect earnings or the value of the Macquarie Bank Group. See also "*Risk Factors – Factors that may affect the Issuer's ability to fulfil its obligations under the Warrants issued under the Programme – Macro-economic risks – Inflation has had, and could continue to have, a negative effect on MBL's and the Macquarie Bank Group's business, results of operations and financial condition*".

MBL's and the Macquarie Bank Group's businesses are subject to risks including trading losses, risks associated with market volatility and the risks associated with their physical commodities activities.

MBL's and the Macquarie Bank Group's commodities business primarily involves transacting with their clients and market counterparties to assist clients with managing risks related to their commodity exposures. MBL and the Macquarie Bank Group may also enter commodity transactions on their own behalf. These transactions often expose MBL and the Macquarie Bank Group to price movements in the underlying commodities. MBL and the Macquarie Bank Group employ risk management techniques including full or partial hedging to manage these risks. These techniques may not always be effective for a variety of reasons, including unforeseen events occurring outside their risk modelling. For example, some products may have limited

market liquidity and access to derivative markets may become constrained during periods of volatility, increasing the cost of hedging instruments. Counterparty risk may also be elevated at times of high volatility because counterparties may face financial stress, increasing MBL's and the Macquarie Bank Group's exposure to potential losses if counterparties default or fail to perform their obligations. See also *"Risk Factors – Factors that may affect the Issuer's ability to fulfil its obligations under the Warrants issued under the Programme – Counterparty credit risk – Failure of external parties to honour their commitments in connection with MBL's and the Macquarie Bank Group's trading, lending and other activities may adversely impact their business*".

While most of MBL's and the Macquarie Bank Group's commodities markets activities involve financial exposures, they will also have physical positions from time to time which expose them to the risks of owning and/or transporting commodities, some of which may be hazardous. Commodities involved in MBL's and the Macquarie Bank Group's intermediation activities and investments are also subject to the risk of unforeseen or catastrophic events beyond their control, including accidents and failures with refining, transportation and storage infrastructure, determinations made by exchanges, extreme weather events or other natural disasters, leaks, spills or release of hazardous substances, disruptions to global supply chains and shipping operations, changes to legislation and regulation, government action (for example, energy price caps or emergency measures) or geopolitical events, as well as emerging issues such as sustained refined fuel shortages that may create sourcing challenges and heighten delivery and contractual risks. These events may prevent MBL and the Macquarie Bank Group from performing under their agreements with clients, may impair their operations or financial results and may result in litigation, regulatory action, negative publicity or other reputational harm. While MBL and the Macquarie Bank Group seek to insure against potential risks, insurance may be uneconomic to obtain, inadequate to cover all losses or unavailable for some risks. There may also be substantial costs in complying with extensive and evolving laws and regulations relating to MBL's and the Macquarie Bank Group's commodities and risk management activities and investments, including energy and climate change laws and regulations worldwide. Increasingly complex sanctions regimes worldwide have increased risk and uncertainty in some areas of the commodities sector, by prohibiting the continuation of, or requiring significant restructuring of, large and complex transactions and potentially affecting planned exit strategies. See also "*Risk Factors – Factors that may affect the Issuer's ability to fulfil its obligations under the Warrants issued under the Programme – Legal and regulatory risks – The Macquarie Bank Group is subject to the risk of loss as a result of not complying with laws governing financial crime, including sanctions*".

Funding constraints of investors may impact MBL's and/or the Macquarie Bank Group's income.

MBL and the Macquarie Bank Group generate a portion of their income by selling assets to external parties. If buyers cannot obtain financing to purchase assets MBL and/or the Macquarie Bank Group are looking to sell, MBL and/or the Macquarie Bank Group may be required to hold these assets for longer than they intended or sell them at lower prices than they expected. This could reduce their return on investment and require funding for periods longer than anticipated.

Inflation has had, and could continue to have, a negative effect on MBL's and the Macquarie Bank Group's business, results of operations and financial condition.

While inflation has fallen from the elevated levels seen between 2020 and 2023, inflation levels remain above central bank targets in many economies, with recent events in the Middle East

likely to further increase inflation in the short term. Elevated inflation may result in faster than normal increases in labour and other operating costs, putting pressure on MBL's and the Macquarie Bank Group's expenses. Central bank actions in response to elevated inflation could slow economic growth, drive further financial market volatility and increase the risk of recession. Any combination of these factors could adversely affect the Macquarie Bank Group's clients, businesses and results of operations.

The Macquarie Bank Group could suffer losses due to climate change.

The Macquarie Bank Group's businesses could also suffer losses due to climate change, which is a driver of both financial and non-financial risks. Climate change related impacts include physical risks from changing climatic conditions which could result from increased frequency and/or severity of adverse weather events. These events could disrupt the Macquarie Bank Group's operations or the operations of customers or external parties on which the Macquarie Bank Group relies. They could also impact the ability of the Macquarie Bank Group's clients or customers to repay their obligations, reduce the value of collateral, negatively impact asset values and result in other effects. Climate change creates transition risks, such as changes to laws and regulations, technology development and disruptions and changes in consumer and market preferences towards low carbon goods and services. These factors could restrict the scope of the Macquarie Bank Group's existing businesses, limit the Macquarie Bank Group's ability to pursue certain business activities and offer certain products and services, amplify credit and market risks, negatively impact asset values, result in litigation, regulatory scrutiny and/or action, negative publicity or other reputational harm and/or otherwise adversely impact the Macquarie Bank Group, its business or its customers.

Climate risks can also arise from inconsistencies and conflicts in how climate policy and financial regulation is implemented in the regions where the Macquarie Bank Group operates, including initiatives with extraterritorial effect. Legislative or regulatory uncertainties and changes are also likely to increase regulatory, compliance, credit, reputation and other risks and costs.

The Macquarie Bank Group's ability to meet its climate-related goals, targets and commitments is subject to risks and uncertainties, many of which are outside of the Macquarie Bank Group's control. These include technology advances, public policies and challenges related to capturing, verifying, analysing and disclosing emissions and climate-related data. Failure to effectively manage these risks could adversely affect the Macquarie Bank Group's business, prospects, reputation, financial performance or financial condition.

Legal and regulatory risks

Many of MBL's and the Macquarie Bank Group's businesses are highly regulated and they could be adversely affected by temporary and permanent changes in law, regulations and regulatory policy.

The Macquarie Bank Group operates businesses across multiple jurisdictions and sectors that are regulated by multiple regulators. Some Macquarie Group entities, businesses and assets are subject to specific industry regulations. The Macquarie Bank Group's businesses include an ADI in Australia (regulated by APRA), a credit institution in Ireland (regulated by the Central Bank of Ireland), bank branches in the U.K., the Dubai International Finance Centre and Singapore, and representative offices in the United States, South Africa, Brazil and Switzerland. Banking regulations vary by country but generally aim to protect both depositors and the banking system, not holders of MBL's securities or creditors. As a diversified financial institution,

many of the Macquarie Bank Group's businesses are also subject to financial services regulation other than prudential banking regulation, as well as laws, regulations and oversight specific to particular industries. Failure to comply with any laws or regulations could adversely affect its business, prospects, reputation or financial condition.

Regulatory agencies and governments frequently review and revise banking and financial services laws, security and competition laws, fiscal laws and other laws, regulations and policies, including fiscal and trade policies, and the manner in which they enforce such laws. In particular, the laws and regulations related to privacy, information security and emerging technologies, such as artificial intelligence ("AI"), are rapidly evolving across jurisdictions. Any changes, including in the interpretation or implementation of laws, regulations or policies, could substantially affect MBL and the Macquarie Bank Group, their businesses, the products and services MBL and the Macquarie Bank Group offer (and their potential liability in respect of such products and services), the value of their assets, the entities through which they conduct their business or may have unintended consequences or impacts across MBL's and the Macquarie Bank Group's business. Regulatory changes may result in more stringent liquidity and capital adequacy requirements, increased tax burdens generally or on financial institutions or transactions, increased compliance costs, limits on the types of financial services and products that the Macquarie Bank Group can offer and/or increased competition, as well as changes to prudential regulatory requirements. Global economic conditions and increased scrutiny of governance, culture, remuneration and accountability in the banking sector have led to increased supervision and regulation and may lead to further significant changes. Health, safety, environmental and social laws and regulations can also change rapidly and significantly. Any adverse health, safety, environmental or social event, or changes to relevant laws or regulations or their enforcement could impact operations and/or result in material expenditures.

MBL and the Macquarie Bank Group have invested in renewable energy and other low-carbon technology projects and provide climate-related solutions (including capital and financing, risk management, and physical execution and logistics services across the renewable energy, clean fuels and critical minerals sectors) as part of their lending, trading, derivatives and other businesses to support their clients to decarbonise. Various governments and other funding agencies have provided subsidies and other support to reduce the cost of capital for these projects. However, political, economic or social pressures could lead to a reduction or the abandonment of government support and subsidies for the energy transition. If this happens, MBL, the Macquarie Bank Group and their clients may be unable to generate adequate returns from these projects and the market for MBL's and the Macquarie Bank Group's climate-related solutions may be significantly reduced, negatively impacting MBL's and the Macquarie Bank Group's business, results of operations and operational strategies.

In some countries in which the Macquarie Bank Group does business or may in the future do business, particularly in emerging markets, the laws and regulations are uncertain and evolving, and regulatory requirements or expectations may be difficult for the Macquarie Bank Group to determine. If the Macquarie Bank Group fails to comply with local laws and regulations, it could have a significant and negative effect on its businesses and its reputation.

The quantity and complexity of regulation and regulatory expectations continue to grow, often requiring the Macquarie Bank Group to make complex judgments, which increases the risk of non-compliance. Some regulatory changes involve multiple jurisdictions adopting a coordinated approach or certain jurisdictions expanding the territorial reach of their regulation. Future changes are unpredictable, beyond MBL's and the Macquarie Bank Group's control and may create

conflicting requirements. This could result in additional legal and compliance expenses and changes to their business practices that adversely affect their profitability.

APRA may introduce new prudential regulations or modify existing regulations, including those that apply to MBL as an ADI. Any such event could result in changes to the organisational structure of the Banking Group and/or the Macquarie Group and adversely affect the Macquarie Bank Group.

MBL and its subsidiaries are subject to laws and regulations that authorise regulatory bodies to block or reduce the flow of funds from those subsidiaries to MBL. Such restrictions or regulatory action could impede MBL's access to funds to make payments on its obligations, including debt obligations or dividend payments. See "*Regulation and Supervision*" on pages 110 to 126 for more information on the regulatory developments affecting the Macquarie Group, including MBL.

The Macquarie Bank Group is subject to the risk of loss as a result of not complying with laws governing financial crime, including sanctions.

The Macquarie Bank Group operates globally under laws and regulations relating to corrupt and illegal payments, counter-terrorism financing, anti-bribery and corruption and anti-money laundering, as well as laws, sanctions and economic trade restrictions relating to doing business with certain individuals, groups and countries. The geographical diversity of the Macquarie Bank Group's operations, employees, clients, customers, vendors and other external parties that it deals with, increases the risk that the Macquarie Bank Group may violate financial crime regulation. Emerging financial crime risk typologies may make it harder to track the movement of funds, increasing the risk of breaching laws and sanctions. The increasing use of advanced technologies, including AI, by criminal actors may further increase the sophistication, scale and speed of fraud, money laundering and sanctions-evasion activities, making them more difficult to detect and prevent. The Macquarie Bank Group's compliance depends on its ability to detect and report suspect transactions and maintain appropriate controls and oversight. Additionally, financial crimes and sanctions regimes are complex, constantly evolving, and often inconsistent across countries. Any compliance failure could adversely affect the Macquarie Bank Group's business activities and investments, as well as expose the Macquarie Bank Group to losses, enforcement risk and reputational harm.

A failure to comply with these requirements and expectations, even if inadvertent, could subject the Macquarie Bank Group to significant penalties (including criminal liability), revocation, suspension, restriction or variation of operating licences, reputational damage, a breach of its contractual arrangements, litigation by external parties (including potentially class actions) or limitations on the Macquarie Bank Group's ability to do business.

Amendments to the Australian Anti-Money Laundering and Counter-Terrorism Financing ("**AML-CTF**") regime came into effect on 31 March 2026. While the Macquarie Group is updating its policies, procedures and controls to comply with this new regime, full implementation will require a multi-year implementation programme, including complex technology upgrades to customer due diligence and reporting infrastructure. As a result, there is a risk that the Macquarie Group's implementation programme (in whole or in part) or timeframes will not be adequate, or that the implementation programme will not achieve the intended compliance outcomes. If this occurs, the Macquarie Group may be subject to regulatory scrutiny or enforcement action in relation to inadequate compliance with the new reforms. A failure to adequately update the Macquarie

Group's systems and processes to address the evolving complexity of financial crime risk could result in a breach of financial crime laws, which may result in substantial financial penalties and reputational damage, either of which could materially adversely impact the Macquarie Group. For more information about these amendments, see "*Macquarie Bank Limited – Regulation and Supervision – Australian regulatory developments – Australian AML-CTF reforms*".

MBL and the Macquarie Bank Group may be adversely affected by increased governmental and regulatory scrutiny or negative publicity.

Governmental scrutiny of the financial sector as well as the Macquarie Bank Group's specific business operations, capital, liquidity, financial and non-financial risk management and other matters from regulators, legislative bodies and law enforcement agencies has increased dramatically in recent years. Negative political and public sentiment regarding financial institutions has resulted in significant adverse press coverage. In some cases, increased regulatory scrutiny has led to enforcement actions and litigation as well as adverse statements by regulators. Responding to and addressing such matters, regardless of the outcome, is time-consuming, expensive, can adversely affect investor confidence and can divert the time and effort of the Macquarie Bank Group's staff (including senior management) from their business.

Investigations, inquiries, penalties and fines sought by regulatory authorities have increased substantially in recent years, with regulators exercising enhanced enforcement powers in commencing enforcement actions and advancing or supporting legislation targeted at the financial services industry. These regulatory actions are also common in other industries in which the Macquarie Bank Group's businesses operate. If the Macquarie Bank Group is subject to adverse regulatory findings, the financial penalties could have a material adverse effect on its results or operations. Adverse publicity, governmental scrutiny and legal and enforcement proceedings can also have a negative impact on the Macquarie Bank Group's reputation with clients and on the morale and performance of its employees.

New or changing government rules and policies may result in government or public scrutiny of the Macquarie Bank Group's business in ways the Macquarie Bank Group has not previously experienced, including in areas such as employment practices and its association with groups and initiatives focused on environmental and social goals. The Macquarie Bank Group's efforts to comply with rules and norms across all of the jurisdictions in which it operates may expose it to legal risk and criticism from governments and other stakeholders and harm its reputation.

Litigation and regulatory actions may adversely impact MBL's and the Macquarie Bank Group's results of operations.

MBL and the Macquarie Bank Group may be subject to material litigation and regulatory actions, for example, as a result of inappropriate documentation of contractual relationships, class actions or regulatory breaches, which could adversely impact their results of operations and financial condition or their reputation. MBL and the Macquarie Bank Group entities regularly obtain legal advice and make provisions, as deemed necessary. There is a risk that any losses may be larger than anticipated or provided for, or that additional litigation, regulatory actions or other contingent liabilities may arise. Even where monetary damages are small, an adverse finding could harm MBL's and the Macquarie Bank Group's reputation or brand and adversely impact their business.

Counterparty credit risk

Failure of external parties to honour their commitments in connection with MBL's and the Macquarie Bank Group's trading, lending and other activities may adversely impact their business.

MBL and the Macquarie Bank Group are exposed to potential losses if an individual, counterparty or issuer does not honour its contractual obligations. MBL and the Macquarie Bank Group are also exposed to concentration risk arising from large individual exposures or concentrations by industry or country. MBL and the Macquarie Bank Group assume counterparty credit risk through their lending, trading, derivatives and other businesses where they rely on external parties to satisfy their financial obligations to them in full and on time. MBL's and the Macquarie Bank Group's recovery of the value of the resulting credit exposure may be adversely affected by factors such as the counterparty's financial condition, the value of collateral they hold and the market value of counterparty obligations they hold. Changes in sanctions laws may affect the credit condition of their counterparties, with those whose businesses were developed around the ability to trade in or utilise now-sanctioned commodities more likely to be negatively affected. A period of low or negative economic growth, changes in market conditions or stressed or volatile markets and/or a rise in unemployment could adversely impact the ability of MBL's and the Macquarie Bank Group's retail and/or commercial borrowers or counterparties to meet their financial obligations and negatively impact MBL's and the Macquarie Bank Group's credit portfolio. Borrowers may be negatively impacted by inflation, resulting in drawdowns of savings or increases in household debt. Higher interest rates, which have increased debt servicing costs for some businesses and households, may adversely impact credit quality, particularly in a period of low or negative economic growth. If the macroeconomic environment worsens, MBL's and the Macquarie Bank Group's credit portfolio and allowance for credit losses could be adversely impacted. Please refer to Note 30 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Base Prospectus for details on the concentration of credit risk by significant geographical locations and counterparty types.

MBL and the Macquarie Bank Group are also subject to the risk that their rights against external parties may not be enforceable in all circumstances and jurisdictions, which may result in losses.

MBL and the Macquarie Bank Group may experience impairments in their loans and other assets.

MBL and its subsidiaries recorded A$358 million of credit and other impairment charges for the financial year ended 31 March 2026, including A$291 million for net credit impairment charges, and A$67 million for net other impairment charges on interests in associates and joint ventures, intangible assets and other non-financial assets. Credit and other impairments may be required in future periods depending upon the credit quality of MBL's and the Macquarie Bank Group's counterparties or if the market value of assets similar to those held were to decline. Credit and other impairment charges may also vary following a change to the inputs or forward-looking information used in the determination of expected credit losses. Please refer to Note 7 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Base Prospectus for further information on the determination of expected credit losses.

Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading markets for certain assets, making them very difficult to sell, hedge or value. If MBL and the Macquarie Bank Group cannot sell, hedge or value assets, their ability to limit losses and the difficulty in valuing assets may negatively affect their capital, liquidity or leverage

ratios and increase their funding costs and require them to maintain additional capital.

Operational risks

MBL's and the Macquarie Bank Group's ability to retain and attract qualified employees is critical to the success of their business and the failure to do so may materially adversely affect their performance.

MBL's and the Macquarie Bank Group's employees are critical to their success. MBL's and the Macquarie Bank Group's continued ability to compete effectively in their businesses and to expand into new business areas and geographic regions depends on their ability to retain and motivate their existing employees and attract new employees. Competition for qualified employees has historically been intense within the financial services industry and from businesses outside the financial services industry, such as professional service firms, hedge funds, private equity funds, commodity trading houses and technology firms. Remuneration costs required to attract and retain employees may increase and the competitive market for talent may further intensify. Recent employment conditions have made the competition to hire and retain qualified employees more challenging and costly, particularly for mid-to-senior level employees with specialised capabilities. Attrition rates may also be impacted by factors such as changes in worker expectations, including an increased demand for remote work options, flexibility and opportunities for career growth.

To attract and retain qualified employees, MBL and the Macquarie Bank Group must remunerate at or above market levels. As a result, employee remuneration is typically the Macquarie Bank Group's greatest expense as its performance-based remuneration has historically been cash and equity based and highly variable. Recent market events have increased regulatory and public scrutiny of corporate remuneration policies and the establishment of criteria against which industry remuneration policies may be assessed. As a regulated entity, MBL may be subject to limitations on remuneration practices (which may or may not affect its competitors). These limitations may require MBL and the Macquarie Bank Group to further alter their remuneration practices in ways that could adversely affect their ability to attract and retain qualified and talented employees.

Rapid advances in technology, such as digital automation and AI, may change the composition of MBL's and the Macquarie Bank Group's workforce by reducing the need for some roles and increasing demand for more complex or specialised capabilities, particularly in digital architecture and engineering, data and analytics and risk management, paired with higher order human capabilities such as judgement, problem solving, leadership and ethical decision making. These advances are likely to drive increased competition for candidates with these specialised capabilities at all levels. As a result, these advances could require MBL and the Macquarie Bank Group to manage workplace displacement and spend more on employee training and recruitment, especially for high demand skills and talent segments. If MBL and the Macquarie Bank Group are unable to effectively manage these processes, their business and operations may be adversely affected.

Current and future laws (including laws relating to immigration and outsourcing) may restrict MBL's and the Macquarie Bank Group's ability to move responsibilities or employees between jurisdictions. This may impact MBL's and the Macquarie Bank Group's ability to pursue business and growth opportunities or potential efficiencies.

MBL and the Macquarie Bank Group may incur financial loss, adverse regulatory consequences

or reputational damage due to inadequate or failure in internal or external operational systems and infrastructures, people and processes.

MBL's and the Macquarie Bank Group's businesses depend on daily processing and monitoring of a large number of transactions, many of which are highly complex, across numerous and diverse markets in many currencies. While MBL and the Macquarie Bank Group employ a range of risk monitoring and risk mitigation techniques, the techniques and judgments that accompany their application cannot anticipate every economic and financial outcome or the specifics and timing of such outcomes. As a result, MBL and the Macquarie Bank Group may incur losses. There can be no assurance that the risk management processes and strategies that MBL and the Macquarie Bank Group have developed will adequately anticipate or be effective in addressing market stress or unforeseen circumstances. For a further discussion of MBL's and the Macquarie Bank Group's risk management policies and procedures, please refer to Note 30 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Base Prospectus.

MBL and the Macquarie Bank Group face the risk of operational failure, termination or capacity constraints of counterparties, pricing publications, clearing agents, exchanges, clearing houses or other financial intermediaries MBL and the Macquarie Bank Group use to facilitate their securities, commodities or derivatives transactions. As MBL's and the Macquarie Bank Group's interconnectivity with their clients and counterparties grows, failures in their systems pose increasing risk to MBL and the Macquarie Bank Group. Any such failure, termination or constraint could adversely affect MBL's and the Macquarie Bank Group's ability to effect or settle transactions, service their clients, manage their exposure to risk, meet their obligations to counterparties or expand their businesses. It could also lead to financial loss or liability to their clients and counterparties, impairment of their liquidity, disruption of their businesses, regulatory intervention or reputational damage.

As MBL's and the Macquarie Bank Group's client base, business activities and geographical reach expands, developing and maintaining their operational systems and infrastructure becomes increasingly challenging. MBL and the Macquarie Bank Group must continuously update these systems to support their operations and growth, which is expensive and carries integration risk. MBL's and the Macquarie Bank Group's financial, accounting, data processing or technology assets may fail or be disrupted by events that are wholly or partially beyond their control, such as a malicious cyber-attack, a disruption event at an external supplier or the discontinuation of a service by an external supplier.

The Macquarie Bank Group's businesses manage a large volume of sensitive data and rely on the secure processing, transmission, storage and retrieval of confidential, proprietary and other information in their data management systems and technology, and those of the Macquarie Bank Group's external providers. Inadequate data governance, management and control across the data lifecycle, which includes the capture, processing, retention, publication, use, archiving and disposal of data, could lead to poor decisions and breaches of data management regulatory obligations. This may cause the Macquarie Bank Group to incur losses or lead to regulatory actions. MBL and the Macquarie Bank Group are subject to privacy and data management laws, rules and regulations in multiple jurisdictions, which regulate their privacy policies and the disclosure, collection, use, sharing and safeguarding of personally identifiable information of certain parties, such as their employees, customers, suppliers, counterparties and other external parties. A violation of these privacy and data management laws, rules and regulations could result in litigation, regulatory fines and enforcement actions. Furthermore, a breach, failure or

other disruption of MBL's and the Macquarie Bank Group's data management systems and technology, or those of their external service providers, could lead to the unauthorised or unintended release, misuse, alteration, loss or destruction of personal or confidential data about their customers, employees or other external parties in their possession. A purported or actual unauthorised access or unauthorised disclosure of personal or confidential data could materially damage MBL's and the Macquarie Bank Group's reputation and expose MBL and the Macquarie Bank Group to liability for violations of privacy and data protection laws.

MBL and the Macquarie Bank Group are exposed to the risk of loss resulting from the failure of their internal or external processes and systems, such as from the disruption or failure of their IT systems, or from external suppliers and service providers, including public and private cloud-based technology platforms. Such operational risks may include theft, fraud, poor employment practices, inadequate workplace safety, improper business practices, mishandling of client moneys or assets, client suitability and servicing risks, product complexity and pricing, valuation risk or improper recording, evaluating or accounting for transactions or breaches of their internal policies and regulations. There is increasing regulatory and public scrutiny concerning the appropriate management of data and the resilience of outsourced and offshore activities and their associated risks. If MBL and the Macquarie Bank Group fail to manage these risks appropriately, they may incur financial losses, regulatory intervention, penalties and/or damage to their reputation which may impact their ability to attract and retain clients.

MBL and the Macquarie Bank Group are exposed to the risk of loss and adverse impact to their external stakeholders resulting from the behaviour, actions or omissions by individuals employed by, or on behalf of, them or who represent them or their business activities, including when providing financial products and services to clients, dealing with counterparties and operating in markets globally. Conduct risks can arise from lack of reasonable care and diligence or intentional malfeasance, fraud and other misconduct, including the misuse of company and client information in connection with insider trading or for other purposes. Even if promptly discovered and remediated, this can result in customer, client or market harm, reputational damage and material losses and liabilities for MBL and the Macquarie Bank Group. Whilst MBL and the Macquarie Bank Group have a range of controls and processes to minimise their conduct risk exposure and identify and manage employee and firm behaviour, in line with their risk management policies, it is not always possible to deter or prevent misconduct. The controls and processes of MBL and the Macquarie Bank Group to prevent and detect this activity may not be effective in all cases, which could result in customer, client or market harm, financial losses, regulatory intervention and reputational damage.

MBL's and the Macquarie Bank Group's use of AI tools, including those developed internally, may expose them to new or heightened risks.

The Macquarie Bank Group has developed and deployed AI tools, including generative AI and AI agents, for both internal use and for use by its customers, and anticipates these tools will play an increasing role within its business in the future. Inadequate development and deployment practices, such as poor design, insufficient testing, inadequate safeguards or inappropriate reliance on these tools, could result in adverse consequences, such as customers relying on inaccurate or incomplete outputs in making financial decisions, which could negatively impact the Macquarie Bank Group's reputation and its results of operation and may also lead to regulatory action. The use of AI tools may also increase the Macquarie Bank Group's risk of cyberattacks, system manipulation or data loss if the tools are not designed or implemented with appropriate safeguards. In addition, compliance with new or changing laws, regulations or

industry standards relating to AI may impose additional operational risks and costs. Failure to sufficiently manage these risks could expose the Macquarie Bank Group to adverse legal, regulatory or reputational consequences.

The use of third-party AI tools also exposes the Macquarie Bank Group to risks arising from its development and training methods, including the potential inclusion of unauthorised material in its training data, over which the Macquarie Bank Group has limited visibility or control. Using these tools may lead to the Macquarie Bank Group inadvertently infringing on the intellectual property rights of others and increase data exfiltration risks.

A cyber-attack, information security incident or technology disruption event of MBL or the Macquarie Bank Group or of an external supplier could adversely affect MBL's or the Macquarie Bank Group's ability to conduct their business, manage their exposure to risk or expand their businesses. This may result in the disclosure or misuse of confidential or proprietary information and may increase MBL's or the Macquarie Bank Group's costs to maintain and update their operational and security controls and infrastructure.

The Macquarie Bank Group's businesses depend on the security and efficacy of its data management systems and technology, as well as those of external parties it interacts with or relies on. To access the Macquarie Bank Group's network, products and services, its customers and other external parties may use personal devices that are outside of its network environment and are subject to their own cybersecurity risks. While the Macquarie Bank Group seeks to operate in a control environment that limits the likelihood or severity of a cyber or information security incident, and to ensure that the impact of a cyber or information security incident can be minimised by its cyber and information security capabilities and incident response, there can be no assurances that these controls will provide absolute security against a dynamic external threat environment.

Cyber and information security risks for financial institutions have increased in recent years, in part because of the proliferation of new technologies, the use of internet and telecommunications technology, the increase in remote working arrangements, and the increased sophistication and activities of attackers (including hackers, organised criminals, terrorist organisations, hostile state-sponsored activity, disgruntled individuals, activists and other external parties). The increased accessibility and sophistication of AI tools and models have increased these risks, enabling attackers to plan and execute cyberattacks more effectively. This has led to more personalised and harder-to-detect social engineering attacks, faster identification of exploitable vulnerabilities and an increase in the frequency, speed and scale of attacks. Global events and geopolitical instability may increase security threats targeted at financial institutions. Targeted social engineering attacks are becoming more sophisticated and are extremely difficult to prevent, requiring constant vigilance by the Macquarie Bank Group's employees. The techniques used by attackers change frequently and may only be recognised after a breach has occurred. Cyber-attacks or security breaches at the Macquarie Bank Group's suppliers may also not be disclosed to it in a timely manner.

Despite ongoing efforts to protect the integrity of the Macquarie Bank Group's systems through the implementation of controls, processes, policies and other protective measures, there is no guarantee that these measures will provide absolute security or recoverability given that the techniques used in cyber-attacks are complex, executed rapidly, frequently evolving, and as a result are difficult to prevent, detect and respond to.

Increasing consolidation, interdependence and complexity of financial entities, technology

systems and supply chains mean that a technology failure or disruption, cyber-attack or other information security incident that significantly impacts the systems or data of one or more financial entities could have a material impact on counterparties and other market participants, including the Macquarie Bank Group. This consolidation, interconnectivity and complexity increases the risk of operational failure, on both individual and industry-wide bases, as disparate systems need to be integrated. Any technology failure or disruption, cyber-attack, information security incident, termination or constraint on or by any of the Macquarie Bank Group's external parties could, among other things, adversely affect the Macquarie Bank Group's ability to effect transactions, service its clients, manage its exposure to risk or expand its businesses.

The Macquarie Bank Group anticipates cyber-attacks will continue because perpetrators are well resourced and use highly sophisticated, rapidly evolving techniques. The Macquarie Bank Group expects new AI models to enable perpetrators to identify weaknesses in IT systems more quickly and effectively than has previously been the case. This makes it challenging to implement effective controls to prevent or minimise damage from cybersecurity threats. Cyber-attacks or other information security breaches, whether targeting the Macquarie Bank Group or external parties, may result in a material loss or have adverse consequences for the Macquarie Bank Group, including operational disruption, financial losses, reputational damage, theft of intellectual property and customer data, violations of privacy laws and other laws, litigation exposure, regulatory fines, penalties or intervention, loss of confidence in its security measures and additional compliance costs, all of which could have a material adverse impact on the Macquarie Bank Group.

MBL's and the Macquarie Bank Group's operations rely on their ability to maintain an appropriately staffed workforce, and on the competence, engagement, health, safety and wellbeing of employees and contractors.

MBL's and the Macquarie Bank Group's ability to operate their businesses efficiently and profitably, to offer products and services that meet the expectations of their clients and customers, and to maintain an effective risk management framework is highly dependent on their ability to staff their operations appropriately and on the competence, integrity, health, safety and wellbeing of their employees and contractors.

MBL's and the Macquarie Bank Group's operations could be impaired if the measures they take to ensure the health, safety and wellbeing of their employees and contractors are ineffective, or if any external party they rely on fails to take effective actions to protect the health and safety of their employees and contractors.

The Macquarie Bank Group could suffer losses due to hostile, catastrophic or unforeseen events, including due to environmental and social factors.

The Macquarie Bank Group's businesses are subject to the risk of unforeseen, hostile or catastrophic events, many of which are outside of its control. These include natural disasters, extreme weather events (such as persistent winter storms or protracted droughts), leaks, spills, explosions, release of toxic substances, fires, accidents on land or at sea, shipping disruptions, terrorist attacks, existing or emerging military conflicts or other hostile or catastrophic events. Any significant environmental change or external event (including increased frequency and severity of storms, floods and other catastrophic events such as earthquakes, persistent changes in precipitation levels, rising global temperatures, rising sea levels, pandemics, other widespread health emergencies, civil unrest, geopolitical or terrorism events) has the potential

to disrupt business activities, impact the Macquarie Bank Group's operations or reputation, increase credit risk and other credit exposures, damage property and affect the value of assets and the Macquarie Bank Group's ability to recover amounts owed to it.

Such events may prevent the Macquarie Bank Group from performing under its agreements with clients, impair its operations or financial results, and result in litigation, regulatory action, negative publicity or other reputational harm. The Macquarie Bank Group may also not be able to insure against these risks and the insurance it has may not cover its losses. Any such long-term, adverse environmental or social consequences could prompt the Macquarie Bank Group to exit certain businesses altogether. Such an event or environmental change could also have an adverse impact on economic activity, consumer and investor confidence, or the levels of volatility in financial markets.

The Macquarie Bank Group faces increasing public scrutiny and laws and regulations related to environmental, social and governance ("ESG") factors, including in respect of "greenwashing" practices. When conducting business, including throughout the Macquarie Bank Group's investment and procurement processes, the Macquarie Bank Group risks damage to its brand and reputation if it fails to act responsibly in areas such as diversity and inclusion, environmental stewardship, respecting the rights of Indigenous Peoples, support for local communities, corporate governance and transparency and respecting human rights. The Macquarie Bank Group is also subject to competing demands from different stakeholder groups with divergent views on ESG factors, including by governmental and regulatory officials in various geographical markets in which it operates and invests. Failure to effectively manage these risks may result in breaches of the Macquarie Bank Group's statutory obligations and harm its reputation, and could adversely affect the Macquarie Bank Group's business, prospects, reputation, financial performance or financial condition.

Failure of the Macquarie Bank Group's insurers or its failure to maintain adequate insurance cover could adversely impact its results of operations.

The Macquarie Bank Group maintains insurance that it considers to be prudent for the scope and scale of its activities. If the Macquarie Bank Group's insurers fail to perform their obligations to the Macquarie Bank Group and/or its third-party cover is insufficient, its net loss exposure could adversely impact its results of operations.

The Macquarie Bank Group is subject to risks in using custodians.

Certain products the Macquarie Bank Group manages depend on custodians to carry out certain securities transactions. Securities held at custodians are typically segregated. If a custodian becomes insolvent, the Macquarie Bank Group may not be able to recover equivalent unsegregated assets in full as the beneficiaries of these products will rank among the custodian's unsecured creditors. In addition, the cash held with a custodian in connection with these products will not be segregated from the custodian's own cash, and the creditors of these products will rank as unsecured creditors in relation to the cash they have deposited.

MBL may be exposed to contagion risk as it does not control the management, operations or business of entities in the Macquarie Group that are not part of the Macquarie Bank Group.

Entities in the Macquarie Group that are not part of the Macquarie Bank Group may establish or operate businesses separately from the businesses of the Macquarie Bank Group and are not obligated to support the businesses of the Macquarie Bank Group, other than as required by

APRA prudential standards. The activities of those entities may have an impact on the Macquarie Bank Group.

Strategic risks

MBL's and the Macquarie Bank Group's business may be adversely affected by their failure to adequately manage the risks associated with strategic opportunities and new businesses, including acquisitions, and the exiting or restructuring of existing businesses.

MBL and other entities in the Macquarie Bank Group are continually evaluating strategic opportunities and undertaking acquisitions of businesses, some of which may be material to their operations. MBL's and/or the Macquarie Bank Group's completed and prospective acquisitions and growth initiatives may subject them to unknown liabilities and additional or different regulations.

Future growth, including through acquisitions, mergers and other corporate transactions, may place significant demands on the Macquarie Bank Group's legal, accounting, IT, risk management and operational infrastructure and result in increased expenses. The Macquarie Bank Group's business initiatives and further expansions of existing businesses are likely to bring it into contact with new clients, asset classes and other products or markets. These activities expose the Macquarie Bank Group to new and enhanced risks, including reputational concerns from dealing with new counterparties and investors, actual or perceived conflicts of interest, regulatory scrutiny of these activities, potential political pressure, increased credit-related and operational risks, including risks arising from IT systems, and reputational concerns with how these businesses are operated.

When MBL and such other Macquarie Bank Group entities make an acquisition, they may over-value the acquired asset, fail to achieve expected synergies or cost savings, incur losses, lose customers and market share, face disruptions to their operations resulting from integrating the systems, processes and personnel (including in respect of risk management) of the acquired business or divert management's time away from the rest of their business. MBL and other entities in the Macquarie Bank Group may also underestimate the cost of outsourcing, exiting or restructuring existing businesses. Acquisitions in foreign jurisdictions, especially in emerging or growth economies may expose the Macquarie Bank Group to heightened levels of regulatory scrutiny and political, social or economic disruption and sovereign risk.

MBL's and the Macquarie Bank Group's businesses depend on the Macquarie Group's brand and reputation.

The Macquarie Bank Group believes its reputation in the financial services markets and the recognition of the Macquarie brand are important contributors to its business. Many companies in the Macquarie Group and many of the funds managed by entities owned, in whole or in part, by the Macquarie Group use the Macquarie name. The Macquarie Bank Group does not control those entities that are not in the Macquarie Bank Group, but their actions may reflect directly on its reputation.

The Macquarie Bank Group's business may be adversely affected by negative publicity or poor financial performance in relation to any of the entities using the Macquarie name, including any Macquarie-managed fund or fund promoted or associated with Macquarie. Investors and lenders may associate such entities and funds with the name, brand and reputation of the Macquarie Bank Group and the Macquarie Group and other Macquarie-managed funds. If

funds that use the Macquarie name or are otherwise associated with Macquarie-managed infrastructure assets, such as roads, airports, utilities and water distribution facilities that people view as community assets, are perceived to be managed inappropriately, those managing entities could be subject to criticism and negative publicity, harming the reputation of MBL, the Macquarie Bank Group and the reputation of other entities that use the Macquarie name.

Competitive pressure, both in the financial services industry as well as in the other industries in which MBL and the Macquarie Bank Group operate, could adversely impact their business.

MBL and the Macquarie Bank Group face significant competition from local and international competitors across markets and sectors where the Macquarie Bank Group operates. Competitors include asset managers, retail and commercial banks, private banking firms, investment banking firms, brokerage firms, internet-based firms, commodity trading firms and other investment and service firms as well as businesses in adjacent industries in connection with the various funds and assets they manage and services they provide. This includes specialist competitors that may not be subject to the same capital and regulatory requirements, allowing them to operate more efficiently.

Digital technologies and business models are changing consumer behaviour and the competitive environment. Customers increasingly use digital channels to conduct their banking. Emerging competitors are increasingly utilising new technologies and seeking to disrupt existing business models, including in relation to digital payment services, digital assets and open data banking. These technologies could challenge, and could potentially disrupt, traditional financial services. MBL and the Macquarie Bank Group face competition from established providers of financial services as well as businesses developed by non-financial services companies. MBL and the Macquarie Bank Group expect that pricing pressures will continue as their competitors seek to obtain or increase market share.

The widespread adoption and rapid evolution of new technologies, including process automation, machine learning and AI, analytic capabilities, self-service digital trading platforms and automated trading markets, internet services and digital assets, such as central bank digital currencies, cryptocurrencies (including stablecoins), tokens and other crypto assets, and clearing and settlement processes could have a substantial impact on the financial services industry. As these technologies develop, customer demand for products and services based on these technologies may increase, and new technologies may increasingly be integrated into internal processes to generate efficiencies. If MBL and the Macquarie Bank Group are unable to match the speed or success of their competitors in developing and integrating these technologies, they may be unable to compete effectively, adversely affecting MBL's and the Macquarie Bank Group's business and results of operations.

Consolidation in the global financial services industry may create stronger competitors with broader product and service offerings, increased access to capital, and greater efficiency and pricing power which may enhance their competitive position. In addition to mergers and acquisitions pursued for commercial reasons, consolidation may also occur as a result of bank regulators encouraging or directing stronger institutions to acquire weaker institutions to preserve stability. The effect of competitive market conditions, especially in the Macquarie Bank Group's main markets, products and services, may lead to an erosion in its market share or margins.

Conflicts of interest could limit the Macquarie Bank Group's current and future business opportunities.

As the Macquarie Bank Group expands its businesses and its client base, it increasingly has to address actual, potential or perceived conflicts of interest. This includes situations where its services to a client conflict with (or are perceived to conflict with) its interests or the interests of another client, or where one business has access to material non-public information that cannot be shared with other businesses within the Macquarie Group. While the Macquarie Bank Group has procedures and controls in place to identify and manage conflicts of interest, failing (or being perceived to fail) to appropriately deal with these matters could damage its reputation and the willingness of clients or counterparties to enter into transactions may be adversely affected. In addition, failure to manage conflicts of interest could give rise to claims by and liabilities to clients, litigation or enforcement actions.

Tax

MBL's and the Macquarie Bank Group's business operations expose them to potential tax liabilities that could have an adverse impact on their results of operations and their reputation.

MBL and the Macquarie Bank Group are exposed to costs and risks from how Australian and international tax regimes may be applied, enforced and/or amended, both in terms of their own tax compliance and the tax aspects of transactions involving their clients and other external parties.

MBL's and the Macquarie Bank Group's international, multi-jurisdictional platform increases their tax risks. Any actual or alleged failure to comply with, or any change in the implementation, interpretation, application or enforcement of, applicable tax laws and regulations could adversely affect MBL's and the Macquarie Bank Group's reputation and affected business areas, significantly increase their effective tax rate or tax liability and expose them to legal, regulatory and other actions.

Accounting standards

Changes in accounting standards, policies, interpretations, estimates, assumptions and judgments that could have a material impact on the financial results of MBL and the Macquarie Bank Group.

MBL's and the Macquarie Bank Group's accounting policies are fundamental to how they record and report their financial position and results of operations. These policies require the use of estimates, assumptions and judgements that affect the reported value of MBL's and the Macquarie Bank Group's assets or liabilities and results of operations. Management is required to determine estimates and apply subjective and complex assumptions and judgements about matters that are inherently uncertain. Changes in those estimates, assumptions and judgements are accounted for prospectively as a change in accounting estimate unless it is determined that either (i) the determination was in error or
(ii) the accounting policy which sets out the application of those estimates, assumptions and judgements has changed, in which case the previous reported financial information is re-presented.

Accounting standard setting bodies issue new accounting standards and interpretations in response to outreach activities, evolving interpretations, application of accounting principles as well as changes in market developments. In addition, changes in interpretations by accounting standard setting bodies, regulators, and MBL's and the Macquarie Bank Group's independent external auditor may also arise from time to time. These changes may be difficult to predict and

may impact how MBL and the Macquarie Bank Group prepare and report their financial statements. In some cases, MBL and the Macquarie Bank Group may be required to apply a new or revised standard or change in interpretation retrospectively, resulting in a requirement to re-present their previously reported financial information.

The risk factors described above are the risks the Issuer considers to be material for the taking of an informed investment decision in respect of the Warrants based on the probability of their occurrence and the expected magnitude of their negative impact. Additional risks and uncertainties may also arise or become more material after the date of this Base Prospectus which could also have a material impact on the Issuer's business operations in the future.

Documents Incorporated by Reference

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

Any non-incorporated parts of a document referred to below are either deemed not relevant for the investor or covered in another part of this Base Prospectus. Any documents themselves incorporated by reference into the documents incorporated by reference into this Base Prospectus shall not form part of this Base Prospectus.

Macquarie Bank Annual Report

The 2026[1] Annual Report of Macquarie Bank, which includes the audited Annual Financial Report of Macquarie Bank consolidated with its subsidiaries (the "**Financial Statements**") for the financial year ended 31 March 2026 and the related independent auditor's report, shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus.

The Financial Statements of Macquarie Bank consolidated with its subsidiaries for the financial year ended 31 March 2026 includes the Income statements, Statements of comprehensive income, Statements of financial position, Statements of changes in equity, Statements of cash flows, Notes to the financial statements, Consolidated Entity Disclosure Statement, Directors' declaration and Independent auditor's report on the following pages:

	2026 Annual Report
Income statements	59
Statements of comprehensive income	60
Statements of financial position	61
Statements of changes in equity	62
Statements of cash flows	63
Notes to the financial statements	64 – 193
Consolidated entity disclosure statement	194 – 196
Directors' declaration	197
Independent auditor's report	198 – 202

[1] www.macquarie.com/assets/macq/investor/reports/2026/macquarie-bank-fy26-annual-report.pdf

Macquarie Bank Interim Financial Report

The 2027[2] Interim Financial Report of Macquarie Bank, which includes the unaudited interim Financial Report of Macquarie Bank consolidated with its subsidiaries for the half year ended 30 September 2026, and the Independent auditor's review report in respect of that Financial Report, shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus.

The unaudited 2027 Interim Financial Report of Macquarie Bank consolidated with its subsidiaries for the half year ended 30 September 2026 includes the Consolidated income statement, Consolidated statement of comprehensive income, Consolidated statement of financial position, Consolidated statement of changes in equity, Consolidated statement of cash flows, Notes to the consolidated financial statements, Directors' declaration and Independent auditor's review report on the following pages:

	2027 Interim Financial Report
Consolidated income statement	19
Consolidated statement of comprehensive income	20
Consolidated statement of financial position	21
Consolidated statement of changes in equity	22
Consolidated statement of cash flows	23
Notes to the consolidated financial statements	24 – 59
Directors' declaration	60
Independent auditor's review report	61

Future Incorporation by Reference

In addition to the above, any future (1) audited annual financial statements of Macquarie Bank and the consolidated annual financial statements of Macquarie Bank and its subsidiaries (including the notes thereto, the Consolidated Entity Disclosure Statement, the Directors' declaration and the Independent Auditor's Report); and (2) consolidated unaudited interim financial statements of Macquarie Bank and its subsidiaries (including the notes thereto, the Directors' declaration and the Independent Auditor's Review Report), in each case, published after the date of approval of this Base Prospectus by the Luxembourg Stock Exchange, shall be deemed to be incorporated in and to form part of, this Base Prospectus as and when they are published during the period of 12 months from the date of this Base Prospectus on www.macquarie.com/au/en/investors/reports, and as notified to the public through the Financial News Service ("**FNS**") notice published by the Luxembourg Stock Exchange in connection therewith. Where any such document is published by way of a notice via the FNS, such notice will clearly state that the relevant document is available in the documents section of the issuer card of Macquarie Bank on the Luxembourg Stock Exchange's internet site at www.luxse.com/programme/Programme-MacquarieBk/12349.

[2] https://www.macquarie.com/assets/macq/investor/reports/2027/macquarie-bank-hy27-interim-report.pdf

If any information listed in the above itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not be incorporated into, or form part of, this Base Prospectus, except where such information or other documents are specifically incorporated by reference in, or form part of, this Base Prospectus.

Macquarie Bank is required to prepare annual financial statements for itself and its controlled entities in accordance with Australian Accounting Standards. Compliance with Australian Accounting Standards ensures compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The independent auditor of Macquarie Bank is PricewaterhouseCoopers, an Australian partnership, ("PwC Australia"), who is a member of the Chartered Accountants Australia and New Zealand (the "CA ANZ").

PwC Australia has audited the financial statements included in Macquarie Bank's annual report for the financial year ended 31 March 2026 in accordance with Australian Auditing Standards. The Independent Auditor's Report dated 8 May 2026 was unqualified.

With respect to the unaudited financial information of Macquarie Bank for the half year ended 30 September 2026, incorporated by reference in this Base Prospectus, PwC Australia has reported that they have applied limited procedures in accordance with professional standards for a review of such information. Their independent auditor's review report dated 6 November 2026, incorporated by reference herein, states that they did not audit and they do not express an opinion on that unaudited financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

Limitation on Auditors' Liability

As members of the CA ANZ, PwC Australia are participants in a CA ANZ scheme which limits the liability of its members. This scheme has been approved under the Professional Standards Act of 1994 of New South Wales, Australia.

Schemes submitted by the CA ANZ have been scrutinised and approved by the Professional Standards Council of New South Wales, and their publication in the Gazette has subsequently been authorised by the NSW Attorney General. The scheme has also been approved by the Commonwealth, giving effect to the limitation on liability in relation to any claim for misleading or deceptive conduct under the Australian Consumer Law, the Corporations Act 2001 or the ASIC Act 2001.

The current CA ANZ scheme, which came into effect on 13 July 2025, limits the maximum liability for damages arising out of a cause of action for occupational liability (the "Limitation Amount") which may be awarded against a person to whom the scheme applies with regard to fees payable for audit services to which the cause of action relates, being a reasonable charge for the service provided or which was failed to be provided, as follows:

(a) Where the fee is less than A$100,000, the Limitation Amount is A$2,000,000
(b) Where the fee is greater than or equal to A$100,000 but is less than A$300,000, the Limitation Amount is A$5,000,000
(c) Where the fee is greater than or equal to A$300,000 but is less than A$500,000, the Limitation Amount is A$10,000,000

(d) Where the fee is greater than or equal to A$500,000 but is less than A$1,000,000, the Limitation Amount is A$20,000,000

(e) Where the fee is greater than or equal to A$1,000,000 but is less than A$2,500,000, the Limitation Amount is A$50,000,000

(f) Where the fee is greater than or equal to A$2,500,000 the Limitation Amount is A$75,000,000

The limit does not apply to claims for breach of trust, fraud or dishonesty. The Professional Standards Act of 1994 of New South Wales and the CA ANZ scheme have not been subject to extensive judicial consideration and, therefore, how the limitations will be applied by courts and the effect of the limitations on the enforcement of foreign judgments is untested.

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Macquarie Bank will provide, without charge, upon the written request of any person, a copy of any or all of the documents which, or portions of which, are incorporated in this Base Prospectus by reference. Written requests for such documents should be directed to Macquarie Bank at its office set out at the end of this Base Prospectus. In addition, such documents will be available for inspection and available free of charge at the offices of the Warrant Agents (save that a Final Terms relating to an unlisted Warrant will only be provided to a holder of such Warrant and such holder must produce evidence satisfactory to the relevant Warrant Agent as to the identity of such holder). Requests for such documents should be directed to the specified office of the Principal Warrant Agent in London or the Warrant Agent in Luxembourg.

Documents incorporated in this Base Prospectus by reference are also published on the Luxembourg Stock Exchange's internet site www.luxse.com and available on Macquarie Bank's internet site www.macquarie.com/au/en/investors/reports.

All information which Macquarie Bank has published or made available to the public in compliance with its obligations under the laws of the Commonwealth of Australia dealing with the regulation of securities, issuers of securities and securities markets has been released to the Australian Securities Exchange operated by ASX Limited (the "**ASX**") in compliance with the continuous disclosure requirements of the ASX Listing Rules. Announcements made by Macquarie Bank under such rules are available on ASX's internet site www.asx.com.au (Macquarie Bank's ASX code is "MBL").

Internet site addresses (including Macquarie Bank's internet site as referred-to above) in this Base Prospectus are included for reference only and the contents of any such internet sites are not incorporated by reference into, and do not form part of, this Base Prospectus.

Terms and Conditions of the Warrants

The following is the text of the Terms and Conditions of the Warrants which (subject to completion) will be attached to each Global Warrant (as defined below).

The applicable Final Terms (or the relevant provisions thereof) will be attached to each Global Warrant.

The Warrants of this series (such Warrants being hereinafter referred to as the "**Warrants**") are constituted by a global warrant ("**Global Warrant**") and are issued pursuant to an amended and restated Master Warrant Agreement dated 20 October 2006 (as amended and supplemented from time to time) ("**Warrant Agreement**") between Macquarie Bank Limited as issuer ("**Issuer**"), Deutsche Bank AG, London Branch as principal warrant agent ("**Principal Warrant Agent**", which expression shall include any successor principal warrant agent) and Deutsche Bank Luxembourg, S.A. as warrant agent ("**Warrant Agent**" and, together with the Principal Warrant Agent, the "**Warrant Agents**", which expression shall include any additional or successor warrant agents) and registrar ("**Registrar**"). The Issuer shall undertake the duties of calculation agent ("**Calculation Agent**") in respect of the Warrants as set out below and in the applicable Final Terms unless another entity is so specified as calculation agent in the applicable Final Terms. The expression Calculation Agent shall, in relation to the relevant Warrants, include such other specified calculation agent.

No Warrants in definitive form will be issued. The Global Warrant has been deposited with a depositary ("**Common Depositary**") common to Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**"). The Warrants are either listed or unlisted. If the Warrants are intended to be listed, application will be made by the Issuer (or on its behalf) for the Warrants to be admitted to trading on the professional segment of the Euro MTF market operated by the Luxembourg Stock Exchange to which only Qualified Investors can have access for the purposes of trading in such securities. No assurances can be given that such application for listing will be granted, (or if granted, will be granted by the Issue Date).

The applicable Final Terms for the Warrants is attached to the Global Warrant. References herein to the "applicable Final Terms" are to the Final Term or Final Terms (in the case of any further warrants issued pursuant to Condition 12 and forming a single series with the Warrants) attached to the Global Warrant.

Copies of the Warrant Agreement (which contains the form of the Final Terms) and the applicable Final Terms may be obtained during normal office hours from the specified office of each Warrant Agent, save that if the Warrants are unlisted, the applicable Final Terms will only be obtainable by a Warrantholder and such Warrantholder must produce evidence satisfactory to the relevant Warrant Agent as to identity.

Words and expressions defined in the Warrant Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

The Warrantholders (as defined in Condition 1(*B*)) are entitled to the benefit of and are deemed to have notice of and are bound by all the provisions of the Warrant Agreement (insofar as they relate to the Warrants) and the applicable Final Terms, which are binding on them.

The Issuer may, at its sole discretion, and without further notice, increase or reduce the number of Warrants being issued.

1. Type, Title and Transfer

(A) Type

The Warrants are Index Warrants, Security Warrants or Bond Warrants as is specified in the applicable Final Terms. Certain terms which will, unless otherwise varied in the applicable Final Terms, apply to Index Warrants, Security Warrants or Bond Warrants, are set out in Condition 15.

The applicable Final Terms will indicate whether the Warrants are American style Warrants ("**American Style Warrants**") or European style Warrants ("**European Style Warrants**"), whether settlement shall be by way of cash payment ("**Cash Settled Warrants**") or physical delivery ("**Physical Delivery Warrants**"), whether the Warrants are call Warrants ("**Call Warrants**") or put Warrants ("**Put Warrants**"), whether a coupon is payable, whether the Warrants may only be exercised in Units and whether Averaging will apply to the Warrants. If Units are specified in the applicable Final Terms, Warrants must be exercised in Units and any Exercise Notice (referred to in Condition 5(*A*)) which purports to exercise Warrants in breach of this provision shall be void and of no effect. If Averaging is specified as applying in the applicable Final Terms the applicable Final Terms will state the relevant Averaging Dates and, in the case of a Market Disruption Event (as defined in Condition 15) occurring on an Averaging Date, whether Omission, Postponement or Modified Postponement (referred to in Condition 3 below) applies.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Warrants shall be deemed to include references to Physical Delivery Warrants, which include an option at the Issuer's election to request cash settlement of such Warrant and where settlement is to be by way of cash payment, and references in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Warrants shall be deemed to include references to Cash Settled Warrants which include an option at the Issuer's election to request physical delivery of the relevant underlying asset in settlement of such Warrant and where settlement is to be by way of physical delivery.

(B) Title to Warrants

Each person who is for the time being shown in the records of Clearstream, Luxembourg or of Euroclear as the holder of a particular amount of Warrants (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the amount of Warrants standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Warrant Agents as the holder of such amount of Warrants for all purposes (and the expressions "**Warrantholder**" and "**holder of Warrants**" and related expressions shall be construed accordingly).

(C) Transfers of Warrants

All transactions (including transfers of Warrants) in the open market or otherwise must be effected through an account at Clearstream, Luxembourg or Euroclear subject to and in accordance with the rules and procedures for the time being of Clearstream, Luxembourg or of Euroclear, as the case may be. Title will pass upon registration of the transfer in the books of either Clearstream, Luxembourg or Euroclear, as the case may be. Transfers of Warrants may not be effected after the exercise of such Warrants pursuant to Condition 5.

Any reference herein to Clearstream, Luxembourg and/or Euroclear shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Warrant Agent from time to time and notified to the Warrantholders in accordance with Condition 10.

2. Status of the Warrants

The Warrants are direct, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves. Claims against the Issuer rank at least equally with the claims of its unsecured and unsubordinated creditors (except creditors mandatorily preferred by law) and ahead of subordinated debt and obligations to shareholders (in their capacity as such).

3. Definitions

For the purposes of these Terms and Conditions, the following general definitions will apply:

"**Actual Exercise Date**" means the Exercise Date (in the case of European Style Warrants) or, subject to Condition 6(*A*)(ii), the date during the Exercise Period on which the Warrant is actually or is deemed exercised (in the case of American Style Warrants (as more fully set out in Condition 4(*A*)(i)));

"**Averaging**" means, where specified as applicable in the Final Terms, that the arithmetic mean of the Settlement Prices on each Averaging Date is a component of the calculation of Cash Settlement Amount.

"**Averaging Date**" means, in respect of an Actual Exercise Date, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Trading Day, the immediately following Trading Day unless, in the opinion of the Calculation Agent, a Market Disruption Event (as set out in Condition 15) has occurred on that day. If there is a Market Disruption Event on that day, then:

(a) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for purposes of determining the relevant Settlement Price provided that, if through the operation of this provision there would not be an Averaging Date in respect of such Actual Exercise Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level, price or amount on the final Averaging Date with respect to that Actual Exercise Date as if such Averaging Date were a Valuation Date on which a Market Disruption Event had occurred; or

(b) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date on which a Market Disruption Event had occurred irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(c) if "**Modified Postponement**" is specified as applying in the applicable Final Terms:

(i) where the Warrants are Index Warrants relating to a single Index, Security Warrants relating to a single Security or Bond Warrants relating to a single Bond, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Market Disruption Event, would have been the final Averaging Date in relation to such Actual Exercise Date, then (A) that eighth Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below; and

(ii) where the Warrants are Index Warrants relating to a Basket of Indices, Security Warrants relating to a Basket of Securities or Bond Warrants relating to a basket of Bonds, the Averaging Date for each Index or Security not affected by a Market Disruption Event shall be the originally designated Averaging Date ("**Scheduled Averaging Date**") and the Averaging Date for an Index or Security affected by a Market Disruption Event shall be the first succeeding Valid Date (as defined below) in relation to such Index or Security. If the first succeeding Valid Date in relation to such Index or Security has not occurred as of the Valuation Time on the eighth Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Market Disruption Event, would have been the final Averaging Date in relation to such Actual Exercise Date, then (A) that eighth Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Trading Day is already an Averaging Date) in relation to such Index or Security, and (B) the Calculation Agent shall determine the relevant level or amount for that Averaging Date in accordance with sub-paragraph (b)(ii) of the definition of "Valuation Date" below;

for the purposes of these Terms and Conditions "**Valid Date**" means a Trading Day on which there is no Market Disruption Event and on which another Averaging Date in relation to the Actual Exercise Date does not or is not deemed to occur;

"**Bond**" means, in respect of a Bond Warrant, the bonds as specified in the applicable Final Terms;

"**Business Day**" 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 the relevant Business Day Centre(s) and Clearstream, Luxembourg and Euroclear are open for business and (ii) for the purposes of making payments in euro, any day on which the real time gross settlement system operated by the Eurosystem, or any successor or replacement for that system ("**T2**"), is open;

"**Business Day Centres**" means the principal financial centre for the Settlement Currency and the financial centre in which the Security, the basket of Securities or the constituents of the Index are listed;

"**Cash Dividend**" is applicable if so specified in the Final Terms, in which case, means a cash amount equivalent to the Cash Dividend Percentage multiplied by the gross cash dividend or distribution per Security declared by the Security Issuer (converted into the Settlement Currency at the Exchange Rate (a) as determined by the Calculation Agent in its sole and absolute discretion; (b) actually obtained by the Hedging Party, or (c) as set out in designated screen) for each Entitlement, less any tax, duties, costs, commissions and fees;

"**Cash Dividend Percentage**" means, the percentage specified as such in the applicable Final Terms if Cash Dividend is applicable;

"**Cash Settlement Amount**" means, in relation to Cash Settled Warrants, the amount to which the Warrantholder is entitled in the Settlement Currency in relation to each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, as determined by the Calculation Agent pursuant to Condition 4;

"**Cash Settlement Amount Percentage**" means the percentage specified as such in the applicable Final Terms;

"**Calculation Amount**" means, in respect of a Warrant where coupon is payable, the amount specified as such in the applicable Final Terms;

"**Calculation Period**" means, in respect of a Warrant where coupon is payable and a Coupon Payment Date, the period specified as such in the applicable Final Terms, provided that if the Warrants are early redeemed for whatever reasons, the Calculation Period shall end on such early redemption date (inclusive). The Calculation Period will not be extended because of a Disruption Event;

"**Coupon Amount"** means, in respect of a Warrant where coupon is payable and a Coupon Payment Date, the amount specified as such in the applicable Final Terms (pro rata to the Calculation Period), or if no amount is so specified, an amount determined by the Calculation Agent in its sole discretion by multiplying the Calculation Amount and the Coupon Rate calculated with reference to the relevant Calculation Period;

"**Coupon Payment Date**" means, in respect of a Warrant where coupon is payable, the date specified as such in the applicable Final Terms;

"**Coupon Rate**" means, in respect of a Warrant where coupon is payable, the percentage specified as such in the applicable Final Terms;

"**Disruption Event**" means Change in Law, Hedging Disruption, Increased Cost of Hedging, FX Disruption and a Market Disruption Event;

"**Distribution Amount**" means any and all payments or distributions, including, without limitation, interest and coupon payments and consent fees, that are actually made by the issuer of the bonds to bondholders in the relevant jurisdiction in respect of an outstanding principal amount of the bonds, less any tax payable in relation to such amount;

"**Entitlement**" means, in relation to a Physical Delivery Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, the quantity of the Relevant Asset or the Relevant Assets (as specified in the applicable Final Terms), as the case may be, which a Warrantholder is entitled to receive on the Settlement Date in respect of each such Warrant or Unit, as the case may be, following payment of the Exercise Price (and

any other sums payable) rounded down as provided in Condition 4(*C*)(i), as determined by the Calculation Agent including any documents evidencing such Entitlement;

"**Exchange(s)**" means:

(a) in respect of an Index relating to Index Warrants, each exchange or quotation system on which the constituents of the Index is primarily listed, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the shares underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange);

(b) in respect of a Security relating to Security Warrants, each exchange or quotation system on which the Security is primarily listed, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Securities has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Security on such temporary substitute exchange or quotation system as on the original Exchange); and

(c) in respect of a Bond relating to Bond Warrants, if applicable, each exchange or quotation system on which the Bond is primarily listed, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Bond has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Bond on such temporary substitute exchange or quotation system as on the original Exchange);

"**Exercise Date**" means the date specified as such in the applicable Final Terms, provided that, if such date is not a Business Day, the Exercise Date shall be the immediately succeeding Business Day. For the avoidance of doubt, the Calculation Agent may in its sole discretion extend the Exercise Date from time to time without notification;

"**Hedge Execution**" means, where specified as applicable in the Final Terms, that the Hedge Execution Price is a variable in the calculation of Cash Settlement Amount.

"**Hedge Positions**" means:

(i) any securities positions, derivatives positions, assets or other instruments or arrangements (however described) purchased, sold, entered into, maintained or held by or for the Hedging Party for the purpose of hedging any relevant price risk including, but not limited to, the equity and currency risk of the Warrant, or

(ii) any securities positions, derivatives positions, assets or other instruments or arrangements (however described) that may reasonably be purchased, sold, entered into, maintained or held by or for a hypothetical broker which such hypothetical broker would consider that it is necessary to hedge any relevant price risk including, but not limited to, the equity and currency risk of the Warrant;

"**Hedging Party**" means Macquarie Bank Limited and/or any of its affiliates or subsidiaries;

"**Index**" means, in respect of an Index Warrant, the index or indices as specified in the applicable Final Terms;

"Issue Price" means the price at which the Warrants will be offered, which is at par or at a discount to, or premium over, par, and on a fully or partly paid basis and will be specified in the applicable Final Terms;

"**Issuer Distribution Date**" means the date on which the issuer of the bonds makes any payments or distributions of Distribution Amounts to holders of the bonds in the relevant jurisdiction;

"**Settlement Date**" means, in relation to each Actual Exercise Date, (i) where Averaging is not specified in the applicable Final Terms, no later than the fifth Business Day following the Valuation Date provided that if a Market Disruption Event (as set out in Condition 15) has resulted in a Valuation Date for one or more Indices, Securities or Bonds, as the case may be, being adjusted as set out in the definition of "Valuation Date" below, the Settlement Date shall be the fifth Business Day next following the last occurring Valuation Date in relation to any Index, Security or Bond, as the case may be, or (ii) where Averaging is specified in the applicable Final Terms, no later than the fifth Business Day following the last occurring Averaging Date provided that where a Market Disruption Event (as set out in Condition 15) has resulted in an Averaging Date for one or more Indices, Securities or Bonds, as the case may be, being adjusted as set out in the definition of "Averaging Date" above, the Settlement Date shall be the fifth Business Day next following the last occurring Averaging Date in relation to any Index, Security or Bond, as the case may be, or such other date as is specified in the applicable Final Terms, provided that the Issuer may in its sole discretion postpone the Settlement Date until 31 days after the Valuation Date;

"**Settlement Price**" means, in relation to each Cash Settled Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be:

(a) in respect of Index Warrants, subject to Condition 15(*A*) and as referred to in "Valuation Date" below or "Averaging Date" above, as the case may be:

(i) in the case of Index Warrants relating to a Basket of Indices, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price) equal to the sum of: the values calculated for each Index as the official closing level for each Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each Index determined by the Calculation Agent in good faith at the Relevant Time on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, without regard to any subsequently published correction, multiplied by the relevant Multiplier; and

(ii) in the case of Index Warrants relating to a single Index, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price) equal to the official closing value of the Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent in good faith at the Relevant Time on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable

Final Terms, an Averaging Date and, in either case, without regard to any subsequently published correction;

(b) in respect of Security Warrants, subject to Condition 15(*B*) and as referred to in "Valuation Date" below or "Averaging Date" above, as the case may be:

(i) in the case of Security Warrants relating to a Basket of Securities, an amount equal to the sum of: the values calculated for each Security as the official closing price (or the price at the Relevant Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Security (as defined in Condition 15(*B*)) on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if in the opinion of the Calculation Agent, any such closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and no Market Disruption Event has occurred and is continuing, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the relevant Security whose closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the relevant Security or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Multiplier, each such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and the sum of such converted amounts to be the Settlement Price, all as determined by or on behalf of the Calculation Agent; and

(ii) in the case of Security Warrants relating to a single Security, an amount equal to the official closing price (or the price at the Relevant Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Security (as defined in Condition 15(*B*)) on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if, in the opinion of the Calculation Agent, no such closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) can be determined and no Market Disruption Event has occurred and is continuing, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Relevant Time on the Valuation Date or such Averaging Date, as the

case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Security based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Security or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

(c) in respect of Bond Warrants, subject to Condition 15(*C*) and as referred to in "Valuation Date" below or "Averaging Date" above, as the case may be:

(i) in the case of Bond Warrants relating to a basket of Bonds, an amount equal to the sum of: the values calculated for each Bond as the price of the Bonds, as determined by the Calculation Agent in a commercially reasonable manner, taking into account factors that the Calculation Agent deems relevant (that may include, without limitation, quotations, other price source information or other market data, or if the Bonds are listed, closing price or bid price on the Exchange) on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date, multiplied by the relevant Multiplier, each such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate. The price of the Bonds will be determined inclusive of accrued interest as of such date, unless the Calculation Agent determines that the Bonds are trading exclusive of accrued interest as of the relevant Valuation Date, in which case such price will be exclusive of accrued interest.

(ii) in the case of Bond Warrants relating to a single Bond, an amount equal to the price of the Bonds, as determined by the Calculation Agent in a commercially reasonable manner, taking into account factors that the Calculation Agent deems relevant (that may include, without limitation, quotations, other price source information or other market data or if the Bonds are listed, closing price or bid price on the Exchange) on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date, each such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate. The price of the Bonds will be determined inclusive of accrued interest as of such date, unless the Calculation Agent determines that the Bonds are trading exclusive of accrued interest as of the relevant Valuation Date, in which case such price will be exclusive of accrued interest;

"**Trade Date**" means the day specified as such in the applicable Final Terms;

"**Trading Day**" means any day that is (or, but for the occurrence of a Market Disruption Event (as set out in Condition 15), would have been) a trading day of the Exchange(s)

other than a day on which trading on any such Exchange is scheduled to close prior to its regular weekday closing time;

"Valuation Date" means the first Trading Day following the Actual Exercise Date of the relevant Warrant unless, in the opinion of the Calculation Agent, a Market Disruption Event (as set out in Condition 15) has occurred on that day. If there is a Market Disruption Event on that day, then:

(a) where the Warrants are Index Warrants relating to a single Index, Security Warrants relating to a single Security or Bond Warrants relating to a single Bond, the Valuation Date shall be the first succeeding Trading Day on which there is no Market Disruption Event, unless there is a Market Disruption Event occurring on each of the eight Trading Days immediately following the original date that (but for the Market Disruption Event) would have been the Valuation Date. In that case, (i) the eighth Trading Day shall be deemed to be the Valuation Date (notwithstanding the Market Disruption Event) and (ii) the Calculation Agent shall determine the Settlement Price:

(x) in the case of Index Warrants, by determining the level of the Index as of the Valuation Time on that eighth Trading Day in accordance with (subject to Condition 15(*A*)(2)) the formula for and method of calculating the Index last in effect prior to the commencement of the Market Disruption Event using the Exchange traded price (or if trading in the relevant security/commodity has been materially suspended or materially limited, its good faith estimate of the Exchange traded price that would have prevailed but for that suspension or limitation) as of the Valuation Time on that eighth Trading Day of each security/commodity comprised in the Index; or

(y) in the case of Security Warrants or Bond Warrants, in accordance with its good faith estimate of the Settlement Price that would have prevailed but for the Market Disruption Event as of the Valuation Time on that eighth Trading Day.

(b) where the Warrants are Index Warrants relating to a Basket of Indices, Security Warrants relating to a Basket of Securities or Bond Warrants relating to a basket of Bonds, the Valuation Date for each Index, Security or Bond, as the case may be, not affected by a Market Disruption Event shall be the originally designated Valuation Date and the Valuation Date for each Index, Security or Bond, as the case may be, affected (each an "Affected Item") by a Market Disruption Event shall be the first succeeding Trading Day on which there is no Market Disruption Event relating to the Affected Item, unless there is a Market Disruption Event relating to the Affected Item occurring on each of the eight Trading Days immediately following the original date which (but for the Market Disruption Event) would have been the Valuation Date. In that case, (i) the eighth Trading Day shall be deemed to be the Valuation Date for the Affected Item (notwithstanding the Market Disruption Event) and (ii) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item:

(x) in the case of an Index, the level of that Index as of the Valuation Time on that eighth Trading Day determined by reference to the formula for and method of calculating that Index last in effect prior to the commencement

of the Market Disruption Event using the Exchange traded price (or, if trading in the relevant security/commodity has been materially suspended or materially limited, its good faith estimate of the Exchange traded price that would have prevailed but for that suspension or limitation) as of the Valuation Time on that eighth Trading Day of each security/commodity comprised in that Index; or

(y) in the case of a Security or Bond, its good faith estimate of the price for the Affected Item that would have prevailed but for the Market Disruption Event as of the Valuation Time on that eighth Trading Day,

and otherwise in accordance with the above provisions; and

"**Valuation Time**" means the Relevant Time specified in the applicable Final Terms or, in the case of Index Warrants, Security Warrants or Bond Warrants over listed Bonds, if no Relevant Time is specified, the close of trading on the Exchange; in the case of Bond Warrants over unlisted Bonds, the time as determined by the Calculation Agent in good faith.

4. Exercise Rights

(A) Exercise Period

(i) American Style Warrants

American Style Warrants are exercisable on any Business Day during the Exercise Period.

Any American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m., Luxembourg or Brussels time, as the case may be, on the last Business Day of the Exercise Period ("**Expiration Date**"), shall become void.

The Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m., Luxembourg or Brussels time (as appropriate), to Clearstream, Luxembourg or Euroclear, as the case may be, and the copy thereof so received by the Principal Warrant Agent, is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by Clearstream, Luxembourg or Euroclear, as the case may be, or if the copy thereof is received by the Principal Warrant Agent, in each case, after 10.00 a.m., Luxembourg or Brussels time (as appropriate), on any Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Business Day, which Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 5 at or prior to 10.00 a.m. Luxembourg or Brussels time (as appropriate) on the Expiration Date shall become void.

(ii) European Style Warrants

European Style Warrants are only exercisable on the Exercise Date. Each Warrant will automatically be exercised at 12:00 p.m., Luxembourg or Brussels time (as appropriate) on the Exercise Date, without notice being given to the Warrantholders, if the Calculation Agent determines that the Cash Settlement Amount is greater than zero.

Any European Style Warrant which is not automatically exercised on the Exercise Date in accordance with the preceding paragraph shall become void.

(B) Cash Settlement

If the Warrants are Cash Settled Warrants and if Hedge Execution is specified as not applicable in the Final Terms, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its holder, upon due exercise and subject to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal to:

(i) where Averaging is not specified in the applicable Final Terms:

(a) if such Warrants are Call Warrants

Cash Settlement Amount per Warrant = (Settlement Price - Exercise Price*) x Cash Settlement Amount Percentage;

(* to be deducted at the sole discretion of the Issuer)

(b) if such Warrants are Put Warrants,

Cash Settlement Amount per Warrant = (Exercise Price - Settlement Price) x Cash Settlement Amount Percentage; and

(ii) where Averaging is specified in the applicable Final Terms:

(a) if such Warrants are Call Warrants,

Cash Settlement Amount per Warrant = (the arithmetic mean of the Settlement Prices for all the Averaging Dates - Exercise Price*) x Cash Settlement Amount Percentage;

(* to be deducted at the sole discretion of the Issuer)

(b) if such Warrants are Put Warrants,

Cash Settlement Amount per Warrant = (Exercise Price - the arithmetic mean of the Settlement Prices for all the Averaging Dates) x Cash Settlement Amount Percentage

and less any tax, duties, costs, commissions and fees.

Subject to Condition 11, if the Warrants are Cash Settled Warrants and if Hedge Execution is specified as applicable in the Final Terms, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its holder, upon due exercise and subject to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date a Cash Settlement Amount equal to:

(A) if such Warrants are Call Warrants, an amount obtained (after deduction of all Exercise Expenses relating to the relevant Warrantholder) by the Issuer in selling its Hedge Positions (or where part or all of the Hedge Positions are instruments other than the underlying asset of the Warrant, (including but not limited to derivative contracts,

exchange traded funds, depository receipts or alternate securities), the implied value of the relevant underlying asset (or the constituents of such underlying asset, as the case may be), as determined in the sole discretion of the Calculation Agent, shall be deemed to be the value (or part of the value) attained by the Issuer in selling its Hedge Positions) ("Hedge Execution Price"), less the Exercise Price which shall be deducted at the sole discretion of the Issuer and less any tax, duties, costs, commissions and other fees incurred or to be incurred by the Issuer or its affiliate in connection with such unwind, converted into the Settlement Currency at the Exchange Rate, multiplied by Cash Settlement Amount Percentage. The Cash Settlement Amount can be calculated as per the following formula:

Cash Settlement Amount per Warrant = (Hedge Execution Price - Exercise Price*) x Cash Settlement Amount Percentage

(* to be deducted at the sole discretion of the Issuer)

(B) if such Warrants are Put Warrants, Exercise Price less the Hedge Execution Price and less any tax, duties, costs, commissions and other fees incurred or to be incurred by the Issuer or its affiliate in connection with such unwind, converted into the Settlement Currency at the Exchange Rate, multiplied by Cash Settlement Amount Percentage. The Cash Settlement Amount can be calculated as per the following formula:

Cash Settlement Amount per Warrant = (Exercise Price – Hedge Execution Price) x Cash Settlement Amount Percentage

If the Settlement Price or the Hedge Execution Price is not in the Settlement Currency, it will be converted into the Settlement Currency at the Exchange Rate (a) as determined by the Calculation Agent in its sole and absolute discretion; (b) actually obtained by the Hedging Party; or (c) as set out in designated screen, for the purposes of determining the Cash Settlement Amount. The Cash Settlement Amount will be rounded to the nearest two decimal places (or, in the case of Japanese Yen, the nearest whole unit) in the relevant Settlement Currency, 0.005 (or, in the case of Japanese Yen, half a unit) being rounded upwards, with Warrants exercised at the same time by the same Warrantholder being aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such Warrants or Units, as the case may be.

The Issuer may determine the amount of any applicable capital gain tax to be deducted from the Cash Settlement Amount on a first-in-first-out basis or such other basis at its discretion.

If, in the opinion of the Calculation Agent, it is not possible for the Issuer to procure payment through Clearstream, Luxembourg or Euroclear (as the case may be) electronically by crediting the Warrantholder's account at Clearstream, Luxembourg or Euroclear (as specified in the relevant Exercise Notice pursuant to Condition 5(A)(1)(iv)) on the original Settlement Date, the Issuer shall use all its reasonable endeavours to procure payment through Clearstream, Luxembourg or Euroclear (as the case may be) electronically by crediting the Warrantholder's account as soon as reasonably practically after the original Settlement Date. The Issuer will not be liable to the Warrantholder for any interest in respect of the amount due or any loss or damage that such Warrantholder may suffer as a result of the existence of the Settlement Disruption Event.

For the purposes hereof "**Settlement Disruption Event**" means, in the opinion of the Calculation Agent, an event beyond the control of the Issuer as a result of which the Issuer cannot procure payment through Clearstream, Luxembourg or Euroclear (as the case may be).

Where "**Knock-out Event**" is specified in the applicable Final Terms, in respect of a Knock-out Determination Date, if the Observation Price is less than the Knock-out Level as of such Knock-out Determination Date, a Knock-out Event will be deemed to have occurred and the Warrants shall be redeemed at the Knock-out Redemption Amount on the Knock-out Settlement Date. The Warrants will be early terminated and the Cash Settlement Amount specified above will not be payable.

For the purposes hereof, the following terms shall have the following meanings:

"**Knock-out Determination Date**" means such day as specified in the applicable Final Terms.

"**Observation Price**" means the price specified as such in the applicable Final Terms.

"**Knock-out Level**" means the level specified as such in the applicable Final Terms.

"**Knock-out Redemption Amount**" means the amount specified as such in the applicable Final Terms.

"**Knock-out Settlement Date**" means the date specified as such in the applicable Final Terms.

(C) Physical Settlement

(i) Exercise Rights in relation to Physical Delivery Warrants

If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its holder, upon due exercise and subject to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date the Entitlement subject to payment of the relevant Exercise Price and any other sums payable.

Warrants or Units, as the case may be, exercised at the same time by the same Warrantholder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants or Units, as the case may be PROVIDED THAT the aggregate Entitlements in respect of the same Warrantholder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and no cash adjustment will be made in respect thereof.

Following exercise of a Security Warrant which is a Physical Delivery Warrant, all dividends on the relevant Securities to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Securities executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Securities. Any such dividends to be paid to a Warrantholder will be paid to the account specified by the Warrantholder in the relevant Exercise Notice as referred to in Condition 5(*A*)(2)(vi).

(ii) Settlement Disruption

If, following the exercise of Physical Delivery Warrants, in the opinion of the Calculation Agent, delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date, then such Settlement Date for such Warrants shall be postponed to the first following Business Day in respect of which there is no such Settlement Disruption Event, PROVIDED THAT the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Warrant or Unit, as the case may be, by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Settlement Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Settlement Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date. In the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Relevant Assets comprising the Entitlement, the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Warrantholder in respect of that partial settlement. For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Warrant or Unit, as the case may be, by payment to the relevant Warrantholder of the Disruption Cash Settlement Price (as defined below) on the third Business Day following the date that notice of such election is given to the Warrantholders in accordance with Condition 10. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10. The Calculation Agent shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10 that a Settlement Disruption Event has occurred. No Warrantholder shall be entitled to any payment in respect of the relevant Warrant or Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

For the purposes hereof:

"Disruption Cash Settlement Price" in respect of any relevant Warrant or Unit, as the case may be, shall be the fair market value of such Warrant or Unit, as the case may be (taking into account, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non-affected Relevant Assets have been duly delivered as provided above, the value of such Relevant Assets), less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion, plus, if already paid, the Exercise Price (or, where as provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion); and

"Settlement Disruption Event" means, in the opinion of the Calculation Agent, an event beyond the control of the Issuer as a result of which the Issuer cannot make delivery of the Relevant Asset(s).

(D) Issuer's Option to Vary Settlement

Upon a valid exercise of Warrants in accordance with these Terms and Conditions, the Issuer may at its sole and unfettered discretion in respect of each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, elect not to pay the relevant Warrantholders the Cash Settlement Amount or to deliver or procure delivery of the Entitlement to the relevant Warrantholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Warrantholders, as the case may be. Notification of such election will be given to Warrantholders no later than 11.00 a.m., Luxembourg or Brussels time (as appropriate) on the second Business Day following the Actual Exercise Date.

(E) General

None of the Issuer, the Calculation Agent and the Warrant Agents shall have any responsibility for any errors or omissions in the calculation of any Cash Settlement Amount or of any Entitlement.

The purchase of Warrants does not confer on any holder of such Warrants any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

All references in this Condition to “Luxembourg or Brussels time” shall, where Warrants are cleared through an additional or alternative clearing system, be deemed to refer as appropriate to the time in the city where the relevant clearing system is located.

(F) Change in Law

On the occurrence of Change in Law, the Issuer may either make adjustment to the Warrant (including but not limited to postponement of any settlement date) or elect to redeem the Warrant early at the fair market value less any hedging cost. "Change in Law" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (i) it has become, or there is a reasonable likelihood that it may be or will become, illegal to hold, acquire or dispose of any relevant securities or any Hedge Positions or (ii) it will incur, or there is a reasonable likelihood that it will incur, an increased cost in performing its obligations in relation to the Warrants or in maintaining its positions in the Warrants as an issuer, or it will or there is a reasonable likelihood that it will not be able to enjoy any cost saving (including saving on capital or liquidity charges) but for the Issuer making adjustment to the terms of the Warrants (including, without limitation, due to any increase in tax liability or capital or liquidity charge, decrease in tax benefit or capital or liquidity charge benefit or other adverse effect on the tax or capital or liquidity position of the Issuer and/or any of its affiliates).

(G) Hedging Disruption

On the occurrence of a Hedging Disruption and while it is continuing the Issuer may either make adjustment to the Warrants (including but not limited to postponement of any settlement date) or elect to redeem the Warrant early upon notice to the Warrantholder specifying the date of such termination, which may be the same day that the notice of Early Redemption is effective ("**Early Redemption Notice**") in which event the Calculation Agent will determine the value of the Warrant ("**Hedge Disruption Redemption Value**")

payable by the Issuer converted into the Settlement Currency. The Early Redemption Notice will specify the date such Hedge Disruption Redemption Value is payable by the Issuer to the Warrantholder. If a Hedging Disruption occurs or is subsisting on the exercise date the Issuer may (in its sole discretion and without limitation to its rights above) defer the Exercise Date and Settlement Date (as the case may be). The Cash Settlement Amount payable on the deferred Settlement Date will be deemed to be an amount equal to the Hedge Disruption Redemption Value.

On the occurrence of an Increased Cost of Hedging, the Issuer will give prompt notice to the Warrantholder that such increased costs will be or there is a reasonable likelihood that it may be incurred and the Issuer may: (a) specify that commercially reasonable adjustment(s) will be made to the Warrant (including but not limited to postponement of any settlement date); or (b) the Issuer may give notice that it elects to redeem the Warrant early, specifying the date of such Early Redemption, which may be the same day that the notice of Early Redemption is effective. The Calculation Agent will determine the Hedge Disruption Redemption Value payable by the Issuer to the Warrantholder. The Early Redemption Notice will specify the date such Hedge Disruption Redemption Value is payable by the Issuer to the Warrantholder. If Increased Cost of Hedging occurs or is subsisting on or around the Exercise Date, the Cash Settlement Amount will be deemed to be the Hedge Disruption Redemption Value.

Where:

"Hedging Disruption" means that the Issuer is unable after using commercially reasonable efforts, to (A) acquire establish, re-establish, substitute, maintain, unwind or dispose of its Hedge Positions under the Warrant or (B) freely realise, recover, receive, repatriate, remit or transfer the proceeds of its Hedge Positions.

"Increased Cost of Hedging" means that the Issuer would or there is a reasonable likelihood that it may (1) incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, charge, cost expense or fee to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of its Hedge Position or (B) realise, recover or remit the proceeds of its Hedge Position or (2) suffer any amount of tax, duty, charge, cost, expense or fee, or fail to or become unable to enjoy any cost saving (whether in relation to the Hedge Positions or maintaining its positions in the Warrants as an issuer) but for the Issuer making adjustment to the terms of the Warrants (including but not limited to postponement of any settlement date).

(H) FX Disruption

If FX Disruption (including Inconvertibility, Non-Transferability and Illiquidity) occurs, is continuing or exists on or prior to any date on which a payment is scheduled to be made, the Issuer may either (i) suspend the settlement so that the Settlement Date will be the 10th Business Day following the day on which the FX Disruption ceases to exist, (ii) settle in another currency or (iii) terminate the Warrants early at the fair market value less the hedging cost as determined by the Calculation Agent in its sole and absolute discretion. If the Issuer elects to suspend the Warrants, the Issuer shall nevertheless retain the right at all times to terminate the Warrants. The Issuer may adjust the payment obligations in respect of the Warrants to account for any funding (including internal funding costs) or other charges actually incurred by the Hedging Party as a result of or otherwise during such postponement.

Inconvertibility means it is impossible, impracticable or illegal for the Issuer and/or any of its affiliates to convert any amount to the Settlement Currency at the general exchange market, other than where such impossibility, impracticality or illegality is due solely to the failure of the Issuer and/or any if its affiliates to comply with any law, rule or regulation enacted by any governmental authority (unless such law, rule or regulation is enacted, enforced or re-interpreted after the Trade Date and it is impossible, impracticable or illegal for the Issuer and/or any of its affiliates to comply with such law, rule or regulation).

Non-Transferability means it is impossible, impracticable or illegal for the Issuer and/or any of its affiliates to deliver or repatriate the currency of the underlying asset or the Settlement Currency out of the country in which the Hedge Position are traded, or between accounts inside such country, other than where such impossibility, impracticality or illegality is due solely to the failure of the Issuer and/or any of its affiliates to comply with any law, rule or regulation enacted by any governmental authority (unless such law, rule or regulation is enacted, enforced or re-interpreted after the Trade Date and it is impossible, impracticable or illegal for the Issuer and/or any of its affiliates to comply with such law, rule or regulation).

Illiquidity means it becomes impossible or impracticable to obtain a firm quote of the foreign exchange rate of the underlying asset currency and/or the Settlement Currency.

(l) Dividend

In respect of Security Warrants,

(i) if the ex-date of the ordinary dividends or distributions of the Security Issuer payable in cash falls after the Trade Date and prior to the Exercise Date, the Issuer shall pay to each Warrantholder the Cash Dividend.

The aggregate Cash Dividend amount to which each Warrantholder shall be entitled shall be paid or caused to be paid by the Issuer to the Warrantholders' within 5 Business Days following the actual cash dividend payment date of the cash dividends by the Security Issuer. Where the terms of a cash dividend declared by the Security Issuer entitles a securityholder to elect scrip dividend in lieu of cash, the Issuer shall treat such dividend payments as a cash dividend and the option to elect scrip shall not be available to a Warrantholder. Where there is a material change to the taxes and charges that have been, or will be imposed on the Issuer in relation to the receipt and payment of the cash dividend, due to any circumstance, the cash dividend amount applicable may be adjusted accordingly in good faith by the Issuer to take into account the commercial effect of such change.

(ii) If the ex-date of a dividend payable in scrip falls after the Trade Date and prior to the Exercise Date, the Issuer shall within 5 Business Days after the day the Security Issuer delivers its scrip dividend (or its value in cash) to its securityholders (or, if later, the day the Issuer receives such scrip dividend) and at its sole discretion, issue such whole number of additional Warrants to entitled Warrantholders (less any applicable taxes and other charges which have been, are or will be imposed on the Issuer in relation to the receipt and payment of the Scrip Dividend as determined by the Calculation Agent) equal to the number of Securities that would otherwise have been received (save as to the Exercise Date)

(any fractional Warrant entitlement to be rounded down to the nearest whole Warrant).

Such payment, issue or delivery of warrants to each Warrantholder as of the relevant Warrants Record Date shall equal the number of Securities that would have been received as a dividend for the number of Securities (the latter number being equal to the aggregate number of Warrants held by such Warrantholder on the relevant Warrants Record Date) held by the Issuer (as if the Issuer were a holder of Securities) on the relevant Warrants Record Date.

(J) Coupon

If coupon is payable with respect to a Warrant, then in respect of a Calculation Period and a Coupon Payment Date, the Issuer shall pay to each Warrantholder the Coupon Amount on such Coupon Payment Date.

(K) Distribution Amount

If a distribution amount is payable with respect to a Bond Warrant, then in respect of an Issuer Distribution Date, the Issuer shall pay to each Warrantholder the Distribution Amount within five Business Days following the actual interest payment date of the Bond.

(L) Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Final Terms, during the Optional Redemption Period as specified in the Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Warrantholders in accordance with Condition 10, redeem all or some only of the Warrants then outstanding on the Optional Redemption Date as specified in the notice and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest/Coupon Amount accrued to (but excluding) the relevant Optional Redemption Date. The settlement of the Optional Redemption Amount shall occur on the Optional Redemption Settlement Date as specified in the applicable Final Terms. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and/or not 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 Warrants, the Warrants to be redeemed ("Redeemed Warrants") will be selected at the discretion of the Issuer.

(M) Redemption at the option of the Warrantholders (Investor Put)

If Investor Put is specified as being applicable in the applicable Final Terms, during the Optional Redemption Period as specified in the Final Terms, the Warrantholder may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Issuer in accordance with Condition 10, redeem, all or some only of the Warrants then outstanding on the Optional Redemption Date as specified in the notice and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest/Coupon Amount accrued to (but excluding) the Optional Redemption Date. The settlement of the Optional Redemption Amount shall occur on the Optional Redemption Settlement Date as specified in the applicable Final Terms. Any such

redemption must be of a nominal amount not less than the Minimum Redemption Amount and/or not more than the Maximum Redemption Amount in each case as may be specified in the applicable Final Terms. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

If this Warrant is represented by a Global Warrant, to exercise the right to require redemption of this Warrant the Warrantholder must, within the notice period, give notice to the Principal Warrant Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg in a form acceptable to Euroclear and Clearstream, Luxembourg, from time to time and, if this Warrant is represented by a Global Warrant, at the same time present or procure the presentation of the relevant Global Warrant to the Principal Warrant Agent for notation accordingly.

Any put notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Warrant pursuant to this Condition 4(M) shall be irrevocable.

5. Exercise Procedure

(A) Exercise Notice

Unless the Warrants are automatically exercised, Warrants may only be exercised by the delivery, or the sending by tested telex (confirmed in writing), of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Warrant Agreement (copies of which form may be obtained from Clearstream, Luxembourg, Euroclear and the Warrant Agents during normal office hours) to Clearstream, Luxembourg or Euroclear, as the case may be, with a copy to the Principal Warrant Agent in accordance with the provisions set out in Condition 4 and this Condition.

(1) In the case of Cash Settled Warrants, the Exercise Notice shall:

(i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;

(ii) specify the number of the Warrantholder's account at Clearstream, Luxembourg or Euroclear, as the case may be, to be debited with the Warrants being exercised;

(iii) irrevocably instruct Clearstream, Luxembourg or Euroclear, as the case may be, to debit on or before the Settlement Date the Warrantholder's account with the Warrants being exercised;

(iv) specify the number of the Warrantholder's account at Clearstream, Luxembourg or Euroclear, as the case may be, to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;

(v) include an undertaking to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the exercise of such

Warrants ("**Exercise Expenses**") and an authority to Clearstream, Luxembourg or Euroclear to deduct an amount in respect thereof from any Cash Settlement Amount due to such Warrantholder and/or to debit a specified account of the Warrantholder at Clearstream, Luxembourg or Euroclear, as the case may be, in respect thereof and to pay such Exercise Expenses;

(vi) certify that each Warrant is not being exercised by or on behalf of a U.S. person (as defined in the Exercise Notice) and that such Warrant is not beneficially owned by a U.S. person, unless the Final Terms relating to the Warrant expressly provide otherwise in connection with an offering of the Warrant pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act; and

(vii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Warrant Agreement.

(2) In the case of Physical Delivery Warrants, the Exercise Notice shall:

(i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;

(ii) specify the number of the Warrantholder's account at Clearstream, Luxembourg or Euroclear, as the case may be, to be debited with the Warrants being exercised;

(iii) irrevocably instruct Clearstream, Luxembourg or Euroclear, as the case may be, to debit on or before the Settlement Date the Warrantholder's account with the Warrants being exercised;

(iv) irrevocably instruct Clearstream, Luxembourg or Euroclear, as the case may be, to debit on the Actual Exercise Date a specified account of the Warrantholder with Clearstream, Luxembourg and Euroclear, as the case may be, with the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be, (together with any other amounts payable);

(v) include an undertaking to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise of such Warrants and/or the delivery or transfer of the Entitlement pursuant to the terms of such Warrants ("**Exercise Expenses**") and an authority to Clearstream, Luxembourg or Euroclear to debit a specified account of the Warrantholder at Clearstream, Luxembourg or Euroclear, as the case may be, in respect thereof and to pay such Exercise Expenses;

(vi) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom

documents evidencing the Entitlement are to be delivered and specify the name and the number of the Warrantholder's account with Euroclear or Clearstream, Luxembourg, as the case may be, to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event and the Issuer electing to pay the Disruption Cash Settlement Price;

(vii) specify the number of the Warrantholder's account at Clearstream, Luxembourg or Euroclear, as the case may be, to be credited with the amount due upon exercise of the Warrants;

(viii) certify that each Warrant is not being exercised by or on behalf of a U.S. person (as defined in the Exercise Notice) and that such Warrant is not beneficially owned by a U.S. person, unless the Final Terms relating to the Warrant expressly provide otherwise in connection with an offering of the Warrant pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act; and

(ix) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Warrant Agreement.

(3) If Condition 4(*D*) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from Clearstream, Luxembourg, Euroclear and the Warrant Agents during normal office hours.

(B) Verification of the Warrantholder

Upon receipt of an Exercise Notice, Clearstream, Luxembourg or Euroclear, as the case may be, shall verify that the person exercising the Warrants is the holder thereof according to the books of Clearstream, Luxembourg or Euroclear, as the case may be. Subject thereto, Clearstream, Luxembourg or Euroclear, as the case may be, will confirm to the Principal Warrant Agent the series number and number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for the delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. Upon receipt of such confirmation, the Principal Warrant Agent will inform the Issuer thereof. Clearstream, Luxembourg or Euroclear, as the case may be, will on or before the Settlement Date debit the account of the relevant Warrantholder with the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Global Warrant, the Common Depositary will, on the instructions of, and on behalf of, the Principal Warrant Agent, note such exercise on the Schedule to the Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

(C) Settlement

(i) Cash Settled Warrants

The Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, to the Warrantholder's account specified in the relevant Exercise Notice for value on the Settlement Date less any Exercise Expenses.

(ii) Physical Delivery Warrants

Subject to payment of the aggregate Exercise Prices and payment of any Exercise Expenses with regard to the relevant Warrants or Units, as the case may be, the Issuer shall on the Settlement Date deliver, or procure the delivery of, the Entitlement for each duly exercised Warrant or Unit, as the case may be, pursuant to the details specified in the Exercise Notice.

(D) Determinations

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by Clearstream, Luxembourg or Euroclear, as the case may be, in consultation with the Principal Warrant Agent, and shall be conclusive and binding on the Issuer, the Warrant Agents and the relevant Warrantholder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Warrant Agent immediately after being delivered or sent to Clearstream, Luxembourg or Euroclear, as the case may be, as provided in paragraph *(A)* above, shall be null and void.

If such Exercise Notice is subsequently corrected to the satisfaction of Clearstream, Luxembourg or Euroclear, as the case may be, in consultation with the Principal Warrant Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to Clearstream, Luxembourg or Euroclear, as the case may be, and the Principal Warrant Agent.

Any Warrant with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified in Condition 4(*A*)(i), in the case of American Style Warrants, or Condition 4(*A*)(ii), in the case of European Style Warrants, shall become void.

Clearstream, Luxembourg or Euroclear, as the case may be, shall use its best efforts promptly to notify the Warrantholder submitting an Exercise Notice if, in consultation with the Principal Warrant Agent, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Warrant Agents, Clearstream, Luxembourg or Euroclear shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Warrantholder.

(E) Delivery of an Exercise Notice

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Warrantholder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Warrantholder may not transfer such Warrants.

(F) Exercise Risk

Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date and none of the Issuer and the Warrant Agents shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer and the Warrant Agents shall under any circumstances be liable for any acts or defaults of Clearstream, Luxembourg or Euroclear in relation to the performance of its duties in relation to the Warrants.

6. Minimum and Maximum Number of Warrants Exercisable

(A) American Style Warrants

This paragraph *(A)* applies only to American Style Warrants.

(i) The number of Warrants exercisable by any Warrantholder on any Actual Exercise Date, as determined by the Issuer, must not be less than the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

(ii) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Warrantholder or a group of Warrantholders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the "Quota"), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants are exercised on the same day by Warrantholder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

(B) European Style Warrants

This paragraph *(B)* applies only to European Style Warrants.

The number of Warrants exercisable by any Warrantholder on the Exercise Date, as determined by the Issuer, must be equal to the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

7. Illegality and impracticability

If the Issuer determines that the performance of its obligations under the Warrants has become or will become illegal or impracticable in whole or in part for any reason, the

Issuer may cancel the Warrants by giving notice to Warrantholders in accordance with Condition 10.

Should any one or more of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

If the Issuer cancels the Warrants then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by such holder, which amount shall be the fair market value of a Warrant or Unit, as the case may be, notwithstanding such illegality less the cost to the Issuer of unwinding any underlying related hedging arrangements plus, if already paid by or on behalf of the Warrantholder, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10.

8. Purchases

The Issuer may, but is not obliged to, at any time purchase Warrants at any price in the open market or by tender or private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation.

9. Agents, Determinations and Modifications

(A) Warrant Agents

The specified offices of the Warrant Agents are as set out at the end of these Terms and Conditions.

The Issuer reserves the right at any time to vary or terminate the appointment of any Warrant Agent and to appoint further or additional Warrant Agents, provided that no termination of appointment of the Principal Warrant Agent shall become effective until a replacement Principal Warrant Agent shall have been appointed and provided that, so long as any of the Warrants are listed on a stock exchange, there shall be a Warrant Agent having a specified office in each location required by the rules and regulations of the relevant stock exchange. Notice of any termination of appointment and of any changes in the specified office of any Warrant Agent will be given to Warrantholders in accordance with Condition 10. In acting under the Warrant Agreement, each Warrant Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Warrantholders and any determinations and calculations made in respect of the Warrants by any Warrant Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Warrantholders.

(B) Calculation Agent

In relation to each issue of Warrants, the Calculation Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Warrantholders. All calculations and determinations made in respect of the Warrants by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Warrantholders.

The Calculation Agent may delegate any of its obligations and functions to a third party as it deems appropriate.

(C) Determinations by the Issuer

Any determination made by the Issuer pursuant to these Terms and Conditions shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Warrantholders.

(D) Modifications

The Issuer may modify these Terms and Conditions and/or the Warrant Agreement without the consent of the Warrantholders in any manner which the Issuer may deem necessary or desirable provided that such modification is not materially prejudicial to the interests of the Warrantholders or such modification is of a formal, minor or technical nature or to correct a manifest error or to cure, correct or supplement any defective provision contained herein and/or therein. Notice of any such modification will be given to the Warrantholders in accordance with Condition 10 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

10. Notices

All notices to Warrantholders shall be valid if delivered (i) to Clearstream, Luxembourg and Euroclear for communication by them to the Warrantholders and (ii) if and so long as the Warrants are listed on a stock exchange, in accordance with the rules and regulations of the relevant stock exchange. If the Warrants are listed on the Luxembourg Stock Exchange, notices may be published on the Luxembourg Stock Exchange's internet site www.luxse.com and so long as publication in a daily newspaper with general circulation in Luxembourg is required by the rules of the Luxembourg Stock Exchange, notices shall be published in the *Luxemburger Wort*. Any such notice shall be deemed to have been given on the second Business Day following such delivery or, if earlier, the date of such publication or, if published more than once, on the date of the first such publication.

11. Expenses and Taxation

(A) A holder of Warrants must pay all Exercise Expenses relating to such Warrants as provided above.

(B) The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Warrant and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted. The Issuer may withhold or deduct from any amount payable to the warrantholder such amount as shall be necessary to account for or to pay any such tax, duty, charge, withholding or other payment in respect of a Hedge Position. The Warrantholder shall indemnify the Issuer against any loss, cost or other liability sustained or incurred by the Issuer in respect of any such tax, duty, charge, withholding or other payment in respect of the Warrants and the Hedge Position. The indemnity shall survive the expiry of the Warrants or the sale of the Warrants by the Warrantholder.

The Issuer may deduct and/or withhold an amount from any payment made pursuant to the terms of the Warrants if it reasonably expects that tax or duty may be chargeable to such payment or the disposal of the Hedge Positions.

The Issuer may determine the amount of any applicable capital gain tax on a first-in-first-out basis or such other basis at its discretion. If such tax is determined on a first-in-first-out basis, the tax subject to deduction, withholding and/or indemnity may be determined by reference to the overall position of the Issuer (or a counterparty of the Issuer) in the relevant asset which may include not only the Hedge Position for a particular series of Warrant but also Hedge Position for all other financial instruments issued, or transactions entered into, by the Issuer and/or its affiliates (or a counterparty of the Issuer) and proprietary position of the Issuer and/or its affiliates (or a counterparty of the Issuer).

12. Further Issues

The Issuer shall be at liberty from time to time without the consent of Warrantholders to create and issue further Warrants so as to be consolidated with and form a single series with the outstanding Warrants.

13. Substitution of the Issuer

The Issuer, or any previous substituted company may, at any time, without the consent of the Warrantholders, substitute for itself as principal obligor under the Warrants any company ("**Substitute**"), being the Issuer or any other company, subject to:

(a) the Issuer unconditionally and irrevocably guaranteeing in favour of each Warrantholder the performance of all obligations by the Substitute under the Warrants;

(b) all actions, conditions and things required to be taken, fulfilled and done to ensure that the Warrants represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and are in full force and effect;

(c) the Substitute shall have become party to the Warrant Agreement, with any appropriate consequential amendments, as if it had been an original party to it;

(d) each stock exchange on which the Warrants are listed shall have confirmed that, following the proposed substitution of the Substitute, the Warrants will continue to be listed on such stock exchange;

(e) if appropriate, the Substitute shall have appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Warrants; and

(f) the Issuer shall have given at least 30 days' prior notice of the date of such substitution to the Warrantholders in accordance with Condition 10.

14. Governing Law and Jurisdiction

(A) The Warrants, the Global Warrant and the Warrant Agreement are governed by and shall be construed in accordance with English law.

(B) The Issuer agrees, for the exclusive benefit of the Warrantholders that the courts of England are to have jurisdiction to settle any disputes which may arises out of or in connection with the Warrants, the Global Warrant and the Warrant Agreement and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Warrants, the Global Warrant and the Warrant Agreement

may be brought in such courts. The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgement in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction. Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

(C) The Issuer hereby appoints Macquarie Bank Limited, London Branch whose registered office is currently at Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD as its agent in England to receive service of process in any Proceedings in England based on the Warrants and the Global Warrant. If for any reason such process agent ceases to act as such or no longer has an address in England, the Issuer agrees to appoint a substitute process agent and to notify the Warrantholders of such appointment. Nothing herein shall affect the right to serve process in any other manner permitted by law.

15. Terms for Index Warrants, Security Warrants and Bond Warrants

(A) Index Warrants

(1) Market Disruption

For the purposes hereof:

"Market Disruption Event" shall mean, in relation to Warrants relating to a single Index or Basket of Indices, in respect of an Index, the occurrence or existence on any Trading Day during the one-half hour period that ends at the relevant Valuation Time of:

(i) any suspension of or limitation imposed on trading by the Exchange(s) or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchanges or otherwise (a) relating to securities/commodities that comprise 20 per cent. or more of the level of the relevant Index, or (b) in futures or options contracts relating to the relevant Index on the Exchange(s);

(ii) any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the securities/commodities that comprise 20 per cent. or more of the level of the relevant Index, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on the relevant Exchange(s); or

(iii) the closure on any Trading Day of the relevant Exchange(s) relating to securities/commodities that comprise 20 per cent. or more of the level of the relevant Index prior to its scheduled closing time unless such earlier closing time is announced by such Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) on such Trading Day and (ii) the submission deadline for orders to be entered in to the Exchange(s) system for execution at the Valuation Time on such Trading Day,

if, in the determination of the Calculation Agent, in any such case such suspension or limitation is material.

For the purpose of determining whether a Market Disruption Event exists in relation to an Index at any time, if trading in a security/commodity included in that Index is materially suspended or materially limited at that time, then the relevant percentage contribution of that security/commodity to the level of that Index shall be based on a comparison of (i) the portion of the level of that Index attributable to that security/commodity relative to (ii) the overall level of that Index, in each case immediately before that suspension or limitation.

The Calculation Agent shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10 that a Market Disruption Event has occurred.

(2) Adjustments to an Index

(a) Successor Sponsor Calculates and Reports an Index

If a relevant Index is (i) not calculated and announced by the entity that is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index and announces (directly or through an agent) the level of the Index on a regular basis ("**Sponsor**") but is calculated and announced by a successor to the Sponsor ("**Successor Sponsor**") acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index ("**Successor Index**") will be deemed to be the Index.

(b) Modification and Cessation of Calculation of an Index

If (i) on or prior to a Valuation Date or an Averaging Date the Sponsor or (if applicable) the Successor Sponsor makes a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock, capitalisation, contracts or commodities and other routine events) or permanently cancels the Index and no Successor Index exists, (ii) on a Valuation Date or an Averaging Date the Sponsor or (if applicable) the Successor Sponsor fails to calculate and announce a relevant Index, or (iii) the Calculation Agent reasonably considers that any authorisation, registration, recognition endorsement, equivalence decision, approval or inclusion in any official register in respect of the Index or the Sponsor or (if applicable) the Successor Sponsor has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the Issuer is not, or will not be, permitted under any applicable law or regulation to use the Index as the underlying index of the Warrants, then the Calculation Agent shall determine the Settlement Price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Valuation Date or that Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to that change or failure, but using only those securities/commodities that comprised that Index immediately prior to that change or failure (other than those securities that have since ceased to be listed on the Exchange(s)). Alternatively, the Calculation Agent may determine the level

for that Index using the closing level of the relevant spot-month index futures contract on that Valuation Date or that Averaging Date, if available.

(c) Notice

The Calculation Agent shall, as soon as practicable, notify the Principal Warrant Agent of any determination made by it pursuant to paragraph (b) above and the Principal Warrant Agent shall make available for inspection during normal office hours by Warrantholders copies of any such determinations.

(B) Security Warrants

For the purposes of this Condition 15(*B*):

"**Basket Security Issuer**" means a security issuer whose securities are included in the Basket of Securities and "Basket Security Issuers" means all such security issuers;

"**Securities**" and "**Security**" mean, subject to adjustment in accordance with this Condition 15(*B*), the shares or units of the relevant Basket Security Issuer and, in the case of an issue of Warrants relating to a single Security, such shares or units and related expressions shall be construed accordingly; and

"**Security Issuer**" means, in the case of an issue of Warrants relating to a single share or unit, the company or unit trust that has issued such share or unit.

(1) **Market Disruption**

For the purposes hereof:

"**Market Disruption Event**" shall mean, in relation to Warrants relating to a single Security or a Basket of Securities, in respect of a Security, the occurrence or existence on any Trading Day during the one-half hour period that ends at the relevant Valuation Time of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in:

(i) any suspension of or limitation imposed on trading by the Exchange(s) or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange(s) or otherwise (a) relating to the Security on the Exchange, or (b) in futures or options contracts relating to the Security on the Exchange(s);

(ii) any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Securities on the Exchange, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to the Security on the relevant Exchange(s); or

(iii) the closure on any Trading Day of the Security on the relevant Exchange(s) prior to its scheduled closing time unless such earlier closing time is announced by such Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) on such Trading Day and (ii) the submission deadline for orders to be entered in to the Exchange(s) system for execution at the Valuation Time on such Trading Day,

if in the determination of the Calculation Agent, in any such case such suspension or limitation is material.

The Issuer shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10 that a Market Disruption Event has occurred.

(2) Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation and Insolvency

(a) For the purposes hereof:

"Potential Adjustment Event" means any of the following:

(i) a subdivision, consolidation or reclassification of relevant Securities (unless resulting in a Merger Event) or a free distribution or dividend of any such Securities to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution or dividend to existing holders of the relevant Securities of (a) such Securities or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Basket Security Issuer or Security Issuer, as the case may be, equally or proportionately with such payments to holders of such Securities or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Basket Security Issuer or Security Issuer, as the case may be, as a result of a spin-off or other similar transaction or (d) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend;

(iv) a call by a Basket Security Issuer or Security Issuer, as the case may be, in respect of relevant Securities that are not fully paid;

(v) a repurchase by the Basket Security Issuer or Security Issuer, as the case may be, of relevant Securities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) in respect of a Basket Security Issuer or Security Issuer, as the case may be, an event that results in any securityholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Basket Security Issuer or Security Issuer, as the case may be, pursuant to a securityholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Securities.

Following the declaration by the Basket Security Issuer or Security Issuer, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Securities and, if so, will (a) (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect and (ii) determine the effective date of that adjustment; (b) issue additional Warrants (or warrants of the Issuer on substantially the same term of the Warrants (save as to the Exercise Date)); or (c) early redeem or terminate the Warrants. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Securities traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10, stating the adjustment to any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and the date from which such adjustment is effective and giving brief details of the Potential Adjustment Event.

If the ex-date in regard to any rights issue of the Securities fall after the Trade Date and prior to the Exercise Date, the Issuer shall issue or effect the delivery of either (i) a number of further Warrants to the Warrantholder; or (ii) the cash equivalent of such further Warrants relative to the number of Warrants held by the Warrantholder on the Warrants Record Date, subject to (a) the written consent of the Warrantholder to participate in respect of the corresponding rights issue of the Securities, and (b) the full payment of the equivalent amount in the Settlement Currency by the Warrantholder to the Issuer for the subscription of such further Warrants (including but not limited to all Warrantholder's Expenses subscribing for the equivalent number of Securities).

Such Warrants will be issued by the Issuer as soon as practicable after the Rights Securities Receipt Date. In case the Rights Securities Receipt Date falls on or after the Exercise Date, the Issuer has absolute discretion to either pay an equivalent amount in the Settlement Currency or issue such number of warrants on substantially the same term of the Warrants (save as to the Exercise Date) to reflect the market value of such Securities on or about the Rights Securities Receipt Date. The market value of such Securities is determined by the Calculation Agent in its absolute discretion.

"Rights Securities Receipt Date" means the date upon which the Securities issued under a rights issue would have been received by a holder of the Securities under the prevailing market practice."

Where the Exercise Date is, or is deemed to be, the Warrants Record Date under these Conditions (as set out below), a Warrantholder shall only be entitled to the

Cash Dividend or Scrip Dividend (as the case may be) if the Securities are trading ex dividend on the Exercise Date.

In consultation with the Issuer, the Calculation Agent shall determine the Warrants Record Date. The "Warrants Record Date" shall mean, in respect of a dividend or rights issue, a date and time by which a Warrantholder must be registered as a holder of the relevant Warrants in order to be entitled to the Cash Dividend, Scrip Dividend or any rights issue (as the case may be).

In determining the Warrants Record Date, the Calculation Agent shall take into consideration the date fixed by the Security Issuer for entitlement of its securityholders to payment of the dividend or participate in the relevant rights issue, as the case may be, and shall endeavour but shall not be obligated to appoint the same date.

As at the Warrants Record Date, the Calculation Agent on behalf of the Issuer shall have sole and absolute discretion to determine the list of Warrantholders and such decision of the Calculation Agent shall be final and conclusive for the purposes of these Conditions and the obligations of the Issuer to pay any Cash Dividend or Scrip Dividend (as the case may be) or otherwise. No person who becomes registered as a holder of the relevant Warrants at any time following the Warrants Record Date shall be entitled to a Cash Dividend or Scrip Dividend payment or any entitlements.

In respect of any rights issue of the Securities, additional Warrants will be issued to entitled Warrantholders, subject to (i) the Issuer receiving the written consent of the Warrantholder to participate in the corresponding rights issue of the Securities; and (ii) receipt by the Issuer of full payment of the equivalent amount in the Settlement Currency from the Warrantholder for the subscription of such Warrants (inclusive of any applicable tax and other charges as determined by the Calculation Agent).

(b) For the purposes hereof:

"De-listing" means, in respect of any relevant Securities, that the Exchange announces that pursuant to the rules of such Exchange, the Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).

"Insolvency" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Basket Security Issuer or Security Issuer, as the case may be, (i) all the Securities of that Basket Security Issuer or Security Issuer, as the case may be, are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Securities of that Basket Security Issuer or Security Issuer, as the case may be, become legally prohibited from transferring them.

"Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"Merger Event" means, in respect of any relevant Securities, any (i) reclassification or change of such Securities that results in a transfer of or an irrevocable commitment to transfer all of such Securities outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding security exchange of the Basket Security Issuer or Security Issuer, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding security exchange in which such Basket Security Issuer or Security Issuer, as the case may be, is the continuing entity and which does not result in any such reclassification or change of all such Securities outstanding) or (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Securities of such Basket Security Issuer or Security Issuer, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Securities (other than such Securities owned or controlled by such other entity or person) or (iv) consolidation, amalgamation, merger or binding security exchange of the relevant Basket Security Issuer or Security Issuer, as the case may be, or its subsidiaries with or into another entity in which the Basket Security Issuer or Security Issuer, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Securities outstanding but results in the outstanding Securities (other than Securities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Securities immediately following such event ("Reverse Merger"), in each case if the Merger Date is on or before, in the case of Physical Delivery Warrants, the relevant Actual Exercise Date or, in any other case, the final Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Warrant.

"Nationalisation" means that all the Securities or all the assets or substantially all the assets of the Basket Security Issuer or Security Issuer, as the case may be, are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

"Tender Offer" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10% and less than 100% of the outstanding voting securities of the Basket Security Issuer or Security Issuer, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

If a Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency occurs in relation to a Security, the Issuer in its sole and absolute discretion may take the action described in (i), (ii) or (iii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion (a) the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment

and/or (b) in respect of a Merger Event, the whole number of replacement warrants of the Issuer relating to the securities of the successor entity under the Merger Event on substantially the same Conditions as the Warrants (save as to Exercise Date) (the "**Merger Warrants**") (any fractional Merger Warrants to be rounded down to the nearest whole Merger Warrants) to be issued by the Issuer to reflect such Merger Event and, subject to the relevant Warrantholder paying all Warrantholder's Expenses in relation thereto and, upon such determination, the Issuer will, as soon as practicable determine the effective date of that adjustment and/or the date of issue of such Merger Warrants and issue such Merger Warrants to the Warrantholders, to be distributed between Warrantholders in proportion to the ratio that each Warrantholder's holding of Warrants at the time of the issue of the Merger Warrants bears to the total number of Warrants outstanding on such date. Upon the issue of Merger Warrants to any Warrantholder, such Warrantholder's holding of Warrants will be cancelled and the Issuer shall have no further obligations in respect of such cancelled Warrants. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency made by any options exchange to options on the Securities traded on that options exchange;

(ii) cancel the Warrants by giving notice to Warrantholders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer of unwinding any underlying related hedging arrangements plus, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10; or

(iii) following such adjustment to the settlement terms of options on the Securities traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select ("**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Securities are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, De-listing, Nationalisation

or Insolvency, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

(c) Upon the occurrence of a Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, the Issuer shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10 stating the occurrence of the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto and the date from which the adjustment is effective. However, Warrantholders should be aware that there may necessarily be some delay between the time at which any of the above events occur and the time at which notice thereof is given to the Warrantholders.

(d) The Calculation Agent may in its sole discretion make any other adjustments to the Conditions of the Warrants that it deems necessary from time to time in order to maintain the theoretical value of the Warrants.

(e) By subscribing for or purchasing the Warrants, each Warrantholder acknowledges and agrees that the Issuer or any of its affiliates may make such disclosure to any legal or regulatory body or authority as the Issuer or any of its affiliates shall consider necessary or appropriate regarding the Warrants or the Hedge Positions. In addition, each Warrantholder represents to the Issuer that its purchase of the Warrants has not resulted in and will not result in any violation by itself or the Issuer of any applicable laws and regulations and such representation is deemed to be repeated at all times until the termination of the Warrants.

The Issuer shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10 that a Market Disruption Event has occurred.

(3) China Connect Service

Where the Final Terms relating to the Warrant specifies that China Connect Service terms are applicable, Condition 3 shall be amended by adding the following defined terms in alphabetical order. The following defined terms shall be read together with, and shall supplement, those definitions under Condition 3. In respect of the same definition, the following defined terms and the definition under Condition 3 shall both apply to the extent they are reconcilable. In case of any inconsistencies, the defined terms in this section shall prevail.

"China Connect Business Day" means any Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its scheduled closing time (without regard to any order-routing outside of the regular order-routing session hours).

"China Connect Disruption" means (i) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, relating to the share or one of the shares in a basket on the Exchange (or in the case of an Index Warrant, relating to securities that comprise 20 per cent. or more of the level of the relevant index) or (ii) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of the market participants in general to enter orders in

respect of shares through the China Connect Service (or in the case of an Index Warrant, in securities that comprise 20 per cent. or more of the level of the relevant index).

"China Connect Early Closure" means the closure on any China Connect Business Day of the China Connect Service (provided that, in the case of an Index Warrant, securities that comprise 20 per cent. or more of the level of the relevant Index are securities that are order-routed through the China Connect Service) prior to its scheduled closing time unless such earlier closing time is announced by SEHK or the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for order-routing through the China Connect Service on such China Connect Business Day and (ii) the submission deadline for orders to be entered into the China Connect Service system for execution on the Exchange at the Valuation Time on such China Connect Business Day.

"China Connect Service" means the securities trading and clearing links programme developed by the Exchange, The Stock Exchange of Hong Kong Limited ("SEHK"), China Securities Depository and Clearing Corporation ("CSDCC") and Hong Kong Securities Clearing Company Limited ("HKSCC"), through which (i) SEHK and/or its affiliates provide order-routing and other related services for certain eligible securities traded on the Exchange and (ii) CSDCC and HKSCC provide clearing, settlement, depository and other services in relation to such securities.

"China Connect Service Termination" means, on or after the Trade Date, the announcement by one or more of the Exchange, SEHK, the CSDCC, HKSCC or any regulatory authority with competent jurisdiction of a suspension or termination of the China Connect Service or a part thereof for any reason which materially affects the routing of orders in respect of, or holding of, the shares through the China Connect Service and the Calculation Agent determines that there is a reasonable likelihood that such suspension or termination is not, or will not be, temporary.

"China Connect Share Disqualification" means, on or after the Trade Date, the shares cease to be accepted as "China Connect Securities" (as defined in the rules of the exchange of SEHK) for the purpose of the China Connect Service.

"Hedging Disruption" shall include (without limitation) (i) any inability to hedge by the Hedging Party or its affiliates as a result of compliance with any foreign ownership restrictions imposed by the issuer of any share, any exchange or any court, tribunal, government or regulatory authority in the People's Republic of China excluding Hong Kong, Macau and Taiwan ("PRC") or Hong Kong; (ii) China Connect Share Disqualification; (iii) China Connect Service Termination; and (iv) for the avoidance of doubt, using commercially reasonable efforts to hedge the risks with respect to the Transaction referred to in Hedging Disruption does not include the use of any quota granted to such Hedging Party or its affiliates under the Qualified Foreign Institutional Investor ("QFII") or Renminbi Qualified Foreign Institutional Investor ("RQFII") schemes.

"Market Disruption Event" includes (i) a China Connect Disruption or (ii) a China Connect Early Closure.

"Trading Day" means any day that is (or, but for the occurrence of a Market Disruption Event (as set out in Condition 15), would have been) (i) a trading day of the Exchange(s) other than a day on which trading on any such Exchange is scheduled to close prior to its regular weekday closing time and, if applicable, (ii) the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions;

(C) Bond Warrants

(1) For the purposes hereof:

"Bankruptcy" means a Bond Issuer:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;

(d) institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgement of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof;

(e) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;

(g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereafter; or

(h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has any analogous effect to any of the events specified in paragraphs (a) to (g) (inclusive).

"Bond Event" shall mean, in respect of a Bond, as determined by the Calculation Agent, the occurrence during the period from and including the Trade Date to but excluding the Valuation Date of one or more of Bond Acceleration, Bond Default, Bond Early Redemption, Bond Failure to Pay, Bond Governmental Intervention, Bond Issuer ISDA Event or Bond Restructuring, including if such Bond Event is the result of a Bond Change in Law Event. The Issuer shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10 that a Bond Event has occurred.

"Bond Acceleration" means, in respect of a Bond, a Bond has become due and payable before it would otherwise have been due and payable as a result of, or on the basis of,

the occurrence of a default, event of default, early redemption or other similar condition or event (however described in the terms and conditions governing such Bond).

"Bond Change in Law Event" means (i) the adoption of any change in any applicable law or regulation (including without limitation, any law or regulation in respect of tax, solvency or capital requirements) or (ii) the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or brought in a court of competent jurisdiction).

"Bond Default" means, in respect of a Bond, a Bond has become capable of being declared due and payable before it would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (however described in the terms and conditions governing such Bond), notwithstanding any grace period set forth in the terms and conditions governing such Bond.

"Bond Early Redemption" means, in respect of a Bond (i) an early repayment at par of the Bond other than in accordance with its terms and conditions, (ii) an early redemption of the Bond for tax reasons in accordance with its terms and conditions, (iii) an early redemption of the Bond at, below or above par in accordance with its terms and conditions or (iv) any other early redemption and/or early repayment of the Bond in accordance with its terms and conditions, including, without limitation, any partial or total call of the Bonds by the Bond Issuer.

"Bond Failure to Pay" means, in respect of a Bond, the failure by a Bond Issuer to make, when and where due, any payment under a Bond, provided that such failure is not remedied on or before the third Business Day (included) immediately following the relevant scheduled payment date, notwithstanding any grace period set forth in the terms and conditions governing such Bond at the time of such failure.

"Bond Governmental Intervention" means, with respect to one or more Bonds that any one or more of the following events occurs as a result of action taken or an announcement made, by a governmental authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Bond Issuer in a form which is binding, irrespective of whether such event is expressly provided for under the terms of the Bond:

(i) any event which would affect creditors' rights so as to cause: (A) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination); (B) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination); (C) a postponement or other deferral of a date or dates for either (i) the payment or accrual of interest or (ii) the payment of principal or premium; or (D) a change in the ranking in priority of payment of any obligation under the Bond, causing the subordination of such obligation to any other obligation of the Bond Issuer;

(ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Bond;

(iii) a mandatory cancellation, conversion or exchange; or

(iv) any event which has an analogous effect to any of the events specified in paragraphs (i) to (iii) of this definition.

"Bond Issuer" means the issuer of the Bond as specified in the applicable Final Terms.

"Bond Issuer ISDA Event" means that there is a public announcement by ISDA of the occurrence of, in relation to the Bond Issuer, one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or Governmental Intervention as defined in this Condition 15(C)(1).

"Bond Restructuring" means that:

(a) with respect to each Bond, any one or more of the following events occurs in a form that binds any holders of such Bond (including, in each case, by way of an exchange), whether or not such event is expressly provided for or not under the terms of such Bond in effect as of the date as of which such Bond is issued or incurred: (i) any amount to be received by any holder of the Bond under the Bond would be reduced or paid in or exchanged into another form due to any Bond Change in Law Event; (ii) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals initially provided for; (iii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates initially provided for; (iv) a postponement, suspension or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium; (v) a change in the ranking in priority of payment of any obligation under the Bond, causing the subordination of such obligation to any other obligation of the Bond Issuer; (vi) any change in the currency or composition of any payment of interest or principal to any other currency; or (vii) any variation of the terms of the Bond.

(b) Notwithstanding the provisions of (a) above, the following will not constitute a Bond Restructuring: the payment in euro of interest or principal in relation to a Bond denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

"Borrowed Money" means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

"Buyer" means the party specified as such in the related Confirmation.

"Confirmation" means, with respect to a Credit Derivatives Transaction, one or more documents and other confirming evidence exchanged between the parties or otherwise effective, which taken together, confirm or evidence all of the terms of that Credit Derivatives Transaction.

"Credit Derivative Transaction" means any transaction that is identified in the related Confirmation as a Credit Derivative Transaction or any transaction that incorporates the 2014 ISDA Credit Derivatives Definitions.

"Credit Event" means, with respect to a Credit Derivative Transaction, one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or Governmental Intervention as specified in the related Confirmation.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

(A) any lack or alleged lack of authority or capacity of the Bond Issuer to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;

(B) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;

(C) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or

(D) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

"Credit Derivatives Determinations Committee" means each committee established by ISDA pursuant to the DC Rules for purposes of reaching certain DC Resolutions (including, but not limited to, the determination of the occurrence of a Credit Event) in connection with "*Credit Derivative Transactions*" as more fully described in the DC Rules.

"DC Resolution" has the meaning given to that term in the DC Rules.

"DC Rules" means the Credit Derivatives Determinations Committee Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

"DC Secretary" has the meaning given to that term in the DC Rules.

"Default Requirement" means USD 10,000,000 or the amount specified as such in the Confirmation for the applicable Credit Derivative Transaction (or in each case its equivalent in the Obligation Currency as of the occurrence of the relevant Credit Event).

"Definitions" means the 2014 ISDA Credit Derivatives Definitions.

"Deliver" means to deliver, novate, transfer (including in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in order to convey all right, title and interest to the Seller as more fully described in the Definitions. **Delivery** and **Delivered** will be construed accordingly.

"Downstream Affiliate" means an entity, whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50% owned, directly or indirectly, by the Bond Issuer.

"**Failure to Pay**" means after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Bond Issuer to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure.

"Fixed Cap" means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Bond Issuer in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

"Governmental Authority" means:

(i) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof);

(ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body;

(iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Bond Issuer or some or all of its obligations; or

(iv) any other authority which is analogous to any of the entities specified in paragraphs (i) to (iii) above.

"**Governmental Intervention**" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Bond Issuer in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

(a) any event which would affect creditors' rights so as to cause: (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination); (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination); (iii) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;

(b) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;

(c) a mandatory cancellation, conversion or exchange; or

(d) any event which has an analogous effect to any of the events specified in paragraphs (a) to (c).

For purposes of this definition of Governmental Intervention, the term Obligation shall be deemed to include Underlying Obligations for which the Bond Issuer is acting as provider of a Guarantee.

"**Grace Period**" means:

(a) subject to paragraphs (b) and (c) below, the applicable grace period with respect to payments under and in accordance with the terms of the relevant Obligation in effect as of the date as of which such Obligation is issued or incurred;

(b) if "Grace Period Extension" is specified as applying in the related Confirmation, a Potential Failure to Pay has occurred on or prior to the Scheduled Termination Date and the applicable grace period cannot, by its terms, expire on or prior to the relevant Scheduled Termination Date, the Grace Period will be deemed to be the lesser of such grace period and the period specified as such in the related Confirmation or, if no period is specified, 30 calendar days; and

(c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of 3 Grace Period Business Days shall be deemed to apply to such Obligation; provided that; unless Grace Period Extension is specified as applicable in the related Confirmation, such deemed Grace Period shall expire no later than the Scheduled Termination Date.

"Grace Period Business Day" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

"Grace Period Extension Date" means, if (a) Grace Period Extension is specified as applicable in the related Confirmation and (b) a Potential Failure to Pay occurs on or prior to the Scheduled Termination Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If Grace Period Extension is not specified as applicable in the related Confirmation, Grace Period Extension shall not apply to the relevant Credit Derivative Transaction.

"Guarantee" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"Loan" means any obligation of a type included in the Borrowed Money category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

"Market Disruption Event" means any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in or obtain market values for the Bonds.

"Multiple Holder Obligation" means an Obligation that (i) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (ii) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six-and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in this subparagraph (ii) of this definition of Multiple Holder Obligation.

"Notice of Publicly Available Information" means an irrevocable notice from the Notifying Party to the other party that cites Publicly Available Information confirming the occurrence

of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If "*Notice of Publicly Available Information*" is applicable to a Credit Derivative Transaction and the Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

"Notifying Party" means "Buyer or Seller" unless otherwise specified in the related Confirmation.

"**Obligation**" means: (a) any obligation of a Bond Issuer (either directly or as a provider of a Relevant Guarantee) for the payment or repayment of money (including, without limitation, Borrowed Money), including for the avoidance of doubt, the Reference Obligation.

"**Obligation Acceleration**" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Bond Issuer under one or more Obligations.

"**Obligation Currency**" means the currency or currencies in which the Obligation is denominated.

"**Obligation Default**" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Bond Issuer under one or more Obligations.

"**Payment Requirement"** means USD 1,000,000 or the amount specified as such in the Confirmation for the applicable Credit Derivative Transaction (or in each case, its equivalent in the Obligation Currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable).

"Permitted Transfer" means, with respect to a Qualifying Guarantee, a transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Bond Issuer to the same single transferee.

"**Potential Failure to Pay**" means the failure by a Bond Issuer to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure.

"Potential Repudiation/Moratorium" means the occurrence of an event described in paragraph (i)(a) of the definition of Repudiation/Moratorium.

"Qualifying Affiliate Guarantee" means a Qualifying Guarantee provided by the Bond Issuer in respect of an Underlying Obligation of a Downstream Affiliate of the Bond Issuer.

"Qualifying Guarantee" means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Bond Issuer irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

(i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or legal arrangement which is equivalent thereto in form); or

(ii) pursuant to the terms applicable thereto, the principal payment obligations of the Bond Issuer can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case other than: (a) by payment; (b) by way of Permitted Transfer; (c) by operation of law; (d) due to the existence of a Fixed Cap; or (e) due to: (A) provisions permitting or anticipating a Governmental Intervention, if "*Financial Reference Entity Terms*" is specified as applicable in the related Confirmation; or (B) any Solvency Capital Provisions, if "*Subordinated European Insurance Terms*" is specified as applicable in the related Confirmation.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Bond Issuer and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of the type described in the definition of Bankruptcy in respect of the Bond Issuer or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

(i) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and

(ii) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

"Reference Obligation" means each obligation specified as such or of a type described in the related Confirmation.

"Relevant Guarantee" means a Qualifying Affiliate Guarantee or, if "All Guarantees" is specified as applicable in the related Confirmation, a Qualifying Guarantee.

"**Repudiation/Moratorium**" means the occurrence of both of the following events:

(a) an authorised officer of a Bond Issuer or a Governmental Authority: (x) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or (y) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and

(b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Notice Date.

"Repudiation/Moratorium Evaluation Date" means, if a Potential Repudiation/Moratorium occurs on or prior to the date that is 14 calendar days after the Scheduled Termination Date, (i) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (A) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (B) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Termination Date unless the Repudiation/Moratorium Extension Condition is satisfied.

"Repudiation/Moratorium Extension Condition" means a condition that is satisfied:

(A) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Credit Derivative Transaction has occurred with respect to an Obligation of the Bond Issuer and that such event occurred on or prior to the Scheduled Termination Date, or

(B) otherwise, by the delivery by the Notifying Party to the other party of a Repudiation/Moratorium Extension Notice and unless Notice of Publicly Available Information is specified as "*Not applicable*" in the related Confirmation, a Notice of Publicly Available Information that are each effective on or prior to the date that is fourteen calendar days after the Scheduled Termination Date.

In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (i) an event does not constitute a Potential Repudiation/Moratorium for purposes of the relevant Credit Derivative Transaction with respect to an Obligation of the Bond Issuer or (ii) an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Credit Derivative Transaction has occurred with respect to an Obligation of the Bond Issuer but that such event occurred after the Scheduled Termination Date.

"Repudiation/Moratorium Extension Notice" means an irrevocable notice from the Notifying Party to the other party that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Termination Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to

the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

"Resolve" has the meaning given to it in the DC Rules, and "*Resolved*" and "*Resolves*" shall be construed accordingly.

"**Restructuring**" means that,

(A) with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between a Bond Issuer or a Governmental Authority and a sufficient number of holders of such Obligation to bind all the holders of the Obligation or is announced (or otherwise decreed) by a Bond Issuer or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of (i) the Credit Event Backstop Date applicable to a Series and (ii) the date as of which such Obligation is issued or incurred:

(a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;

(b) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;

(c) a postponement or other deferral of a date or dates for either (i) the payment or accrual of interest or (ii) the payment of principal or premium;

(d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or

(e) any change in the currency or composition of any payment of interest or principal to any currency which is not a Permitted Currency;

(B) Notwithstanding the above provisions, none of the following shall constitute a Restructuring:

(i) the payment in euros of interest or principal in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;

(ii) the occurrence of, agreement to or announcement of any of the events described in (a) to (e) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(iii) the occurrence of, agreement to or announcement of any of the events described in (a) to (e) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Bond Issuer.

For the purposes of the definition of Restructuring and Multiple Holder Obligation, the term Obligation shall be deemed to include Underlying Obligations for which the Bond Issuer is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Bond Issuer in paragraph (A) above shall be deemed to refer to the Underlying Obligor and the reference to the Bond Issuer in paragraph (B) above shall continue to refer to the Bond Issuer.

"Scheduled Termination Date" means the date specified as such in the related Confirmation.

"Seller" means the party specified as such in the related Confirmation.

"Subordination" means, with respect to an obligation (the **Second Obligation**) and another obligation of the Bond Issuer to which such obligation is being compared (the **First Obligation**), a contractual, trust or similar arrangement providing that (i) upon the liquidation, dissolution, reorganisation or winding-up of the Bond Issuer, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation or (ii) the holders of the Second Obligation will not be entitled to receive or retain payments in respect of their claims against the Bond Issuer at any time that the Bond Issuer is in payment arrears or is otherwise in default under the First Obligation.

"Underlying Obligation" means, with respect to a guarantee, the obligation which is the subject of the guarantee.

"**Underlying Obligor**" means with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

"Voting Shares" means the shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

(2) Bond Event

If a Bond Event occurs in relation to a Bond, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion (a) the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Bond Event and determine the effective date of that adjustment; or

(ii) cancel the Warrants by giving notice to Warrantholders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Bond Event, less the cost to the Issuer of unwinding any underlying related hedging arrangements plus, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10.

Upon the occurrence of a Bond Event, the Issuer shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10 stating the occurrence of the Bond Event, giving details thereof and the action proposed to be taken in relation thereto and the date from which the adjustment is effective. However, Warrantholders should be aware that there may necessarily be some delay between the time at which any of the above events occur and the time at which notice thereof is given to the Warrantholders.

By subscribing for or purchasing the Warrants, each Warrantholder acknowledges and agrees that the Issuer or any of its affiliates may make such disclosure to any legal or regulatory body or authority as the Issuer or any of its affiliates shall consider necessary or appropriate regarding the Warrants or the Hedge Positions. In addition, each Warrantholder represents to the Issuer that its purchase of the Warrants has not resulted in and will not result in any violation by itself or the Issuer of any applicable laws and regulations and such representation is deemed to be repeated at all times until the termination of the Warrants.

(3) Conversion

If the Bond is convertible bond or exchangeable bond, upon conversion, the Warrant shall become Warrant over such underlying security and the Calculation Agent shall adjust the terms of such Warrant as it deems appropriate to account for such conversion. The terms applicable to Security Warrant shall be applicable to the Bond Warrant in a similar manner as the context requires.

16. Adjustments for European Monetary Union

The Issuer may, without the consent of the Warrantholders, on giving notice to the Warrantholders in accordance with Condition 10:

(i) elect that, with effect from the Adjustment Date specified in the notice, certain terms of the Warrants shall be redenominated in euro.

The election will have effect as follows:

(A) where the Settlement Currency of the Warrants is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Issuer may decide, after consultation with the Calculation Agent, and as may be specified in the notice, and after the Adjustment Date, all payments of the Cash Settlement Amount in respect of the Warrants will be made solely in euro as though references in the Warrants to the Settlement Currency were to euro;

(B) where the Exchange Rate and/or any other terms of these Terms and Conditions are expressed in or, in the case of the Exchange Rate, contemplate the exchange from or into, the currency ("**Original Currency**") of a country which is participating in the third stage of European Economic and Monetary Union, such Exchange Rate and/or any other terms of these Terms and Conditions shall be deemed to be expressed in or, in the case of the Exchange Rate, converted from or, as the case may be into, euro at the Established Rate; and

(C) such other changes shall be made to these Terms and Conditions as the Issuer may decide, after consultation with the Calculation Agent to conform them to conventions then applicable to instruments expressed in euro; and/or

(ii) require that the Calculation Agent make such adjustments to the Multiplier and/or the Settlement Price and/or the Exercise Price and/or any other terms of these Terms and Conditions and/or the Final Terms as the Calculation Agent, in its sole discretion, may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union on the Multiplier and/or the Settlement Price and/or the Exercise Price and/or such other terms of these Terms and Conditions.

Notwithstanding the foregoing, none of the Issuer, the Calculation Agent and the Warrant Agents shall be liable to any Warrantholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

In this Condition, the following expressions have the following meanings:

"Adjustment Date" means a date specified by the Issuer in the notice given to the Warrantholders pursuant to this Condition which falls on or after the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty;

"Established Rate" means the rate for the conversion of the Original Currency (including compliance with rules relating to rounding in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to first sentence of Article 109 *l*(4) of the Treaty;

"euro" means the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty;

"National Currency Unit" means the unit of the currency of a country, as those units are defined on the day before the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union; and

"Treaty" means the treaty establishing the European Community, as amended.

17. Additional Representations

If the Warrants are directly or indirectly linked to China A shares, the Warrants may not be offered, sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, in any such case directly or indirectly, in the PRC, or to any Domestic Investor as defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited. China A shares refer to shares of companies incorporated in the PRC, traded on stock exchanges in the PRC and which are denominated in renminbi.

"Domestic Investor" is defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited and includes the following:

(i) PRC citizens resident in the PRC (excluding Hong Kong, Macau and Taiwan);

(ii) PRC citizens resident outside the PRC who are not permanent residents of another country or permanent residents of Hong Kong, Macau or Taiwan;

(iii) Legal persons registered in the PRC (excluding Hong Kong, Macau and Taiwan).

"Legal persons registered in the PRC" excludes foreign entities incorporated or organised in other jurisdictions even though they may have an office (i.e. a branch) in the PRC.

"PRC citizens" used in the rules do not include persons who are permanent residents of Hong Kong, Macau or Taiwan.

Each purchaser of the Warrants linked to China A Shares therefore represents to the Issuer that:

(a) it is not a Domestic Investor;

(b) it is not owned in whole or in part, directly or indirectly, by one or more Domestic Investors;

(c) it will not sell, transfer, assign, novate or otherwise dispose of Warrants linked to A shares to any transferee without prior written consent of Macquarie Bank Limited;

(d) all amounts paid or to be paid by it under the Warrants do not involve money financed by or sourced from any Domestic Investor.

Each purchaser of the Warrants linked to Taiwan listed shares is deemed to have represented, warranted and undertaken to the Issuer upon its purchase of the Warrants that (1) it is not purchasing the Warrants for the specific benefit or account of (i) any residents of the PRC, corporations in the PRC, or corporations outside the PRC that are beneficially owned by residents of the PRC or (ii) any residents of the Republic of China ("Taiwan"), corporations in Taiwan, or corporations outside Taiwan that are beneficially owned by residents of Taiwan; (2) it will not sell, transfer, assign, novate or otherwise dispose of the Warrants to or for the specific benefit or account of (i) any residents of the PRC, corporations in the PRC, or corporations outside the PRC which are beneficially owned by residents of the PRC or (ii) any residents of Taiwan, corporations in Taiwan, or corporations outside Taiwan which are beneficially owned by residents of Taiwan; and details of the Warrants (including the identity of the Warrantholder) may, (a) upon request or order by any competent authority, regulatory or enforcement organisation, governmental or otherwise, including the stock exchange on which the underlying shares are listed, (b) as required by applicable law, rules, regulations, codes or guidelines (whether having the force of law or otherwise), be disclosed in accordance with such request, order, law, rules, regulations, codes or guidelines (whether such disclosure is to be made to third parties or otherwise), and releases a party (and its Affiliates) from the duty of confidentiality owed to the other in relation to such information; and (3) it is not (i) a shareholder holding directly or indirectly through nominees more than ten percent (10%) of the shares issued by, or a director, supervisor or manager of, a Taiwan company the shares of which are traded on the Taiwan Stock Exchange or Taipei Exchange which are the underlying of the Warrant ("Insider") or (ii) a person or entity which would be deemed to be a "nominee" of an Insider.

Consequences of misrepresentations

If any of the representations as set out in the preceding paragraph proves to be incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated; or if a Warrantholder fails to comply with or perform any agreement or obligation undertaken by it in the above representations, the Issuer may early terminate the relevant Warrants at the fair market value less any hedging cost as determined by the Calculation Agent in its sole and absolute discretion.

18. Contracts (Rights of Third Parties) Act 1999

The Warrants do not confer on a third party any right under the Contracts (Rights of Third Parties) Act 1999 ("**Act**") to enforce any term of the Warrants but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

Form of Final Terms

Final Terms for an issue by Macquarie Bank Limited under the Warrant Programme for the issue of Warrants relating to a single Security, a Basket of Securities, a single Index, a Basket of Indices, a single Bond or a Basket of Bonds.

FINAL TERMS

[MiFID II product governance - Professional Investors and ECPs only / Target Market Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Warrants has led to the conclusion that: (i) the target market for the Warrants 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 Warrants to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Warrants (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Warrants (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.]

[U.K. MiFIR Product Governance - Professional Investors and ECPs only / Target Market Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Warrants has led to the conclusion that: (i) the target market for the Warrants is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("U.K. MiFIR"); and (ii) all channels for distribution of the Warrants to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Warrants (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "U.K. MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Warrants (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.]

Date: [•]
Series No.: [•]

MACQUARIE BANK LIMITED
(ABN 46 008 583 542)

[Issue Size] [Call/Put] Warrants
relating to the [ordinary shares of [Security Issuer]]/ [Index]/ [Bond]

issued pursuant to the Macquarie Bank Limited
Warrant Programme

This document constitutes the Final Terms in relation to the issue of Warrants as described herein. Terms used herein shall have the meanings given to them in the base prospectus dated 20 November 2026 [and the Supplement dated [•] (together,] the "Prospectus") issued in relation to the programme for the issue of Warrants by Macquarie Bank Limited (the "Programme"). These Final Terms must be read in conjunction with the Prospectus.

These Final Terms must be read in conjunction with the Prospectus and any supplement, which are published on the website of the Luxembourg Stock Exchange: www.luxse.com. In order to get the full information both the Prospectus (and any supplement) and these Final Terms must be read in conjunction. A summary of the individual issue is annexed to these Final Terms.

Type	[American Style / European Style] [Cash Settled / Physical Delivery] [Call / Put] Warrants relating to the [ordinary shares of [Security Issuer] / [Basket of Securities]] / [Index]/ [Basket of Indices]/ [Bond]/ [Basket of Bonds] [with coupon]
Issue Size	[•]
Issue Date	[•]
Issue Price per Warrant	[Currency] [Issue Price]
Exercise Price	[Currency] [•]
Payout of the Warrants	[For Cash Settled Warrants: Hedge Execution: Applicable/ Not applicable Cash Settlement Amount Percentage: [•] [Calculation Amount: [•] Calculation Period: From [and including]/[but excluding] [•] to [and including]/[but excluding] [•] [Coupon Amount: [•]] Coupon Payment Date: [•] Coupon Rate: [•] [p.a.]] Cash Dividend: Applicable/ Not applicable [Cash Dividend Percentage: [•]] [Trade Date: [•]] [Units: [•]] [Entitlement: [•]] [Multiplier: [•]] [Relevant Time: [•]]

	[Exchange Rate: [•]] Averaging: Applicable/ Not applicable [Averaging Dates: [•]] [[Omission] / [Postponement]/ [Modified Postponement] applies] [Knock-out Event : Applicable Knock-out Determination Date : [•] Observation Price : [•][, provided that if such price or a component for determining such price is not available for whatever reason, a price determined by the Calculation Agent using its good faith estimate] Knock-out Level : [•] Knock-out Redemption Amount : [•] Knock-out Settlement Date : [•]]
Settlement Currency	[•]
Exercise Date/ expiration date/ Exercise Period	[•]
Settlement Date	[the date determined by the Calculation Agent being no later than the fifth Business Day following the Valuation Date, or as amended by the Calculation Agent from time to time without notification, provided that if a Market Disruption Event has resulted in a Valuation Date for the Securities being adjusted as set out in the definition of "Valuation Date" in Condition 3, the Settlement Date shall be the fifth Business Day next following the last occurring Valuation Date in relation to the Securities.]/ [•]
Underlying/ Relevant Asset	[Security / Index/ Basket of Securities/ Basket of Indices/ Bond/ Basket of Bonds] [name(s) of the issuer of the Security or Basket of Securities/ Bond or Basket of Bonds] [ISIN of the underlying] [the relevant weighting of each security within a basket of securities and where pricing information is available] [Where the underlying is an index need to include the name of the index,

	the name of the index sponsor and details of where the information about the index can be obtained, where the underlying is a basket if indices, information relating to the relevant weightings of each index in the basket] [Where the underlying is an index, include: [specify benchmark(s)] [is/are] provided by [insert administrator(s) legal name(s)] [repeat as necessary]. [As at the date of these Final Terms, [insert administrator(s) legal name(s)] [appear[s]]/[[does]/[do] not appear] [repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. [As far as the Issuer is aware, [[insert benchmark(s)] [does/do] not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of that Regulation] [repeat as necessary] OR [the transitional provisions in Article 51 of the EU Benchmarks Regulation apply], such that [insert administrator(s) legal name(s)] [is/are] not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence). [repeat as necessary].]] [China Connect Service terms are applicable.]
Put/Call Options	[Issuer Call: Applicable / Not Applicable (i) Optional Redemption Amount(s) of each Warrant: [[ ] per Calculation Amount] /[An amount calculated by the Issuer as the Cash Settlement Amount payable by the Issuer as if the Optional Redemption Date were the Valuation Date.] (ii) If redeemable in part: (a) Minimum Redemption Amount: [ ]/[Not applicable because redeemable in full only] (b) Maximum Redemption Amount: [ ]/ [Not applicable because redeemable in full only] (iii) Notice period: Minimum period: [] Maximum period: [] (iv) Optional Redemption Period: [ ]

	(v) Optional Redemption Settlement Date: [ ] [Investor Put: Applicable / Not Applicable (i) Optional Redemption Amount(s) of each Warrant: [[ ] per Calculation Amount] /[An amount calculated by the Issuer as the Cash Settlement Amount payable by the Issuer as if the Optional Redemption Date were the Valuation Date.] (ii) If redeemable in part: (a) Minimum Redemption Amount: [ ]/[Not applicable because redeemable in full only] (b) Maximum Redemption Amount: [ ]/ [Not applicable because redeemable in full only] (iii) Notice period: Minimum period: [] Maximum period: [] (iv) Optional Redemption Period: [ ] (v) Optional Redemption Settlement Date: [ ]
Limitation on rights	Maximum Exercise Number: [•] Minimum Exercise Number: [•]
Euroclear and Clearstream name and address	[Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium] [Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg]
Net proceeds	[•]
Expenses and taxes	[•]
Interest of natural and legal persons involved in the issue	[So far as the Issuer is aware, no person involved in the issue of the Warrants has an interest material to the offer.]/ [•]
Third party information	[Not Applicable / The information included in these Final Terms under "Additional provisions relating to the underlying" (the "Underlying Information") consists of extracts from or summaries of information that is publicly available free of charge on [source] in respect of the Underlying and is not necessarily the latest information available. The Issuer accepts responsibility for accurately extracting and

	summarising the Underlying Information. As far as the Issuer is aware, no facts have been omitted which would render the reproduced information inaccurate or misleading. No further or other responsibility (express or implied) in respect of the Underlying Information is accepted by the Issuer.]
Listing and admission to trading	[Not Applicable] / [Application [has been] [will be] made by the Issuer (or on its behalf) for the Warrants to be admitted to trading on the [professional segment of the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange to which only Qualified Investors can have access for the purposes of trading in such securities]][with effect from, at the earliest the Issue Date.] [In the case of a further issue, include: The existing Warrants are [unlisted]/ [listed on the Luxembourg Stock Exchange]]
Placing and Underwriting	[Not applicable] / [name and address of the coordinators, placers, paying agents, depository agents in each country, entities agreeing to underwrite the issue on a firm commitment or under "best efforts" agreements whether partially or not, and date of underwriting agreement]
Yield to final maturity	[Not applicable] [Specify details]
Representation of debt security holders including an identification of the organisation representing the investors and provisions applying to such representation. Indication of where the public may have access to the contracts relation to these forms of representation	[Not applicable] [Specify details]
ISIN	[•]
Common Code	[•]
Information about the past and the further performance of the underlying and its volatility can be obtained from	[•]
Additional provisions relating to the underlying	[Country of Incorporation: [•]] [Place of Listing: [•]] [Date of Listing: [•]] [Par Value: [•]]

	[Financial information: [•]] [Dividend information: [•]] [Historical price/level information: [•]]

Macquarie Bank Limited

Information about Macquarie Bank Limited

Macquarie Bank Limited is an ADI headquartered in Sydney, Australia and is a wholly owned subsidiary of MGL. Macquarie Bank offers retail and business banking and wealth management, as well as risk and capital solutions with a particular focus on financial markets, asset finance and commodities. Macquarie Bank offers a range of services to government, institutional, corporate and retail clients.

The Legal Entity Identifier (LEI) of Macquarie Bank is 4ZHCHI4KYZG2WVRT8631. The website of Macquarie Bank is www.macquarie.com. This website and any other websites referenced in this Base Prospectus are for information purposes only and do not form part of this Base Prospectus.

Macquarie Bank is a public company constituted with limited liability under the laws of the Commonwealth of Australia. It is regulated by APRA as an ADI in Australia. In the U.K., Macquarie Bank Limited, London Branch is authorised by the PRA and is subject to regulation by the FCA and limited regulation by the PRA.

MBL, the predecessor of MGL, has its origins as the merchant bank Hill Samuel Australia Limited, created in 1969 as a wholly owned subsidiary of Hill Samuel & Co Limited, London. MBL was incorporated on 26 April 1983 under the Companies Act 1981. MBL obtained an Australian banking licence as MBL in 1985 and in 1996, MBL was publicly listed on the ASX.

MBL's ordinary shares were listed on the ASX from 29 July 1996 until the corporate restructuring of the Macquarie Group in November 2007. As part of the restructure, MBL became an indirect wholly-owned subsidiary of MGL, a new ASX-listed company comprising a "**Banking Group**" (consisting of Macquarie B.H. Pty Limited (the direct parent of MBL) and its subsidiaries including MBL) and a "**Non-Banking Group**" (consisting of MGL, Macquarie Financial Limited and its subsidiaries and Macquarie Asset Management Holdings Pty Ltd and its subsidiaries). Although MBL's ordinary shares are no longer listed on the ASX, certain debt securities continue to be listed on the ASX and, accordingly, MBL remains subject to the disclosure and other requirements of the ASX as they apply to companies with debt securities listed on the ASX.

At 30 September 2026, Macquarie Bank Group employed over 15,100 people and had total assets of A$500.5 billion, a Harmonised Basel III Tier 1 capital ratio of 19.4%, a Harmonised Basel III Common Equity Tier 1 ratio of 17.7% and total equity of A$24.9 billion. For the half year ended 30 September 2026, Macquarie Bank Group's net operating income was A$6.1 billion and profit attributable to the ordinary equity holder was A$1.4 billion.

MBL's registered office and principal place of business is Level 1, 1 Elizabeth Street, Sydney, New South Wales, 2000, Australia. The telephone number of its principal place of business is +612-8232-3333. As an Australian company, MBL has the legal capacity and powers of an individual both in and outside Australia.

Organisational Structure

The Banking Group comprises two operating groups: Banking & Financial Services and Commodities & Global Markets. Certain assets of the Financial Markets business and certain activities of the Commodity Markets and Finance business, and some other less financially significant activities are undertaken from within the Non-Banking Group.

The Banking Group provides services to both the Banking Group and the Non-Banking Group through the Corporate segment. The Corporate segment is not considered an operating group and includes the following Central Service Groups: Corporate Operations Group, Financial Management, People and Engagement, Risk Management Group, Legal and Governance Group and Central Executive. Services from these Central Service Groups include: risk management, finance, technology, operations, group treasury, human resources, workplace, legal and corporate governance, corporate affairs, taxation services, strategy, operational risk management, data and transformation, business resilience and global security, central executive services, and other services as may be agreed from time to time.

MBL will continue to monitor and review the appropriateness of the Macquarie Group structure. From time to time, the optimal allocation of its businesses between the Banking Group and the Non-Banking Group and within the Banking Group and the Non-Banking Group may be adjusted and it may make changes in light of relevant factors including business growth, regulatory considerations, market developments and counterparty considerations.

Business Group Overview

Banking and Financial Services

Banking and Financial Services ("BFS") is in the Banking Group and is Macquarie's retail banking and financial services business providing a diverse range of personal banking, wealth management and business banking products and services to retail clients, advisers, brokers and business clients. BFS' net operating income is primarily sourced from interest income earned from the loan portfolio and fee and commission income on a range of products.

Commodities & Global Markets (excluding certain assets of the Financial Markets business and certain activities of the Commodity Markets and Finance business, and some other less financially significant activities)

Commodities and Global Markets is a global business offering capital and financing, risk management, market access, physical execution and logistics solutions across Commodities, Financial Markets and Asset Finance.

Indication of any Significant New Products and/or Activities

Any indication of significant new products and/or activities (if any) is described in Note 3 of Macquarie Bank's 2027 Interim Report for the half-year ended 30 September 2026.

Trend Information

Except as may be described in this Base Prospectus (including as set out under "Risk Factors" on pages 15 to 43 inclusive of this Base Prospectus) or released to the ASX in compliance with the continuous disclosure requirements of the Listing Rules of the ASX, there are no known trends, uncertainties, demands, commitments or events that have had a material adverse change on Macquarie Bank's prospects since the financial year ended 31 March 2026.

Profit Estimate

Macquarie Bank does not make profit forecasts or estimates.

Major Shareholders

As at the date of this Base Prospectus, Macquarie B.H. Pty Ltd (ABN 86 124 071 432) is the sole ordinary shareholder of Macquarie Bank. Macquarie B.H. Pty Ltd is wholly-owned by MGL.

Lawsuits and Contingent liabilities

Macquarie Bank is a subsidiary of MGL. Macquarie Group is a large diversified Australian-based financial institution with a long and successful history. Like any financial institution, the Macquarie Bank Group has been subject to legal claims. As appropriate, the Macquarie Bank Group makes provision for and recognises contingent liabilities in respect of actual and potential claims and proceedings that have not been determined. An assessment of likely losses is made on a case-by-case basis for the purposes of the consolidated financial statements of Macquarie Bank and its subsidiaries and specific provisions that the Macquarie Bank Group considers appropriate are made, as described in Note 18 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Base Prospectus.

There are no, nor have there been, any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which Macquarie Bank is aware) in the 12 month period prior to the date of this Base Prospectus, which may have or have had a significant effect on the financial position or profitability of Macquarie Bank or the Macquarie Bank Group.

Germany

Macquarie Bank was one of over 100 financial institutions involved in the German dividend trading market, which has been subject to an ongoing, industry-wide investigation. Over a dozen criminal trials related to cum-ex have been or are being prosecuted against individuals in German courts and there have been convictions. Under German law, companies cannot be criminally prosecuted, but they can be added as ancillary parties to the trials of certain individuals. Ancillary parties may be subject to confiscation orders requiring the disgorgement of profits. The Macquarie Group has provided for German dividend trading matters. In total, the German authorities have designated as suspects approximately 100 current and former Macquarie Group staff, most of whom are no longer at the Macquarie Group and there are a number of civil claims against Macquarie Bank. The Macquarie Group has been responding to requests for information about its historical activities and has seen increased activity in relation to former and current Macquarie Group employees as the industry-wide investigation continues. One case against a former employee has gone to trial. He has been convicted of aiding and abetting attempted tax evasion for his involvement in a 2011 lending transaction where Macquarie Bank lent to a group of independent investment funds that engaged in cum-ex trading in Germany. Macquarie Bank was not an ancillary party in the trial.

Regulation and Supervision

Australia

In Australia, the principal regulators that supervise and regulate the Macquarie Group's activities are APRA, the RBA, ASIC, the Australian Competition and Consumer Commission ("*ACCC*"), the Australian Transaction Reports and Analysis Centre ("*AUSTRAC*"), and operators of the exchanges in which the Macquarie Group participates, including ASX Limited (as the operator of the ASX market) and Australian Securities Exchange Limited (as the operator of the ASX24 market).

Set out below is a summary of certain key Australian legislative and regulatory provisions that are applicable to Macquarie Group operations.

APRA

APRA is the prudential regulator of the Australian financial services industry, focused on ensuring financial promises are met within a stable, efficient and competitive financial system. Under the Banking Act, MBL is an ADI, and MGL is an authorised non-operating holding company ("*NOHC*") and, as such, both are regulated by APRA and have corporate governance and policy frameworks designed to meet APRA's requirements.

Under the Banking Act, APRA can issue directions to MGL and MBL or appoint a statutory manager to control MBL's business in certain circumstances. Under the Financial Sector (Transfer and Restructure) Act 1999, APRA may require MBL to transfer all or part of its business to another entity, overriding any contract or agreement, including debt securities. These discretionary powers are more likely to be exercised if MGL or MBL is in material breach of applicable banking laws and/or regulations or is in financial distress, including where MGL or MBL has contravened the Banking Act (or any related regulations or other instruments made, or conditions imposed, under the Banking Act) or where MBL has informed APRA that it is likely to become unable to meet its obligations or that it is about to suspend payment. In these circumstances, APRA is required to have regard to protecting the interests of MBL's depositors and to the stability of the Australian financial system, but not necessarily to the interests of other creditors of MGL and MBL. The Banking Act does not require APRA to ensure that, in the exercise of its powers, holders of regulatory capital securities are no worse off than they would be in an insolvency.

In its supervision of ADIs, APRA focuses on financial risks, such as capital adequacy, liquidity, market risk and credit risk. It also focuses on non-financial risks, such as operational risk, outsourcing, business continuity management, information security, governance, accountability, remuneration and risk culture. ADIs must regularly report financial, statistical and other information to APRA, and some of this information is not available to investors and stakeholders. APRA conducts on-site visits and meets with boards, senior management and external auditors of the ADIs. External auditors provide assurance to APRA that ADIs comply with prudential standards, that statistical and financial data provided by ADIs is reliable, and that statutory and other banking requirements are met. External auditors undertake targeted reviews of specific risk management areas as requested by APRA. APRA may also exercise certain investigative powers if an ADI fails to provide information about its financial stability or becomes unable to meet its obligations. APRA also regulates Registrable Superannuation Entity licensees, including MGL's Macquarie Investment Management Limited ("*MIML*").

In August 2026, Macquarie reported a breach of its prudential obligations related to the capital treatment of MGL's structural interest rate risk hedging. The capital treatment has been corrected and an A$100 million governance-related overlay has been applied.

The Macquarie Group has been working with APRA on a remediation plan to strengthen MBL's governance, culture, structure and remuneration to ensure full and ongoing compliance with prudential standards and management of MBL-specific risks. The changes under the plan will continue to be delivered through 2026 and beyond, creating a positive impact through improved systems, frameworks, processes, and strengthening MBL's risk culture.

RBA

APRA works closely with the RBA, which is Australia's central bank and an active participant in the financial markets. It manages Australia's foreign reserves, issues Australian currency notes, serves as banker to the Australian government and, through the Payment Systems Board (the board of the RBA is responsible for the RBA's payments system policy), supervises the payments system and sets the target cash rate.

ASIC

ASIC is Australia's corporate, markets and financial services regulator, which regulates Australian companies, financial markets, financial services organisations and professionals who deal and advise in investments, superannuation, insurance, deposit taking and credit. ASIC is responsible for consumer protection, monitoring and promoting market integrity and licensing in relation to the Australian financial system.

ASIC regulates the entities the Macquarie Group operates in Australia as the corporate regulator, enforcing appropriate standards of corporate governance and conduct by directors and officers. Several Macquarie Group entities hold Australian financial services ("*AFS*") licences. ASIC licenses and monitors AFS licensees and requires them to ensure financial services are provided efficiently, honestly and fairly. Several Macquarie Group entities also hold Australian Credit Licences ("*ACL*"). As the consumer credit regulator, ASIC licenses and regulates ACL holders to ensure they meet standards set out in the National Consumer Credit Protection Act 2009 of Australia. ASIC supervises trading on domestic licensed equity, derivatives and futures markets, including trading by MBL and other ASX and ASX24 market participants in the Macquarie Bank Group. On 7 May 2025, ASIC announced that additional conditions have been imposed on Macquarie Bank's AFS licence following compliance failures in Macquarie Bank's futures dealing business and its over-the-counter derivatives trade reporting. The conditions require Macquarie Bank to prepare and implement a remediation plan and appoint an independent expert to review and report on the adequacy of the remediation activities. The most recent compliance report was released on 30 October 2025, which noted that the independent expert had completed its review of the remediation plan of Macquarie Bank. Macquarie Bank continues to implement the recommendations contained in the expert's report and execute the remediation plan.

ACCC

The ACCC is Australia's competition regulator. Its key responsibilities are to ensure corporations do not act in a way that may have the effect of eliminating or reducing competition, and to oversee product safety and liability, pricing practices and third-party access to facilities of national significance. The ACCC's consumer protection activities complement Australia's state and territory consumer affairs agencies administering unfair trading legislation.

AUSTRAC

AUSTRAC is Australia's anti-money laundering and counter-terrorism financing regulator and specialist financial intelligence unit. It works collaboratively with Australian industries and businesses (including certain entities of Macquarie Group) in their compliance with anti-money laundering and counter-terrorism financing legislation. It also contributes to investigative and law enforcement activities to combat money laundering, terrorism financing, organised and financial crime, tax evasion and to prosecute criminals in Australia and overseas.

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 of Australia (the "*AML-CTF Act*") places obligations on providers of financial services, gaming services, bullion dealers and certain other service providers. It also applies to services, such as those in respect of certain financial products, electronic fund transfers, registrable remittance services and correspondent banking relationships. The AML-CTF Act has extra-territorial application to overseas entities of Australian companies. A number of Macquarie Group entities are considered "reporting entities" for the purposes of the AML-CTF Act. They must fulfil certain obligations, including customer due diligence obligations, on-boarding and ongoing customer risk assessments, identification and verification obligations, enhanced customer due diligence, establishing an AML-CTF program to identify, mitigate and manage the risk of money laundering, terrorism financing and proliferation financing, enhanced record-keeping and reporting on suspicious matters, cash transactions above a set threshold and international funds transfer instructions to and from Australia.

Financial Exchanges

The Macquarie Bank Group participates in a range of regulated financial exchanges as part of its global financial markets activities. This participation subjects it to exchange operating rules and broader regulatory frameworks that are designed to promote fair, orderly and transparent markets. These rules and frameworks typically establish requirements covering all aspects of trading, clearing and settlement, including market disclosure, market conduct and compliance enforcement, and are overseen by exchange operators and relevant regulatory authorities.

ASX24

The ASX24 market provides exchange traded and over-the-counter services and regulates derivative trades that MBL executes as a market participant in the ASX24. MBL is subject to the operating rules of the ASX24 which contain provisions for preventing conflicts and enforcing compliance with the operating rules. The rules cover all aspects of trading, clearing and settling, including monitoring market conduct, disciplining of participants and suspension or termination of participation rights and market access.

ASX

ASX is Australia's primary securities market, where MGL's ordinary shares are listed. MBL and MGL have a contractual obligation to comply with ASX's listing rules, which are backed by the Corporations Act. The rules govern listing requirements and include provisions regarding issues of securities, market disclosure, executive remuneration and related-party transactions. ASX and ASIC oversee the Macquarie Group's compliance, including any ASX-listed funds it manages. MBL is also an authorised market participant of ASX Settlement and ASX Clear and is subject to the operating rules which contain provisions for preventing conflicts and enforcing compliance with the operating rules. The rules cover all aspects of clearing and settling, including

monitoring market conduct, disciplining of participants and suspension or termination of participation rights and market access.

Other Australian regulators

The Macquarie Bank Group and the Macquarie Group and the businesses and funds they manage are also supervised by other regulators in Australia, including but not limited to the Australian Energy Regulator, the Essential Services Commission, the Economic Regulation Authority and the Department of Energy and Water in connection with activities and the management of funds in the utilities and energy sectors.

Australian regulatory developments

Capital adequacy

APRA's approach to the assessment of an ADI's capital adequacy is based on the risk-based capital adequacy framework set out in the Basel Committee on Banking Supervision's ("*Basel Committee*") publications. APRA has stipulated a capital adequacy framework that applies to MBL as an ADI and MGL as a NOHC. In the case of Macquarie Group, this framework is set out in MGL's NOHC Authority.

Pillar 3 disclosure documents setting out the qualitative and quantitative disclosures of risk management practices and capital adequacy required to be published by the Macquarie Bank Group in accordance with APRA's Prudential Standard APS 330 Public Disclosure are posted on MBL's U.S. investors' website at http://www.macquarie.com/au/en/disclosures/us-investors/macquarie-bank-limited.html ("*MBL's U.S. Investors' Website*"). Measurement of capital adequacy and MBL's economic capital model is more fully described in MBL's Pillar 3 Disclosure Document dated September 2026, which is posted on MBL's U.S. Investors' Website.

In December 2024, APRA confirmed it will phase out Additional Tier 1 ("*AT1*") capital instruments to simplify and improve the effectiveness of bank capital in a crisis. In December 2025, APRA finalised consequential amendments to its bank prudential framework to remove AT1 as eligible regulatory capital. APRA has also confirmed the phase-out of AT1 and AT1-like hybrid capital issued by Level 3 banking NOHCs (such as MGL) and outlined transition arrangements to support their orderly phase-out, with the revised framework taking effect from 1 January 2027.

In May 2026, APRA introduced a three-tiered approach to proportionality in the banking prudential framework. The changes include the introduction of a third tier of Most Significant Financial Institutions for banks with total assets greater than A$300 billion, an increase in the threshold for Significant Financial Institutions from A$20 billion to A$30 billion, and an automatic 12-month transition period where an institution moves to a higher tier. The changes took effect from 1 July 2026. MBL is categorised as a Most Significant Financial Institution under the revised framework.

In June 2026, APRA released a consultation on targeted amendments to the credit risk capital framework for ADIs aimed at increasing risk sensitivity and better aligning capital requirements with underlying risk. The proposals include changes relating to high-quality unrated corporate exposures. APRA has also noted that the proposals are expected to provide more flexibility for internal ratings-based ADIs, including MBL, in relation to the standardised floor. The proposed amendments remain subject to consultation. APRA intends to finalise changes in 2026, with a proposed effective date of 1 April 2027.

Liquidity

APRA's liquidity standard ("*APS 210*") details the local implementation of the Basel III liquidity framework for Australian banks, incorporating both qualitative requirements and the Liquidity Coverage Ratio ("*LCR*") and Net Stable Funding Ratio ("*NSFR*"). The LCR and NSFR apply to MBL as the regulated ADI in the Macquarie Group. As an APRA regulated NOHC, MGL must manage liquidity in compliance with APS 210's qualitative requirements.

The LCR requires unencumbered liquid assets be held to cover expected net cash outflows under a combined "idiosyncratic" and market-wide stress scenario lasting 30 calendar days. Under APS 210, the eligible stock of high-quality liquid assets includes notes and coin, balances held with central banks, Australian dollar Commonwealth Government and semi-government securities, and certain qualifying foreign currency securities.

The NSFR is a 12-month structural funding metric, requiring that "available stable funding" sufficiently cover "required stable funding", where "stable" funding has an actual or assumed maturity of greater than 12 months. On 5 February 2026, APRA reduced the net cash outflow add-on it had previously imposed on MBL's LCR calculation from 25 per cent. to 15 per cent. and removed the 1 per cent. decrease to the available stable funding component it had previously imposed on MBL's NSFR calculation. These removals reflect APRA's assessment that MBL has remediated aspects of liquidity risk management and reporting controls.

In March 2026, APRA released a roadmap outlining proposed reforms to the ADI capital and liquidity frameworks. For ADIs using the LCR framework, APRA indicated it intends to consult on enhancements to the liquidity framework, including measures to address risks not covered by existing minimum requirements and consideration of a Pillar 2 liquidity framework. In its 2026-27 Corporate Plan, APRA confirmed that it intends to commence consultation on revisions to bank liquidity standards in the second half of 2026.

Recovery and exit planning and resolution planning CPS 190 Recovery and Exit Planning and CPS 900 Resolution Planning require banks, insurers and superannuation companies to maintain plans and capabilities in preparedness for periods of stress. In December 2021, APRA finalised loss-absorbing capacity requirements for domestic systemically important banks to increase minimum Total Capital requirements by 4.5 per cent. of risk weighted assets, which came into effect from 1 January 2026. Although MBL is not a domestic systemically important bank, APRA has confirmed that MBL is subject to this requirement.

Market risk

The Basel Committee's finalised standard on minimum capital requirements for market risk (the Fundamental Review of the Trading Book ("*FRTB*")) includes a clearly defined boundary between trading book and banking book, and a standardised approach and internal model approach using expected shortfall models. As part of its 2026-27 Corporate Plan, APRA announced its intention to consult on a proposed simplified version of the Basel Committee's FRTB standard, tailored to Australian conditions. The proposal also aims to maintain resilience at a meaningfully lower implementation and ongoing cost.

Operational risk

The CPS 230 Operational Risk Management Prudential Standard ("*CPS 230*") commenced on 1 July 2025 and aims to strengthen operational risk management and operational resilience of APRA-regulated entities. CPS 230 sets out specific requirements for the management of

operational risk and integrates business continuity management to ensure APRA-regulated entities are able to respond effectively to severe disruptions. CPS 230 also strengthens third-party risk management by requiring risks arising from material service providers to be appropriately managed.

On 30 April 2026, APRA released the final targeted amendments, which introduced limited exemptions from specific contractual requirements in CPS 230 for material arrangements with certain categories of non-traditional service providers where contractual compliance is not practicable. These changes aim to provide targeted, administratively efficient solutions for regulated entities that maintain material arrangements with non-traditional service providers, while preserving the core objectives of operational risk management. The amendments came into effect on 1 July 2026, and APRA will periodically review the operation of these exemptions to ensure they remain appropriate and aligned with prudential objectives.

In June 2026, APRA released a letter setting out its minimum expectations in relation to the industry's readiness for geopolitical shocks. These include enhancing the preparation for non-financial and non-traditional risks such as foreign interference, insider threats or cyber-attacks connected to geopolitical developments. APRA's letter emphasised the need for APRA-regulated entities to integrate geopolitical risk into governance, risk management and crisis preparedness practices. APRA stated that where it identifies heightened exposure, weak governance, or inadequate preparedness, it will take appropriate supervisory action to address these gaps.

As part of its 2026-27 Corporate Plan, APRA reinforced its focus on strengthening industry resilience to geopolitical tensions, cyber-attacks and frontier AI, growing interconnections across the financial sector and an increased reliance on service providers. During 2026-27, APRA will continue to review its implementation of CPS 230 through prudential and thematic reviews across a range of industries. Regulated entities are expected to have more frequent and deeper engagement with APRA on cyber and AI risks through supervisory interactions, with increased focus on how regulated entities identify, assess and manage risks associated with material service providers, including common technology platforms.

Remuneration

APRA's Prudential Standard CPS 511 Remuneration requires boards to maintain a remuneration framework that promotes effective risk management of both financial and non-financial risks including variable downward-adjustment tools and deferral periods to address poor risk and conduct outcomes.

Governance

On 6 March 2025, APRA released a discussion paper with eight proposals to strengthen its prudential governance framework across the banking industry (including MGL as a NOHC and MBL as an ADI) and superannuation industry (including MIML).

In June 2026, APRA released a consultation paper and draft CPS 510 Governance ("*CPS 510*") standard setting out its proposed updates. The draft CPS 510 streamlines and consolidates APRA's requirements for governance, fitness and propriety and conflicts management. This new standard is intended to replace the current CPS 510, SPS 510 Governance, CPS 520 Fit and Proper, SPS 520 Fit and Proper and SPS 521 Conflicts of Interest. Feedback from consultation and stakeholder meetings will inform the final CPS 510 standard and related guidance (CPG 510), which APRA plans to release in December 2026. APRA expects the new requirements to take effect from early 2028.

Australian AML-CTF reforms

The Anti-Money Laundering and Counter-Terrorism Financing Amendment Act 2024 extended the AML-CTF regime to additional high-risk services provided by lawyers, accountants, trust and company service providers, real estate professionals, and dealers in precious metals and stones. It also modernises the regulations on virtual assets and payments technology and simplifies the AML-CTF regime.

For current AUSTRAC-regulated entities, including MGL and its subsidiaries, the majority of the reformed obligations applied from 31 March 2026. To support the reforms, AUSTRAC released the new Anti-Money Laundering and Counter-Terrorism Financing Rules 2025 ("*AML-CTF Rules*") on 29 August 2025, which also came into effect on 31 March 2026, and published guidance on 16 October 2025, to help businesses understand their obligations. On 18 December 2025, AUSTRAC published guidance outlining its expectations regarding implementation of the AML-CTF reforms. Ongoing revisions to the AML-CTF Act and the AML-CTF Rules are expected to continue in line with consultation processes.

Given the compressed timelines for the implementation of these reforms and the ability of existing reporting entities in Australia (including Australian banks and other Australian market participants) to meet these timelines, AUSTRAC has recognised that reporting entities will likely not be fully compliant in all respects with the revised AML-CTF regime by the required date and has provided its expectations for the implementation of the AML-CTF reforms. AUSTRAC has indicated that it "does not expect perfection on day one" but instead expects (among other things) that reporting entities develop and document an implementation plan which explains how the reporting entity will manage its AML-CTF risks while transitioning to meet the new obligations.

In response to these reforms, the Macquarie Group is updating its policies, procedures and controls. Full implementation will require a multi-year implementation programme, including complex technology upgrades to customer due diligence and reporting infrastructure. Timing challenges are an industry-wide issue (including for the Macquarie Group). AUSTRAC has acknowledged this in its guidance, noting that AUSTRAC does not expect immediate compliance. The AML/CTF Transitional Rules 2026 also came into effect on 31 March 2026, providing reporting entities with additional time to comply with certain new obligations, subject to the satisfaction of specified conditions. The Macquarie Group will continue to engage with AUSTRAC to support a phased implementation approach.

Australian sanctions reforms

The Australian government is reforming Australia's sanctions laws through a comprehensive suite of legislative amendments. The reforms are intended to streamline and modernise Australia's sanctions laws, create fit-for-purpose and consistent legislation that improves usability and helps Australians to clearly understand their obligations, and ensure the Australian government can act swiftly and effectively in a rapidly changing geostrategic environment. The reforms will be implemented through the Autonomous Sanctions Bill 2026, the Autonomous Sanctions (Consequential and Transitional Provisions) Bill 2026, the Sanctions and Other Legislation Amendment Bill 2026, the Autonomous Sanctions Rules and the Sanctions Amendment Regulations. Public consultation on the exposure draft legislation commenced on 7 September 2026 and closed on 16 October 2026.

Scam prevention

On 13 February 2025, the Scams Prevention Framework Act 2025 was passed by Parliament.

The legislation amends the Competition and Consumer Act 2010 to establish a scams prevention framework that requires service providers in designated sectors to take measures to prevent, detect, report, disrupt and respond to scams involving their services. This includes requirements relating to governance arrangements, scam reporting, customer protections and complaint handling.

In May 2026, the Australian government designated parts of the banking, telecommunications and digital platform sectors as regulated sectors under the framework and released draft rules and sector-specific codes for consultation. The framework will be implemented progressively, with most substantive obligations expected to commence on 31 March 2027. The final rules and codes, once made, are expected to define the practical obligations that apply to MBL.

Beneficial ownership for listed entities

On 4 December 2025, the Treasury Laws Amendment (Strengthening Financial Systems and Other Measures) Act 2025 received Royal Assent and will become effective on 4 December 2026. The legislation amends the Corporations Act to amend the beneficial ownership disclosure obligations that apply to companies, registered schemes, notified foreign passport funds and other bodies, that are listed on Australia's financial markets. The changes include bringing interests arising from equity derivatives into the substantial holding and tracing notice regimes. This includes physically settleable derivatives, non-physically settleable derivatives, and offsetting short positions in certain circumstances.

In July 2026, ASIC registered a legislative instrument that implemented the rules supporting this regime, including rules regarding the disclosure of economic interests arising from derivatives, treatment of short positions, market making exemptions, and additional substantial holding and ownership reporting requirements. ASIC also released a new Substantial Holding Notice form and published updated Regulatory Guides across RG 5 Relevant interests and deemed economic interests, RG 9 Takeover Bids and RG 222 Substantial holding disclosure to support the updated regime.

Foreign financial service provider licensing

On 8 April 2026, the Treasury Laws Amendment (Genetic Testing Protections in Life Insurance and Other Measures) Act 2026 received Royal Assent. The legislation implements three core exemptions for foreign financial service providers in respect of the need to hold an AFS licence in place of existing individual and transitional relief. The legislation comes into force on 8 April 2027. Certain Macquarie Group subsidiaries currently rely on transitional relief (which is set to expire in March 2027) to be able to provide financial services to Australian wholesale clients and will therefore need to transition to the new licensing exemptions. In November 2026, ASIC confirmed an extension to transitional relief for the changes to foreign financial service provider licensing, which extends the implementation date to October 2027.

International

The Macquarie Bank Group's businesses outside Australia are subject to various regulatory regimes.

United States

U.S. financial regulators actively issue new and revised regulations, exemptive orders and interpretive guidance, which could materially affect the Macquarie Bank Group's business,

financial condition and results of operations, including MGL and its U.S. subsidiaries and the representative offices of MBL. See "Risk Factors — Many of MBL's and the Macquarie Bank Group's businesses are highly regulated and they could be adversely affected by temporary and permanent changes in law, regulations and regulatory policy".

In the United States, MBL cannot conduct any banking activity, but is permitted to use its U.S. representative offices to perform limited representational and administrative functions in connection with its banking activities outside of the United States. MBL's U.S. representative offices are generally limited to (i) soliciting business on behalf of MBL, which must then be approved and booked offshore, and (ii) performing administrative tasks as directed by MBL. They are licensed and periodically examined by the state banking regulatory authorities in which they are located (including New York and Texas), as well as examined by the regional Federal Reserve Bank under the oversight of the Board of Governors of the Federal Reserve System (the "FRB").

Securities, commodities and derivatives regulators

The United States has a comprehensive financial regulatory regime that applies to many of Macquarie Group's products and services, including securities, commodities, derivatives and other similar instruments. Some of these products and services are subject to the overlapping oversight by U.S. regulatory agencies, including the FRB, the Securities and Exchange Commission (the "SEC") and the Commodity Futures Trading Commission (the "CFTC"). The U.S. regulatory landscape is subject to material developments including new or revised rules, exemptive orders and interpretive guidance, which could materially affect the Macquarie Bank Group's U.S. operations. Macquarie Group's broker-dealer subsidiaries are regulated by the SEC and other self-regulatory organisations of which they are members, such as the Financial Industry Regulatory Authority and the national securities exchanges (e.g., the Nasdaq Stock Market), as well as by state securities regulators. The Macquarie Bank Group also conducts securities and corporate finance-related activities through investment advisers and investment companies registered with the SEC under the U.S. Investment Advisers Act of 1940 and U.S. Investment Company Act of 1940 respectively.

Macquarie Bank is regulated by the CFTC and the National Futures Association ("NFA") for trading of futures, swaps and commodity options and related clearing activities, as well as soliciting and accepting related orders. MBL is registered as a swap dealer with the CFTC and Macquarie Futures USA LLC ("MFUSA") within the Banking Group is registered as a futures commission merchant with the CFTC. Macquarie Capital (USA) Inc. is registered with the NFA as an introducing broker for swaps. As CFTC registrants, MBL and MFUSA are subject to regulatory oversight by the CFTC. MBL is also registered as a security-based swap dealer with the SEC.

Pursuant to the CFTC's Comparability Determinations for Australia, MBL's compliance with applicable Australian regulatory regimes satisfies some CFTC swap dealer requirements to which MBL would otherwise be subject. These requirements impact MBL as a direct market participant transacting in derivatives, and MFUSA as an intermediary providing access to the derivatives markets for others.

The SEC has jurisdiction over security-based swaps, including swaps on a single security, a narrow-based index of securities, or on a single loan, as well as credit default swaps on a single issuer or issuers of securities in a narrow-based security index. The SEC has adopted regulations requiring registration of security-based swap dealers and compliance with regulations on business conduct, trade reporting, recordkeeping, financial reporting and other matters. Security-based swaps are also subject to the general anti-fraud and anti-manipulation provisions of U.S.

federal securities laws. As a registered security-based swap dealer, MBL is required to comply with the SEC's regulations.

The SEC and CFTC share jurisdiction over "mixed swaps", which are a type of derivative contract that combine elements of both security-based swaps and commodity-based swaps, and may impose compliance obligations under both the SEC and the CFTC regimes. MBL engages in mixed swaps. As part of its swap dealer and security-based swap dealer obligations, MBL is also subject to the FRB's capital regulations, as well as the FRB's initial and variation margin requirements for uncleared swaps and security-based swaps.

Anti-money laundering regulators

The MBL representative offices, MFUSA and Macquarie Group's securities broker-dealers and mutual funds managed or sponsored by Macquarie Group's subsidiaries, are subject to U.S. anti-money laundering ("*AML*") laws. This includes regulations issued by the Treasury Department's Financial Crimes Enforcement Network ("*FinCEN*") under the Bank Secrecy Act ("*Bank Secrecy Act*"). The Bank Secrecy Act and similar regulations require certain types of financial institutions (including U.S. representative offices of foreign banks and U.S. futures commission merchants, securities broker-dealers and mutual funds) to establish and maintain written AML compliance programs. The MBL representative offices, MFUSA and Macquarie Group's securities broker-dealers and other subsidiaries in the U.S. have adopted AML compliance programs in line with the Bank Secrecy Act, including with respect to maintenance of a customer identification program, filing of suspicious activity reports ("*SARs*") and beneficial ownership reporting. Macquarie Group's U.S. operations also engage in "know your customer" reviews when onboarding new customers and clients, as well as ongoing customer due diligence reviews.

Economic sanctions

The MBL representative offices and Macquarie Group's other operations that are within or that involve the United States (e.g., transactions through the United States, transfers through the U.S. financial system) must comply with the economic sanctions programs administered by the Office of Foreign Assets Control ("OFAC") within the U.S. Department of the Treasury, which enforces economic sanctions against targeted foreign countries, individuals and entities. The MBL representative offices and Macquarie Group's U.S. futures commission merchant, securities broker-dealers and other subsidiaries in the United States have adopted and implemented procedures for compliance, such as "know your customer" procedures which involve screening new and existing customers and clients against the Specially Designated Nationals and Blocked Persons List (known as the SDN list) maintained by OFAC. MBL operations outside the United States and that do not otherwise involve the United States remain mindful of secondary U.S. sanctions, which target non-U.S. persons' activities outside the United States that are deemed by the U.S. government to counter U.S. foreign policy or U.S. national security.

Other U.S. regulators

The Federal Energy Regulatory Commission ("FERC") regulates the wholesale natural gas and electricity markets in the U.S., where the Macquarie Group's North American energy trading business has a large presence. The business employs a rigorous compliance program to manage risks and monitor compliance with FERC's regulations. Other regulators affecting the funds and companies that the Macquarie Group manages include the Federal Communications Commission for media-related investments and other applicable federal, state and local agencies. In addition, the Macquarie Group's physical commodities trading business is subject to further U.S.

regulations, including federal, state and local environmental laws.

United Kingdom

Financial Conduct Authority and the Prudential Regulation Authority ("PRA")

The FCA and the PRA regulate financial services business in the U.K., including banking, investment business, consumer credit and insurance. Dual-regulated firms, such as deposit-taking institutions, insurers and significant investment firms are overseen by the PRA for authorisation, prudential regulation and day-to-day supervision, while the FCA regulates conduct of business. MBL operates Macquarie Bank Limited London Branch ("*MBL LB*") in the U.K., which is overseen by the PRA and FCA for U.K. activities. However, APRA remains its prudential regulator.

MGL has four regulated subsidiaries in the U.K. within the Non-Banking Group: Macquarie Infrastructure and Real Assets (Europe) Limited ("*MIRAEL*"), Macquarie Capital (Europe) Limited ("*MCEL*"), Macquarie Investment Management Europe Limited ("*MIMEL*") and Macquarie Credit Advisers Europe Limited ("*MCAEL*"). MIRAEL is authorised and regulated by the FCA as an alternative investment fund manager pursuant to the FSMA, and is able to manage and market qualifying alternative investment funds to professional investors in the U.K. MCEL, MIMEL and MCAEL are authorised and regulated by the FCA as investment firms. MIRAEL, MCEL, MIMEL and MCAEL are prudentially regulated by the FCA under the Investment Firms Prudential Regime.

MBL LB, MIRAEL, MCEL, MIMEL and MCAEL must comply with U.K. legislation and regulatory requirements set by the FCA and, in the case of MBL LB, the PRA, in their handbooks of rules and guidance (collectively, the "*U.K. Rules*"). The U.K. Rules cover, among other things, risk management, systems and controls, corporate governance, market conduct, conduct of business and the treatment of clients.

The U.K. Rules often reflect EU laws and regulations implemented or assimilated in the U.K., such as MiFID II and the Markets in Financial Instruments Regulation (600/2014/EU). Following the U.K.'s withdrawal from the EU, the U.K. Rules continue, in some cases, to be amended to suit the U.K.'s outcomes-focused framework for financial services regulation and can selectively diverge from the EU's regulatory approach.

Additionally, certain Macquarie U.K. entities are registered with the FCA as Annex 1 firms for anti-money laundering and counter-terrorism financing supervision purposes.

Other U.K. regulators

Other U.K. regulators that may impact Macquarie Group's business include the Office of Gas and Electricity Markets, which regulates the U.K. downstream natural gas and electricity industry, the Information Commissioner's Office, which regulates compliance with U.K. legislation governing data protection and electronic communications, the Environment Agency, which regulates water quality and ecological protection, Ofwat, which regulates the water sector, and His Majesty's Revenue and Customs which supervises compliance by Macquarie U.K. entities with the Criminal Finances Act 2017.

European Union

EU Regulators

The European Commission, together with the European Parliament and the Council of the EU, develops the legislative framework applicable to financial services firms operating within the EU. This framework is implemented through directly applicable EU Regulations and EU Directives which must be incorporated in the national law of EU member states. The European Banking Authority implements standard rules for regulating and supervising banking and certain financial services across all EU member states, while the European Securities and Markets Authority focuses on supervisory convergence, investor protection and transparency across EU securities and capital markets. While the European Banking Authority and the European Securities and Markets Authority primarily develop regulatory standards, guidance and supervisory expectations for national regulators to apply, under the Single Supervisory Mechanism (the "*SSM*") the European Central Bank ("*ECB*") is the competent authority for banking supervision across the EU, with national competent authorities ("*NCAs*") as the direct financial services regulatory authorities in each EU member state. The ECB directly regulates "Significant Institutions", and indirectly regulates "Less Significant Institutions" ("*LSIs*") through the NCAs.

France – Autorité de Contrôle Prudentiel et de Resolution ("ACPR") and Autorité des Marchés Financiers (the "AMF")

The ACPR supervises the banking and insurance sectors in France and authorises any regulated entity such as credit institutions, investment firms, insurance companies, financing companies and payment institutions. It is responsible for prudential supervision, client protection, and AML-CTF matters. The AMF is the French financial markets regulator and regulates the market, its participants and investment products distributed via these markets and ensures that investors are properly informed.

Macquarie Capital France Société Anonyme ("*MCF*") within the Non-Banking Group is regulated by both the ACPR and the AMF. MCF must comply with French legislation and regulatory requirements set by the ACPR and AMF, which set requirements regarding capital adequacy, liquidity adequacy, systems and controls, corporate governance, market conduct, financial crime, conduct of business and the treatment of clients.

Ireland – Central Bank of Ireland ("CBI")

The CBI regulates financial services business in Ireland, including banking, investment business, consumer credit and insurance. Credit institutions that are LSIs within the SSM framework are supervised directly by the CBI with indirect supervision from the ECB.

The Macquarie Bank Group has an Irish subsidiary, Macquarie Bank Europe Designated Activity Company ("*MBE*"), which is authorised and regulated as a credit institution by the CBI. MBE is an LSI within the SSM framework.

Regulated entities in Ireland must comply with Irish legislation and the CBI's regulatory requirements (collectively, the "Irish Rules"). The Irish Rules include requirements for capital adequacy, liquidity adequacy, risk management, systems and controls, corporate governance, market conduct, conduct of business and the treatment of clients. The Irish Rules also reflect the requirements set out in EU prudential regulations and directives such as the Capital Requirements Regulation (EU) 575/2013 and the Capital Requirements Directive (EU) 2013/36.

Luxembourg - Commission de Surveillance du Secteur Financier

The CSSF is Luxembourg's financial sector regulator responsible for regulating investment business including investment fund managers, credit institutions and investment firms.

The Macquarie Group includes Macquarie Asset Management Europe S.à r.l. ("*MAMES*"), a Luxembourg regulated entity within the Non-Banking Group which is authorised and regulated by the CSSF as an alternative investment fund manager.

MAMES is required to comply with Luxembourg legislation and CSSF regulation (collectively, the "*Luxembourg Rules*"). The Luxembourg Rules include requirements for capital adequacy, risk management, systems and controls, corporate governance, market conduct, conduct of business and the treatment of clients.

Other international regulators

MBL also has branches in the Dubai International Finance Centre and Singapore, which are regulated by the Dubai Financial Services Authority and the Monetary Authority of Singapore respectively. MBL also has a representative office in South Africa, regulated by the South African Reserve Bank; in Brazil, regulated by the Banco Central do Brasil; and in Switzerland, regulated by the Swiss Financial Markets Supervisory Authority. This gives MBL limited authorisation to conduct marketing of its products and services to institutions, subject to local licence limitations. Bank regulations which vary by country are generally designed to protect depositors and the resilience of the banking system as a whole, not holders of a bank's securities. Bank regulations may cover areas such as capital adequacy, minimum levels of liquidity, risk management, and the conduct and marketing of banking services.

Other key financial regulators of the Macquarie Group's businesses include the Securities and Futures Commission of Hong Kong.

Financial regulation varies by country and may regulate securities offerings, mergers and acquisitions activity, commodities and futures activities, anti-trust issues, investment advice, trading and brokerage, sales practices, and the offering of investment products and services.

In addition, certain businesses and assets owned or managed by the Macquarie Bank Group in international jurisdictions are subject to additional laws, regulations and oversight that are specific to the industries applicable to those businesses and assets.

International regulatory developments

U.S. anti-money laundering regulations

At present, registered investment advisers are not required to establish or maintain an AML compliance program or file SARs with FinCEN. In September 2024, FinCEN issued a final rule to include certain investment advisers in the definition of "financial institution" under the Bank Secrecy Act and to prescribe minimum standards for covered advisers, such as requiring an AML-CTF program and suspicious activity reporting to FinCEN. Although the final rule was set to go into effect on 1 January 2026, FinCEN subsequently delayed the effective date of the new rule until 1 January 2028. The rule is expected primarily to affect Macquarie Group's U.S. asset management businesses.

Canadian derivative regulations

Canada has implemented harmonised derivatives trade reporting, clearing and business conduct requirements across its provinces and territories. MBL is subject to applicable Canadian derivatives transaction reporting and clearing requirements but relies on the foreign derivatives dealer exemption from the Canadian derivatives business conduct requirements given that it deals

only with eligible derivative parties in Canada. Macquarie Energy Canada Ltd. ("*MEC*"), as a Canadian entity engaged in the business of trading derivatives, is subject to the Canadian derivatives business conduct, clearing and transaction reporting requirements. Canadian securities regulators have separately proposed a derivatives dealer registration regime, which has not been implemented. If a derivatives dealer registration regime is implemented in the future, MBL and MEC would assess the application of the final requirements, including any applicable exemptions, to their respective Canadian derivatives activities.

U.K. regulatory reform

Following its exit from the EU, the U.K. introduced the Financial Services and Markets Act 2023 (the "*FSMA 2023*") and the Retained EU Law (Revocation and Reform) Act 2023 to establish a framework for the U.K. government to implement policy changes and to amend, repeal and diverge from EU law. Regulatory reform continues to be implemented through the delivery of various reform packages, which continue to be implemented gradually, requiring firms, including those in the Macquarie Group, to implement change management programmes to address changes. In December 2022, HM Treasury published a policy statement on "Building a smarter financial services framework for the UK", outlining the U.K. government's plan to deliver the future regulatory framework through the powers established under the FSMA 2023, and announced a package of over 30 measures to reform U.K. financial services regulation (collectively known as the "*Edinburgh Reforms*"). Progress has been made on the Wholesale Markets Review, Lord Hill's Listing Review, the Securitisation Review and the Review into the Solvency II Directive. The new U.K. government, which took office in July 2024, has built on the foundations of the Edinburgh Reforms and has shifted the focus further towards growth, international competitiveness, and regional development, as reflected in the "Leeds Reforms" package (July 2025). The Leeds Reforms introduced a Financial Services Growth and Competitiveness Strategy with the aim of streamlining regulatory processes and implementing targeted deregulatory measures, while maintaining high standards of consumer protection and market integrity.

Progress has since been made to implement initial reforms to the Senior Managers and Certification Regime, with more significant changes expected to simplify this accountability regime in 2027, and there is continued focus by the PRA and FCA on making financial services regulation more proportionate to support economic growth and competitiveness. The extent and consequences of future regulatory change in the U.K. will directly affect Macquarie Group's U.K. regulated entities and may affect the Macquarie Group more broadly.To this end, the FCA has continued to issue various discussion and consultation papers, with more expected over the next 12 to 24 months. These initiatives include proposals to simplify elements of the existing regulatory framework where rules are considered complex or disproportionate, reduce administrative and reporting burdens on firms and to support the competitiveness of the U.K. financial services sector. This includes initiatives to unlock capital investment and liquidity, streamline and make more proportionate the regime for alternative investment fund managers and accelerate digital innovation to support productivity and growth. Changes to financial services regulation will take effect gradually, requiring firms to implement change management programmes to address relevant changes. The impact on the Macquarie Group remains uncertain but it could affect its operations, business, compliance framework, structure, reputation, profitability and/or prospects.

EU prudential framework for credit institutions – CRR and CRD

The Basel III framework sets the global standards for prudential requirements for banks and was implemented in the EEA through the EU Capital Requirements Regulation ("*CRR*") and Fourth Capital Requirements Directive ("*CRD IV*"). The CRR established a single set of harmonised rules applicable to all EEA credit institutions, while the CRD IV includes provisions required to be

transposed into national law. The latest amendments to the CRR relevant for MBE were implemented in the form of CRR III from January 2025. The CRR and the Capital Requirements Directive (as amended from time to time, "*CRD*") apply to MBE as implemented in Ireland by the CBI.

EU member states were further required to transpose and apply provisions contained in Directive (EU) 2024/1619 ("*CRD VI*") from 11 January 2026 to implement the final Basel III reforms, with certain measures applying from later dates. From 11 January 2027, CRD VI will require EU member states to require certain third country undertakings to establish an authorised branch in the relevant member state in order to provide core banking services there. Such third country entities include non-EU banks and certain investment firms (broker-dealers) which deal on their own account or underwrite financial instruments, and are large or part of a large group (e.g. having total consolidated assets equal to or exceeding EUR 30 billion). The requirement will apply to 'core banking services' which includes: (a) accepting deposits and other repayable funds; (b) lending, including consumer credit, credit agreements relating to immovable property, factoring with or without recourse and the financing of commercial transactions (including forfaiting); and (c) provision of guarantees and commitments. Exemptions apply, including for services provided at the client's own exclusive initiative, to EU credit institutions or to entities of the same group and for MiFID II investment services and related ancillary services. These restrictions could result in more lending being carried out by EEA-based entities and branches, reducing cross-border lending by Macquarie Group's non-EEA-based subsidiaries, particularly MBL LB. This could lead to higher capital or local liquidity requirements, potentially affecting profitability and return on capital.

EU prudential framework for investment firms – IFR and IFD

Macquarie Group investment firms in the EU, such as MCF, are prudentially regulated under the Investment Firms Regulation ("*IFR*") and the Investment Firms Directive ("*IFD*"). Firms are categorised into three classes based on size and business activities, and must meet certain capital, liquidity, governance, risk management, reporting and disclosure requirements.

EU regulatory reforms

Reflecting a shift in policy focus from regulatory expansion towards competitiveness and growth, the EU commenced a far-reaching simplification programme in 2025 in response to concerns that cumulative regulatory requirements were adversely affecting investment, innovation and economic competitiveness. These changes will be delivered gradually through a series of broader "Omnibus" legislative packages and targeted amendments to key financial services regulatory frameworks. This work commenced in 2025, including the introduction of the "Omnibus I" initiative to simplify the scope and reduce the requirements of the Corporate Sustainability Reporting Directive (EU) 2022/2464 ("*CSRD*"), the Corporate Sustainability Due Diligence Directive (Directive (EU) 2024/1760) ("*CS3D*") and the EU Taxonomy Regulation. This simplification agenda has continued throughout 2026 with further initiatives such as revisions to the MiFID II investment services framework and the EU's Sustainable Finance Disclosure Regulation ("*SFDR*") and is expected to remain a significant driver of regulatory reform into 2027.

Changes to financial services regulation or broader regulation which also affects financial institutions will take effect gradually, requiring firms to implement change management programmes to address relevant changes. The impact on the Macquarie Group remains uncertain, but it could affect its operations, business, compliance framework, structure, reputation, profitability and/or prospects.

EU anti-money laundering regulations

MBE, MCF and MAMES are required to take measures to prevent financial crime which are mandated by European-wide directives which member states must legislate for at a national level. The latest directive is the 6th Money Laundering Directive ("*6MLD*"), which strengthens criminal penalties and expands the scope of the existing legislation. 6MLD does not apply in the U.K., however, the U.K.'s legislative regime is substantively similar. The EU AML regulations were introduced in 2024, and aim to harmonise AML regulation across the EU and to reduce discrepancies in national implementations of earlier AML directives. Key provisions, including amendments to customer due diligence requirements, are expected to be effective from July 2027.

The EU Anti-Money Laundering Authority ("*EUAMLA*") was established in June 2024 and began operating on 1 July 2025. The European Banking Authority formally transferred its AML-related powers to the EUAMLA in January 2026. It aims to enhance cooperation among financial intelligence units and national authorities in applying and enforcing EU rules.

International environmental, social and governance regulations

There is ongoing regulatory and investor scrutiny over the ESG impacts of the activities of financial groups such as the Macquarie Group, including sustainability and greenwashing risk management, particularly in the EU and the U.K.

MAMES is subject to SFDR sustainability disclosure and periodic reporting requirements to inform investment decisions at an entity and product level, while MCF is only subject to SFDR entity-level disclosures. On 20 November 2025, the European Commission proposed replacing the existing disclosure-focused regime with a product categorisation regime, including the removal of entity-level disclosures and applicability to investment advice. Negotiations between EU legislative bodies and member states commenced during 2026, with further significant negotiation expected and application of the revised regime expected from 2029.

In September 2026, the FCA removed product-level climate-reporting requirements for asset managers from the FCA Handbook and simplified existing "on-demand" obligations that apply to MIRAEL and MIMEL when responding to client climate-related information requests.

On 25 June 2025, the U.K. Department for Energy Security and Net Zero published a consultation paper regarding the introduction of climate-related transition plan requirements which may apply to larger U.K.-regulated financial institutions, including asset managers and banks. No final policy decision has been made, but the Macquarie Group continues to disclose climate-related targets, actions or commitments in its mandatory sustainability reporting under the Australian Accounting Standards Board's Climate-related Disclosures standard (AASB S2).

In the EU, the CSRD commenced in January 2023 and requires large European undertakings to report under European Sustainability Reporting Standards. The EU has also published the CS3D. Implementation of these Directives had been delayed due to ongoing work as part of an "Omnibus" package intended to simplify obligations and the impact to firms. On 26 February 2026, the Omnibus package was published in the Official Journal of the EU amending both CSRD and CS3D. As a result of these amendments, no individual Macquarie European Union entity is expected to be in-scope of either CSRD or CS3D in the near future.

The European Banking Authority's guidelines on the management of ESG risks, which became applicable from 11 January 2026, established requirements and supervisory

expectations for how credit institutions in scope of CRD VI, such as MBE, should identify, assess, manage and monitor ESG risks. In addition, the European Banking Authority's Guidelines on Environmental Scenario Analysis, published on 5 November 2025 and applicable from 1 January 2027, established supervisory expectations for the use of forward-looking environmental and climate-related scenario analysis within an institution's risk management, resilience assessment and strategic planning processes. MBE continues to assess the implications of these guidelines and enhance its approach to environmental scenario analysis in preparation for their application.

As with other financial services providers, MBL continues to face increased supervision and regulation in most of the jurisdictions in which it operates. Further changes may occur driven by policy, prudential or political factors. The Macquarie Bank Group reviews these changes and releases, engages with government, regulators and industry bodies and amends its systems, processes and operations to align with changes and new regulatory requirements as they occur. Further information on the risk management and other policies of the Macquarie Bank Group is contained in the documents incorporated by reference into this Base Prospectus (see "*Documents Incorporated by Reference*" on pages 44 to 47 inclusive of this Base Prospectus).

Seniority of Warrants in the Issuer's capital structure in insolvency scenarios

The Warrants will be direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank pari passu and without prejudice among themselves and (subject as aforesaid and save for such exceptions as may be provided by applicable legislation) at least equally with all other unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

Australian insolvency laws

In the event that MBL is, is likely to become or becomes insolvent, insolvency proceedings are likely to be governed by Australian law or the law of another jurisdiction determined in accordance with Australian law. Australian insolvency laws are, and the laws of that other jurisdiction can be expected to be, different from the insolvency laws of other jurisdictions. In particular, the voluntary administration procedure under the Corporations Act, which provides for the potential re-organisation of an insolvent company, differs significantly from similar provisions under the insolvency laws of other jurisdictions. If MBL becomes insolvent, the treatment and ranking of Warrantholders and MBL's shareholders under Australian law, and the laws of any other jurisdiction determined in accordance with Australian law, may be different from the treatment and ranking of Warrantholders and MBL's shareholders if MBL were subject to the bankruptcy laws or the insolvency laws of other jurisdictions.

In September 2017, reforms to Australian insolvency laws were passed. Under the Treasury Laws Amendment (2017 Enterprise Incentives No. 2) Act 2017 (Cth) (the "**Ipso Facto Act**"), any right under a contract, agreement or arrangement (such as a right entitling a creditor to terminate a contract or to accelerate a payment under a contract) arising merely because a company, among other circumstances, is under administration, has appointed a managing controller or is the subject of an application under section 411 of the Corporations Act (i.e. "ipso facto rights"), will not be enforceable during a prescribed moratorium period.

The Ipso Facto Act applies to "ipso facto rights" arising under contracts, agreements or arrangements, subject to certain exclusions. The Corporations Amendment (Stay on Enforcing Certain Rights) Regulations 2018 (the "**Regulations**") sets out the types of contracts that are excluded from the operation of the stay on the enforcement of "ipso facto rights".

The Regulations provide that a contract, agreement or arrangement that is for, or governs securities, financial products, bonds or promissory notes is exempt from the "ipso facto" moratorium. Furthermore, a contract, agreement or arrangement under which a party is or may be liable to subscribe for, or to procure subscribers for, securities, financial products, bonds or promissory notes is also excluded from the stay. Accordingly, the Regulations should exclude the Warrants from the stay. However, since their commencement in 2018, the Ipso Facto Act and the Regulations have rarely been the subject of reported judicial interpretation. If the Regulations are determined not to exclude the Warrants from their operation under the exclusions mentioned above or any other exclusion under the Regulations, this may render provisions of the Warrants unenforceable in Australia where those provisions are conditioned solely on the occurrence of events giving rise to "ipso facto rights". Investors should seek independent advice on the implications (if any) of these laws and regulations on their investment in the Warrants.

Material Contracts

There are no material contracts that are not entered into in the ordinary course of Macquarie Bank's business which could result in Macquarie Bank or any entity within the Macquarie Bank Group being under an obligation or entitlement that is material to Macquarie Bank's ability to meet its obligations to Warrantholders in respect of the Warrants.

Principal investment activity

Since 31 March 2026, being the date of Macquarie Bank's last published audited financial statements, and other than as released to the ASX prior to the date of this Base Prospectus, Macquarie Bank has not made any principal investments that are material to its ability to meet its obligations to Warrantholders in respect of the Warrants.

Significant change in the Issuer's prospects, financial position and financial performance

There has been no significant change in the prospects, financial position and in the financial performance of Macquarie Bank since the half year ended 30 September 2026 (the date as at which the latest unaudited half-year financial statements of Macquarie Bank consolidated with its subsidiaries were prepared).

Directors of Macquarie Bank

As at the date of this Base Prospectus, the persons named below are Voting Directors of Macquarie Bank under Macquarie Bank's constitution and exercise the powers of directors for the purposes of the Corporations Act. All members of the Board of Voting Directors of Macquarie Bank have the business address of Level 1, 1 Elizabeth Street, Sydney, NSW, 2000, Australia.

Glenn R Stevens AC
BEc (Hons) (Sydney), MA (Econ) (UWO)
Independent Chair since 10 May 2022
Independent Voting Director since November 2017
Member of the Board Conflicts Committee

Other current positions: Mr Stevens is Chair of NSW Treasury Corporation. He is a Director of the Anika Foundation and the Lowy Institute and Deputy Chair of the Temora Aviation Museum.

Stuart D Green

BA (Hons) (UCL), MBA (CUL Business School), FCA, FCT
Managing Director and Chief Executive Officer since July 2021
Executive Voting Director of MBL since July 2021
Member of the Board Conflicts Committee

Other current positions: Mr Green is a Director of the Financial Markets Foundation for Children and a member of the Australian Banking Association Council, where he is the Chair of the Finance, Audit and Risk Committee. He is also a member of the Macquarie Group Foundation Committee and the Institute of Chartered Accountants in England and Wales (ICAEW) Australasia Strategy Advisory Group.

Greg Ward
BEc, MEc (Macquarie), FCA
Managing Director and Chief Executive Officer of MGL since November 2026
Executive Voting Director of MGL and MBL since November 2026

Jillian R Broadbent AC
BA (Maths & Economics) (Sydney)
Independent Voting Director since November 2018
Member of the Board Remuneration Committee
Member of the Board Risk Committee

Other current positions: Ms Broadbent is a Director of the Sydney Dance Company, the National Portrait Gallery Board Foundation, the Seaborn Broughton & Walford Foundation and the Lowy Institute.

Wayne S Byres
BEc (Hons) (MQ), MAppFin (MQ), GAICD, FCSI
Independent Voting Director since February 2024
Member of the Board Audit Committee
Chair of the Board Conflicts Committee
Member of the Board Governance and Compliance Committee
Member of the Board Risk Committee

Other current positions: Mr Byres is a Non-Executive Director of ASX Limited.

Philip M Coffey
BEc (Hons) (Adelaide), GAICD, SF Finsia
Independent Voting Director since August 2018
Chair of the Board Risk Committee
Member of the Board Governance and Compliance Committee

Other current positions: Mr Coffey is a Non-Executive Director of Goodstart Early Learning Ltd.

Michelle A Hinchliffe
BCom (UQ), FCA, ACA, MAICD
Independent Voting Director since March 2022
Chair of the MBL Board Audit Committee
Member of the MBL Board Governance and Compliance Committee

Other current positions: Ms Hinchliffe is a Non-Executive Director of BHP Group Limited, BAE Systems plc, Santander UK Group Holdings plc and various subsidiaries. Ms Hinchliffe is a member of the Institute of Chartered Accountants in England and Wales (ICAEW) Australasia Strategy Advisory Group.

Susan J Lloyd-Hurwitz AM
BA (Hons) (USYD), MBA (Distinction), INSEAD
Independent Voting Director since July 2023
Member of the Board Audit Committee
Chair of the Board Remuneration Committee

Other current positions: Ms Lloyd-Hurwitz is a Non-Executive Director of Rio Tinto, Chair of the Australian National Housing Supply & Affordability Council and the Australian Centre for Gender Equality and Inclusion @Work Advisory Board. She is a Global Board member at INSEAD, a Fellow of the University of Sydney Senate, Chair of the Senate Building and Estates Committee, and a member of Sydney Opera House Trust.

Rebecca J McGrath AM
BTP (Hons) (UNSW), MAppSc (ProjMgt) (RMIT), FAICD
Independent Voting Director since January 2021
Chair of the Board Governance and Compliance Committee
Member of the Board Risk Committee

Other current positions: Ms McGrath is Chair of Investa Wholesale Funds Management Limited and a Non-Executive Director of UniSuper, Djerriwarrh Investments Limited and Investa Office Management Holdings Pty Limited. She is a member of the Australian British Chamber of Commerce Advisory Council and a Non-Executive Director of Melbourne Business School.

Mike Roche
BSc (UQ), GAICD, FIA (London), FIAA
Independent Voting Director since January 2021
Member of the Board Audit Committee
Member of the Board Remuneration Committee
Member of the Board Risk Committee

Other current positions: Mr Roche is a Non-Executive Director of Wesfarmers Limited, MaxCap Group Pty Ltd and Managing Director of M R Advisory Pty Ltd. He is a co-founder and a Director of the Sally Foundation.

David JK Whiteing
BBusSci (UCT)
Independent Voting Director since September 2023
Member of the Board Audit Committee
Member of the Board Conflicts Committee
Member of the Board Governance and Compliance Committee
Member of the Board Remuneration Committee

Other current positions: Mr Whiteing is a Non-Executive Director of Suncorp Group Limited and Silicon Quantum Computing Pty Ltd.

Board Committees

MBL has established the following Board Committees:

- Board Risk Committee ("**BRiC**");
- Board Audit Committee ("**BAC**");
- Board Remuneration Committee ("**BRC**");
- Board Governance and Compliance Committee ("**BGCC**"); and
- Board Conflicts Committee ("**BCC**").

The BRiC assists the Board by providing oversight of the Macquarie Bank Group's risk management framework, as it relates to the Banking Group, and advising the Board on the Banking Group's risk appetite, risk culture and risk management strategy. Except to the extent another Board Committee is responsible, the BRiC receives information on material risks and reviews the impact of developments in markets in which MBL operates on its risk position and profile. The BRiC monitors the Banking Group's risk culture and, with assistance from the BGCC, conduct risk, and forms a view on the Macquarie Bank Group's risk culture and the extent to which it supports the ability of MBL to operate consistently within its risk appetite.

The BAC assists the Board with its oversight of the quality and integrity of the accounting, auditing and financial reporting of the Banking Group. The BAC also reviews the adequacy of the Banking Group's control framework for financial regulatory reporting to prudential regulators and monitors the internal financial control environment. The BAC monitors the effectiveness, objectivity and independence of the external auditor. The BAC reviews reports from the external auditor and Internal Audit, referring matters relating to the duties and responsibilities of the BRiC and BGCC to the appropriate Board Committee.

The BRC assists the Board with overseeing the design, operation and monitoring of MBL's remuneration framework. It makes recommendations to the Board that promote appropriate remuneration policies and practices for the Banking Group. The BRC reviews People and Culture related reports and consults with the BRiC, BGCC and BAC to ensure risk outcomes are appropriately reflected in remuneration outcomes. The BRC is also responsible for remuneration related disclosures in MBL's remuneration report.

The BGCC assists the Board in monitoring corporate governance, regulatory, legal, compliance and financial crime risk matters for the Banking Group, including reviewing and monitoring compliance with the Macquarie Group's Conduct Risk Management Framework and its implementation. In addition, the BGCC reviews and monitors the Macquarie Group's work health and safety risk management policies, customer and client reporting and environmental and social risk management policies, practices and performance, from the perspective of the Banking Group. The BRiC, BRC and BAC also oversee aspects of the regulatory, legal and compliance risk matters for the Banking Group relating to their duties and responsibilities.

The BCC assists the Board by considering and making recommendations regarding matters or decisions where the interests of MBL or a member of the Banking Group potentially or actually conflict with those of Macquarie or any Macquarie subsidiary other than a member of the Banking Group and those matters or decisions are material to the Banking Group.

Director Independence

The MBL Board Charter requires that the Chair of MBL, each Bank-only Non-Executive Director (a Non-Executive Director who is not also on the MGL Board nor a director of a MGL subsidiary, other than a subsidiary of the Macquarie Bank Group) and a majority of the Board must be independent Directors. The Board believes that independence is evidenced by an ability to constructively challenge and independently contribute to the work of the Board. It is also the policy of the Board of MBL that a majority of the members of each MBL Board Committee should be independent Directors, that the BAC will comprise only of independent Directors and that each MBL Board Committee be chaired by an independent Director.

A Voting Director ("**Director**") will be considered independent if they are free of any interests, positions or relationships that could materially interfere with the Director's capacity to bring independent judgement on matters before the Board and act in the best interests of MBL.

The independence of each Non-Executive Director ("**NED**") is considered prior to appointment and then considered annually by the BGCC and confirmed by the Board of MBL. As part of the review process, each NED is provided with a copy of the Macquarie Bank Policy on Director Independence and asked to declare whether they have any interests, positions or relationships that could materially interfere with the Director's capacity to act in the best interests of MBL ("**Declaration**"). Each NED is also asked to provide information regarding relationships with MGL, including relationships or close personal ties with MBL, for review by the BGCC.

In considering the independence of Directors, the BGCC and the Board will have regard to whether or not the Director:

1. is, or has been employed in an executive capacity by MGL or another member of the Macquarie Group and there has not been a period of at least three years between ceasing such employment and serving on the Board;

2. receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of MGL or MBL;

3. is, or has been within the last three years, in a material business or contractual relationship (e.g. as a supplier, professional adviser, consultant or customer), other than as a Director, with MGL or another member of the Macquarie Group, or is an officer of, or otherwise associated with, someone with such a relationship;

4. is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial shareholder of MGL;

5. is, or has within the last three years, been affiliated with or employed by a present or former external auditor of MGL, MBL or another member of the Macquarie Group;

6. has close personal ties with any person who falls within any of the categories described above; or

7. has been a Director of MBL for such a period that their independence from management and substantial shareholders may have been compromised.

In each case, the materiality of the interest, position or relationship needs to be assessed by the MBL Board to determine whether it might interfere, or might reasonably be seen to interfere, with

the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of MBL as a whole rather than in the interests of an individual security holder or other party. Materiality thresholds are determined by the MBL Board.

MBL's nine NEDs, being Jillian R Broadbent, Philip M Coffey, Michelle A Hinchliffe, Susan J Lloyd-Hurwitz, Mike Roche, Rebecca J McGrath, Glenn R Stevens, Wayne S Byres and David JK Whiteing, are each considered to be independent.

Dealing with potential conflicts of interest

MBL recognises that conflicts of interest or potential conflicts of interest or duty may arise from time to time for its Directors. MBL has in place procedures to assist Directors with detecting and dealing with such conflicts. The Board has protocols for its members for disclosing and dealing with potential conflicts of interest that include:

- Board members disclosing their interests pursuant to the Corporations Act 2001 (Cth), the ASX Listing Rules and general law requirements;

- Board members with a material personal interest in a matter before the Board not receiving the relevant Board paper and not being present at the Board meeting during the consideration of the matter and subsequent vote, unless the Board (excluding the relevant Board member) resolves otherwise; and

- as a general rule, Board members with actual or potential conflicts arising from an external appointment to another company outside of the Macquarie Group should not receive the relevant Board paper nor be present at the Board meeting during consideration of the matter.

As at the date of this Base Prospectus, and having regard to the above criteria, requirements and procedures utilised by MBL to detect and manage conflicts of interest and to restrict participation where a conflict arises, there are:

- no actual conflicts of interest; and

- no potential conflicts of interest, other than in respect of any dealings between MBL and any of the companies listed above under "Other current positions" which may arise in the future and will be managed in accordance with the above requirements and procedures,

between duties owed to MBL and dischargeable by members of its Board of Voting Directors listed above and their private interests and/or other duties.

As noted above, all Directors are required to disclose any conflict or potential conflict of interest on an ongoing basis. In respect of conflicts or potential conflicts of interest that may arise in the future, MBL will manage those conflicts in accordance with the Corporations Act, any other applicable law and the other requirements and procedures referred to above.

Offering and Sale

No action has been or will be taken by the Issuer that would permit a public offering of any Warrants or possession or distribution of any offering material in relation to any Warrants in any jurisdiction where action for that purpose is required. No offers, sales, re-offers, re-sales or deliveries of any Warrants, or distribution of any this Base Prospectus, any Final Terms, circular, advertisement or other offering material relating to any Warrants, may be made in or from any country or jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer and/or any Manager or Purchaser.

1 General

This Base Prospectus has not been, and will not be, lodged with ASIC and is not a 'prospectus', 'product disclosure statement' or other 'disclosure document' for the purposes of the Corporations Act.

Except for registration of this Base Prospectus by the Luxembourg Stock Exchange, no action has been taken in any country or jurisdiction that would permit a public offering of any of the Warrants, or possession or distribution of this Base Prospectus, any Final Terms, circular, advertisement or other offering material relating to any Warrants, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Base Prospectus comes are required by the Issuer to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Warrants or have in their possession or distribute such offering material and to obtain any consent, approval or permission required by them for the purchase, offer, sale or delivery by them of any Warrants under the law and regulations in force in any country or jurisdiction to which they are subject or in which they make such purchases, offers, sales or deliveries, in all cases at their own expense, and neither the Issuer nor any Manager shall have responsibility therefor. In accordance with the above, any Warrants purchased by any person which it wishes to offer for sale or resale may not be offered in any country or jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Warrants in such country or jurisdiction.

In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Warrants in Australia, the United States of America, the European Economic Area, the U.K., Hong Kong, Singapore, Japan, Korea, India, Canada, People's Republic of China, Malaysia and Taiwan as set out below.

No money market instruments having a maturity at issue of less than 12 months will be offered to the public or admitted to trading under this Base Prospectus.

2 Australia

No prospectus or other disclosure document, nor any product disclosure statement, (each as defined in the Corporations Act) in relation to the Programme or any Warrant has been, or will be, lodged with ASIC. Neither this Base Prospectus, nor any other prospectus or disclosure document in respect of the Programme is a 'prospectus',

'product disclosure statement' or other 'disclosure document' for the purposes of the Corporations Act.

Each Manager of an issue of Warrants, and each further Manager appointed under the Programme, will be required to represent and agree, and will be deemed to have represented and agreed, that, unless the relevant Final Terms otherwise provides, it:

(a) has not (directly or indirectly) offered, and will not offer for issue or sale and has not invited and will not invite applications, for issue or offer to purchase any Warrants (in each case) in, to or from Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, the Base Prospectus or any draft, preliminary or definitive prospectus, offering memorandum, disclosure document, advertisement or other offering material relating to any Warrants in Australia,

unless (i) the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in other currencies and, in either case, disregarding moneys lent by the Issuer, the offeror or any associated person of the offeror or issuer) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act, (ii) such action complies with all applicable laws, regulations and directives in Australia (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act), (iii) the offer or invitation is not made to a person who is a "retail client" for the purposes of section 761G of the Corporations Act, and (iv) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

3 United States

The offer and sale of the Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**Securities Act**"). Trading in the Warrants has not been, and will not be, approved on an exchange or board of trade or otherwise by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act. No Warrants of any series, or interests therein, may at any time be offered, sold, resold, traded or delivered, directly or indirectly, in or into the United States of America (including the states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction ("**United States**") or directly or indirectly offered, sold, resold, traded or delivered to, or for the account or benefit of, any person ("**U.S. person**") who is (i) an individual who is a citizen or resident of the United States, (ii) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the United States, (iii) any estate or trust, the income of which is subject to United States federal income taxation regardless of the source of its income, (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust, (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above, or (vi) any other "U.S. person" as such term may be defined in Regulation S under the Securities Act ("**Regulation S**") or, to the extent applicable, in regulations adopted under the United States Commodity Exchange Act of 1936. Consequently, any offer, sale, re-sale, trade or delivery made, directly or indirectly, into the United States or to, for the account or

benefit of, a U.S. person will not be recognised, except for (a) an offering of the Warrant pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act, then within the United States, to "accredited investors" as defined in Rule 501(a) of Regulation D or "qualified institutional buyers" as defined in Rule 144A, each under the Securities Act, or otherwise pursuant to any other exemption, and (b) in countries outside the United States to persons that are not, and are not acting for the account or benefit of, U.S. persons in offshore transactions in accordance with Regulation S.

Each Manager of an issue of Warrants, and each further Manager appointed under the Programme, will be required to represent and agree, and will be deemed to have represented and agreed, that it will not at any time offer, sell, resell, trade or deliver, directly or indirectly, Warrants of such series in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Warrants of any series must represent and agree with a Manager of such series or the seller of such Warrants that (i) it will not at any time offer, sell, resell, trade or deliver, directly or indirectly, any Warrants of such series so purchased in or into the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade or delivery, directly or indirectly, in or into the United States or to, or for the account or benefit of, any U.S. person, (ii) it is not purchasing any Warrants of such series for the account or benefit of any U.S. person and (iii) it will not make offers, sales, re-sales, trades or deliveries of any Warrants of such series (otherwise acquired), directly or indirectly, in or into the United States or to, or for the account or benefit of, any U.S. person.

Each Manager of an issue of Warrants, and each further Manager appointed under the Programme, will also be required to represent and agree and will be deemed to have represented and agreed, and any person purchasing Warrants of such series must represent and agree, to send each person who purchases any Warrants of such series from it a written confirmation (which shall include the definitions of "United States" and "U.S. persons" set forth herein) by acceptance of such confirmation stating that the Warrants have not been registered under the Securities Act, and stating that, such purchaser agrees that it will not at any time offer, sell, resell, trade or deliver Warrants, directly or indirectly, in or into the United States or to, or for the account or benefit of, any U.S. person. Any person exercising a Warrant will be required to represent that it is not a U.S. person nor is it acting for the account or benefit of any U.S person. See "Terms and Conditions of the Warrants, Condition 5 - Exercise Procedure".

4 European Economic Area

Each Manager of an issue of Warrants has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, and will be deemed to have represented and agreed, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Warrants which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. Consequently no key information document required by the PRIIPs Regulation for offering or selling the Warrants or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Warrants

or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

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 the Insurance Distribution Directive, 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 Prospectus Regulation (as amended); and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe the Warrants.

This European Economic Area selling restriction is in addition to any other selling restrictions set out in this Base Prospectus.

5 United Kingdom

Each Manager of an issue of Warrants, and each further Manager appointed under the Programme, will be required to represent and agree, and will be deemed to have represented and agreed, that:

(a) in respect of Warrants having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Warrants other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Warrants would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;

(b) it has complied with, and will comply with, all applicable provisions of the FSMA in respect of anything done in relation to any Warrants in, from or otherwise involving the U.K.; and

(c) 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 Warrants in circumstances in which section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer.

Each Manager of an issue of Warrants has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, and

will be deemed to have represented and agreed, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Warrants 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 U.K. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Warrants or otherwise making them available to retail investors in the U.K. has been prepared and therefore offering, selling or distributing the Warrants or otherwise making them available to any retail investor in the U.K. may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is either one (or both) of the following:

(i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or

(ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and

(b) the expression an "**offer**" means the communication to any person which presents sufficient information on: (i) the Warrants to be offered; and (ii) the terms on which they are to be offered, to enable an investor to decide to buy or subscribe for the Warrants.

6 Hong Kong

Each Manager of an issue of Warrants acknowledges and agrees that the Warrants have not been authorised by the Hong Kong Securities and Futures Commission.

Each Manager of an issue of Warrants, and each further Manager appointed under the Programme will be required to represent and agree, and will be deemed to have represented and agreed, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Warrants (except for Warrants which are "structured products" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) 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 Warrants, 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 Warrants 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.

7 Singapore

The Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Each Manager or Purchaser of an issue of Warrants, and each further Manager appointed under the Programme will be required to represent, warrant and agree, and will be deemed to have represented, warranted and agreed, that the Warrants may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of any Warrants be circulated or distributed, whether directly or indirectly, to the public or any member of the public in Singapore other than:

(a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act 2001, as amended ("SFA");

(b) 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

(c) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Each Manager or Purchaser of an issue of Warrants, and each further Manager appointed under the Programme, will be required to further represent, warrant and agree, and will be deemed to have represented, warranted and agreed to notify (whether through the distribution of this Base Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Warrants or otherwise) each of the following relevant persons specified in Section 275 of the SFA which has subscribed or purchased Warrants from and through that Manager, namely a person who is:

(1) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(2) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

that securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Warrants pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor, or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

8 Japan

No Warrants of any Series have been or will be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "**Financial Instruments and Exchange Act**") and, accordingly, each Manager of an issue of Warrants, and each further Manager appointed under the Programme, will be required to represent and agree that it has not offered or sold and will not offer or sell any Warrants, directly or indirectly in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan including any corporation or other entity organised under the laws of Japan), or to others for re-offering or re-sale directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

9 South Korea

No Warrants of any Series have been or will be registered under the Financial Investment Services and Capital Markets Act of the Republic of Korea ("**Korea**").

Each Manager of an issue of Warrants, and each further Manager appointed under the Programme, will be required to represent and agree, and will be deemed to have represented and agreed, that Warrants have not been and will not be offered, delivered or sold directly or indirectly or offered, delivered or sold to any person for re-offering or resale directly or indirectly, in Korea or to any resident of Korea except as otherwise permitted under applicable Korean laws and regulations. Each Manager of an issue of Warrants has undertaken, and each further Manager appointed under the Programme will be required to undertake to ensure that any purchaser of the Warrants that is in Korea or is a resident of Korea that it is purchasing such Warrants as principal and pursuant to the applicable laws and regulations of Korea.

10 India

Each Manager of an issue of Warrants acknowledges and agrees that Security Warrants where the underlying constitutes twenty percentage or more Indian securities will not be offered. The Warrants are not being offered to the Indian public for sale or subscription but are being privately placed with a limited number of sophisticated private and institutional investors. The Warrants are not registered and/or approved by the Securities and Exchange Board of India, The Reserve Bank of India or any other governmental/regulatory authority in India. This prospectus is not and should not be deemed to be a 'prospectus' as defined under the provisions of the Companies Act, 2013 (18 of 2013) and the same shall not be filed with any regulatory authority in India. Pursuant

to the Foreign Exchange Management Act, 1999 and the regulations issued there under, any investor resident in India may be required to obtain prior special permission of the Reserve Bank of India before making investments outside of India, including any investments mentioned in this Base Prospectus. The Issuer has neither obtained any approval from the Reserve Bank of India or any other regulatory authority in India nor does it intend to do so and hence any eligible investor who is resident of India will be entirely responsible for determining its eligibility to invest in the Warrants.

11 Canada

The Warrants are not and will not be qualified for sale by a prospectus under the securities laws of any province or territory of Canada. This Base Prospectus is not, and under no circumstances is to be construed as, an advertisement or a public offering of the Warrants in Canada. Any offer or sale of the Warrants in any province or territory of Canada will only be made on a private placement basis, under an exemption from the requirement to prepare and file a prospectus with the relevant securities regulatory authorities. The Warrants will be subject to statutory hold periods in most Canadian jurisdictions. Any resale of the notes in Canada is restricted and must be made under applicable securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. Each purchaser of the Warrants, Manager of an issue of Warrants, and each further Manager appointed under the Programme, will be required to represent and agree, and will be deemed to have represented and agreed, that:

(a) the Warrants have not been qualified for distribution by a prospectus under the securities laws of any province or territory of Canada;

(b) it has not offered, sold, delivered, resold or transferred and will not offer, sell, deliver, resell or transfer any Warrants, directly or indirectly, in any province or territory of Canada or to or for the benefit of any resident of Canada, other than in compliance with the applicable securities laws of any province or territory of Canada; and

(c) it has not and will not distribute or deliver the Base Prospectus or any Final Terms, advertisement or other offering material relating to the Warrants in Canada, other than in compliance with the applicable securities laws of any province or territory of Canada.

12 People's Republic of China

This Base Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, any Warrants in the People's Republic of China (excluding Hong Kong, Macau and Taiwan) (the "PRC") to any person to whom it is unlawful to make the offer or solicitation in the PRC.

The Warrants may not be offered, sold or delivered, or offered, sold or delivered to any person for reoffering or resale or redelivery, in any such case directly or indirectly (i) by means of any advertisement, invitation, document or activity which is directed at, or the contents of which are likely to be accessed or read by, the public in the PRC, or (ii) to any person within the PRC other than in full compliance with the relevant laws and regulations

of the PRC, including but not limited to the PRC Securities Law, the Company Law and/or The Provisional Administrative Measures on Derivatives Business of Financial Institutions (as amended). Neither this Base Prospectus nor any material or information contained or incorporated by reference herein relating to the Programme or any advertisement or other offering material, in each case which have not been and will not be submitted to or approved/verified by or registered with the China Securities Regulatory Commission or other relevant governmental authorities in the PRC, may be supplied to the public in the PRC or used in connection with any offer for the subscription, purchase or sale of the Warrants other than in compliance with all applicable laws and regulations in the PRC.

PRC investors are responsible for obtaining all relevant government regulatory approvals/licences, verification and/or registrations themselves, including, but not limited to, those which may be required by the China Securities Regulatory Commission, the State Administration of Foreign Exchange and/or the China Banking Regulatory Commission, and complying with all relevant PRC laws and regulations, including, but not limited to, all relevant foreign exchange regulations and/or securities investment regulations.

The Issuer does not represent that this Base Prospectus may be lawfully distributed, or that Warrants may be lawfully offered, in compliance with any applicable registration or other requirements in PRC, or pursuant to an exemption available thereunder, or assume any responsibility for facilitation any such distribution of offering. In particular no action has been taken by the Issuer which would permit a public offering of any Warrants or distribution of this document in the PRC. Accordingly, the Warrants are not being offered or sold within the PRC by means of this Base Prospectus or any other document.

13 Malaysia

No proposal has been made, or will be made, to the Securities Commission Malaysia for the approval of the issue or sale of the Warrants in Malaysia. Accordingly, each purchaser or subscriber of the Warrants will be deemed to represent and agree that it has not offered, sold, transferred or disposed, and will not offer, sell, transfer or dispose of, any Warrants, nor has it made, or will it make, this Base Prospectus or any other document or material the subject of an offer or invitation for subscription or purchase of any Warrants, whether directly or indirectly, to any person in Malaysia other than pursuant to an offer or invitation as specified in Schedule 6 of the Capital Markets and Services Act 2007 or as prescribed by the Minister of Finance under paragraph 229 (1) of the Capital Markets and Services Act 2007 and subject to the observance of all applicable laws and regulations in any jurisdiction (including Malaysia).

14 Taiwan

The Warrants have not been, and will not be, registered with the Financial Supervisory Commission of Taiwan, the Republic of China ("Taiwan") pursuant to applicable securities laws and regulations. No person or entity in Taiwan is authorised to distribute or otherwise intermediate the offering of the Warrants or the provision of information relating to the Programme, including, but not limited to, this Base Prospectus. The Warrants may be made available for purchase outside Taiwan by investors residing in Taiwan (either directly or through properly licensed Taiwan intermediaries acting on behalf of such investors), but may not be issued, offered or sold in Taiwan.

15 Changes to these selling restrictions

These selling restrictions may be changed by the Issuer including following a change, in or clarification of, a relevant law, regulation, directive, request or guideline having the force of law or compliance with which is in accordance with the practice of responsible financial institutions in the country or jurisdiction concerned or any change in or introduction of any of them or in their interpretation or administration. Any change will be set out in a supplement to this Base Prospectus.

Persons in whose hands this Base Prospectus comes are required by the Issuer and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell, transfer or deliver Warrants or have in their possession or distribute such offering material and to obtain any consent, approval or permission required by them for the purchase, offer, sale, transfer or delivery by them of any Warrants under the law and regulations in force in any country or jurisdiction to which they are subject or in which they make such purchases, offers, sales, transfers or deliveries, in all cases at their own expense, and neither the Issuer Bank nor any Manager shall have responsibility therefore. In accordance with the above, any Warrant purchased by any person which it wishes to offer for sale or resale may not be offered in any country or jurisdiction in circumstances which would result in either Issuer being obliged to register this Base Prospectus or any further prospectus or corresponding document relating to the Warrants in such country or jurisdiction.

Taxation

General

Purchasers of Warrants may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Warrant.

TRANSACTIONS INVOLVING WARRANTS MAY HAVE TAX CONSEQUENCES FOR POTENTIAL PURCHASERS WHICH MAY DEPEND, AMONGST OTHER THINGS, UPON THE STATUS OF THE POTENTIAL PURCHASER AND LAWS RELATING TO TRANSFER AND REGISTRATION TAXES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THE TAX POSITION OF ANY ASPECT OF TRANSACTIONS INVOLVING WARRANTS SHOULD CONSULT THEIR OWN TAX ADVISERS.

Condition 11 ("Expenses and Taxation") on page 73 of this Base Prospectus should be considered carefully by all potential purchasers of any Warrants.

Australian withholding taxes

Prospective Warrantholders should be aware that the final terms of issue of any Series of Warrants will affect the Australian tax treatment of that Series of Warrants.

This summary is a general guide and should be treated with appropriate caution. Prospective Warrantholders should consult their professional advisers on the tax implications of an investment in the Warrants for their particular circumstances.

The Warrants may be issued by the Issuer acting through its Head Office in Sydney ("MBL Head Office") or through any of its branches outside of Australia as specified in the relevant Final Terms or as agreed with the relevant Manager ("MBL Foreign Branch"). There may be different Australian withholding tax consequences depending upon whether the Warrants are issued by MBL Head Office or by an MBL Foreign Branch.

(i) Introduction

The following is a summary of the Australian withholding taxes that could be relevant in relation to the issue, transfer and settlement of the Warrants. This summary is not exhaustive and does not deal with:

- any other Australian tax aspects of acquiring, holding or disposing of the Warrants (including Australian income taxes);
- the position of certain classes of Warrantholders; or
- the Australian tax aspects of acquiring, holding or disposing of the relevant Entitlement if the Warrants are Physical Delivery Warrants.

The Income Tax Assessment Act 1936 of Australia and the Income Tax Assessment Act 1997 of Australia (together, "Australian Tax Act") characterise securities as either "debt interests" (for all entities) or "equity interests" (for companies) including for the purposes of Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act ("IWT") and dividend withholding tax ("DWT"). IWT is payable at a rate

of 10 per cent. of the gross amount of interest paid by MBL to a non-resident of Australia (other than a non-resident acting at or through a permanent establishment in Australia) or an Australian resident acting at or through a permanent establishment outside Australia unless an exemption is available or the payments of interest on the Warrants are wholly incurred by MBL in carrying on a business in a country outside Australia through a permanent establishment of MBL in that country. For these purposes, interest is defined in section 128A(1AB) of the Australian Tax Act to include amounts in the nature of, or in substitution for, interest and certain other amounts.

(ii) Australian interest withholding tax

Payments made in respect of Warrants issued by MBL Head Office which are not "interest" for the purposes Division 11A of Part III to the Australian Tax Act, may be made without any withholding or deduction for or on account of Australian IWT. For these purposes, "interest" includes any amount in the nature of, or in substitution for, interest and certain other amounts.

Unless an exemption applies or the payments of interest on the Warrants are wholly incurred by MBL in carrying on a business in a country outside Australia through a permanent establishment of MBL in that country, "interest" paid by MBL in relation to the Warrants to a non-resident of Australia (other than a non-resident acting at or through a permanent establishment in Australia) or a resident acting at or through a permanent establishment outside Australia will be subject to IWT.

An exemption from Australian IWT is available in respect of Warrants issued by MBL if those Warrants are characterised as "debentures" and are not characterised as "equity interests" for the purposes of the Australian Tax Act and the requirements of section 128F of the Australian Tax Act are satisfied. Where "interest" is payable, MBL intends to issue Warrants which will be characterised as "debentures" and are not "equity interests" for these purposes and which will satisfy the requirements of section 128F of the Australian Tax Act.

The requirements that must be satisfied for an exemption from IWT in section 128F to apply in respect of the Warrants are as follows:

(i) MBL is a company as defined in section 128F(9) of the Australian Tax Act and is a resident of Australia when it issues those Warrants and when interest is paid;

(ii) those Warrants are issued in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that MBL is offering those Warrants for issue. In summary, the five methods are:

(a) offers to 10 or more unrelated financiers or securities dealers or entities that carry on the business of investing in securities;

(b) offers to 100 or more investors of a certain type;

(c) offers of listed Warrants;

(d) offers as a result of negotiations initiated via publicly available information sources; and

(e) offers to a dealer, manager or underwriter who offers to sell those Warrants within 30 days by one of the preceding methods;

(iii) MBL does not know, or have reasonable grounds to suspect, at the time of issue, that those Warrants or interests in those Warrants were being, or would later be, acquired, directly or indirectly, by an "associate" of MBL, except as permitted by section 128F(5) of the Australian Tax Act; and

(iv) at the time of the payment of interest, MBL does not know, or have reasonable grounds to suspect, that the payee is an "associate" of MBL, except as permitted by section 128F(6) of the Australian Tax Act.

Interest withholding tax exemptions under certain double tax conventions

The Australian government has signed double tax conventions ("Double Tax Treaties") with a number of countries (each a "Specified Country"), under which an exemption from IWT is available in certain circumstances. In broad terms, the Double Tax Treaties effectively prevent IWT applying to interest derived by:

- the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and

- a "financial institution" which is a resident of a "Specified Country" and which is unrelated to and dealing wholly independently with MBL. The term "financial institution" refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. (However, interest paid under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.)

The availability of relief under a Double Tax Treaty may be limited by Australia's adoption of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting in circumstances where a holder of a Warrant has an insufficient connection with the relevant jurisdiction. Prospective holders of Warrants should obtain their own independent tax advice as to whether any of the exemptions under the relevant Double Tax Treaties may apply to their particular circumstances.

(iii) Australian dividend withholding tax

Australia may impose DWT at a rate of up to 30% on unfranked distributions (which may be reduced under an applicable double tax convention) paid in respect of equity interests held in an Australian company. However, to the extent that a Warrantholder does not hold an equity interest (and, therefore, receive any distributions), there should be no DWT imposed on any amounts received in respect of the Warrants.

(iv) Tax File Number ("TFN") and Australian Business Number ("ABN")

The Warrants should not be characterised as an "investment" to which Part VA of the Australian Tax Act applies. Therefore, the Warrants should be unaffected by the TFN

quotation rules and there is no need for an investor to quote their TFN in connection with the acquisition of the Warrants.

However, in the case of Physical Delivery Warrants where a Warrantholder takes delivery of the Entitlement at Settlement, an investor may be requested by the relevant investee company or entity for the provision of their TFN (or, in certain circumstances, their ABN). Whilst an investor is not required to provide their TFN (or ABN) to the relevant investee company or entity, investors that do not provide their TFN, or, in certain circumstances, their ABN, or other exemption details, may have tax withheld from dividends, interest and other income payments at the highest marginal tax rate in Australia plus the Medicare Levy (in aggregate, currently 47%).

(v) Supply withholding taxes

The Warrants should not be subject to any "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation Administration Act 1953 (Cth) of Australia ("Taxation Administration Act").

(vi) Goods and services tax ("GST")

None of the issue or receipt of the Warrants, the payments on the Warrants by Macquarie Bank nor the redemption of Warrants will give rise to any GST liability in Australia. In the event that there is physical delivery of securities on redemption, no GST liability will arise in Australia.

(vii) Stamp duty

No stamp duty will be payable in Australia on the issue, transfer or redemption of the Warrants. In relation to physically settled Warrants, a stamp duty liability could arise in Australia, but no such duty should arise if the securities being transferred on physical settlement are listed on the ASX or other exchange that is a member of the World Federation of Exchanges, and the securities being transferred do not represent a shareholding or unit-holding of 90% or more in the entity whose securities are being transferred.

(viii) Additional withholdings from certain payments to non-Australian residents

The Governor-General may make regulations requiring withholding from certain payments to non-Australian residents (other than payments of interest or other amounts which are already subject to the current IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The possible application of any future regulations to the proceeds of any sale of the Warrants will need to be monitored.

(ix) Garnishee directions by the Commissioner of Taxation ("Commissioner")

The Commissioner may give a direction under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 of the Taxation Administration Act (or any other analogous provision under another statute) requiring the Issuer to deduct from any payment to any other entity (including any Warrantholder) any amount in respect of tax payable by that other entity. If the Issuer is served with such a direction in respect of a Warrantholder,

then the Issuer will comply with that direction and, accordingly, will make any deduction or withholding in connection with that direction.

For example, in broad terms, if an amount was owing by the Issuer to a Warrantholder and that Warrantholder had an outstanding Australian tax-related liability owing to the Commissioner, the Commissioner may issue a notice to the Issuer requiring the Issuer to pay the Commissioner instead the amount owing to the Warrantholder.

(x) Issuer required to make a withholding or deduction on account of taxes

As set out in more detail in Condition 11 of this Base Prospectus, all payments made by the Issuer in respect of the Warrants will be made net of any withholding or deduction on account of taxes.

Whether or not the relevant withholding or deduction will be required to be made by the Issuer or another entity on behalf of the Issuer will depend on the nature of the particular withholding or deduction, the character of the relevant payment and the Final Terms for that Series of Warrants.

United Kingdom Taxation

The following is a summary of the Issuer's understanding of certain aspects of the U.K. withholding tax, stamp duty and stamp duty reserve tax positions relating to the Warrants and is based on current law and published HM Revenue and Customs ("HMRC") practice. 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 U.K. tax treatment of prospective Warrantholders depends on their individual circumstances and on the precise terms of any given Warrants and may be subject to change in the future. Prospective Warrantholders who may be subject to tax in a jurisdiction other than the U.K. or who may be unsure as to their tax position should seek their own professional advice.

(i) Withholding taxes

1. *Annual payments*

Payments made on the Warrants by way of coupon which are treated as annual payments may be made without deduction of or withholding on account of U.K. income tax if those payments do not have a U.K. source.

If any such payments have a U.K. source then an amount may be required to be withheld on account of U.K. income tax at the basic rate (currently 20%).

2. *Manufactured payments*

An amount may be required to be withheld from payments on the Warrants which are "manufactured payments" and are made by the Issuer in the course of a trade carried on through a branch or agency in the U.K.

To be a "manufactured payment" the payment must be made under arrangements which relate to the transfer of securities (for example, Warrants which provide for Physical Delivery) and the payment must be representative of a dividend or of interest payable on those securities. A "manufactured payment" will only be

subject to withholding if: those securities are issued by a company U.K. real estate investment trust or by the principal company of a group U.K. real estate investment trust or the payment is representative of interest on securities issued by the government, a local authority or any other public authority of the U.K. or on securities (other than shares) issued by a company or other body which is resident in the U.K.

3. *Interest*

For the purposes of this paragraph, references to “interest” are to payments which constitute interest for U.K. tax purposes and this may differ from any other meaning given to that term under any other law or under the terms and conditions of the Warrants. It is possible, depending on the precise terms of the Warrant in question, that payments made on a Warrant by way of coupon or on exercise could constitute interest for these purposes.

Payments on the Warrants which constitute interest may be made without deduction of or withholding on account of U.K. income tax if those payments do not have a U.K. source.

If any payments on the Warrants constitute interest and have a U.K. source, the Issuer, provided that it continues to be a bank within the meaning of section 991 of the Income Tax Act 2007, and provided that any such payments are made in the ordinary course of its business within the meaning of section 878 of that Act, will be entitled to make such payments without withholding or deduction for or on account of U.K. income tax.

Payments on the Warrants which constitute U.K. source interest may also be made without deduction of or withholding on account of U.K. income tax provided that the Warrants are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 or are admitted to trading on a multilateral facility operated by a regulated recognised stock exchange within the meaning of Section 987 Income Tax Act 2007. The Luxembourg Stock Exchange is a recognised stock exchange. The Warrants will be “listed on a recognised stock exchange” for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the U.K. official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in EEA states, in a country outside the U.K. in which there is a recognised stock exchange. The Issuer's understanding of current HMRC practice is that securities which are officially listed and admitted to trading on the Main Market or the Euro MTF Market of the Luxembourg Stock Exchange may be regarded as “listed on a recognised stock exchange” for these purposes. Provided, therefore, that the Warrants are and remain so listed, interest on the Warrants which has a U.K. source will be payable without withholding or deduction on account of U.K. tax.

In other cases, an amount must generally be withheld from payments of interest on the Warrants that has a U.K. source on account of U.K. income tax at the basic rate (currently 20%).

4. *Derivative contracts*

All payments on a Warrant may be made without deduction of or withholding on account of U.K. income tax (and so paragraphs 1 to 3 above do not apply to such payments) if the Warrant is issued by the Issuer as part of a trade to the extent carried on in the U.K. through a U.K. permanent establishment, and the profits and losses arising from the Warrant are calculated in accordance with Part 7 of the Corporation Tax Act 2009 ("derivative contracts").

5. *Other matters*

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 Warrantholder, HMRC can issue a notice to the Issuer to pay interest to the Warrantholder without deduction of tax (or for payments to be made with tax deducted at the rate provided for in the relevant double tax treaty).

6. *Further United Kingdom Income Tax Issues*

Payments on the Warrants that constitute U.K. source income for tax purposes may, as such, be subject to income tax by direct assessment even where paid without withholding.

However, payments which are either interest or annual payments (but not miscellaneous income) with a U.K. source received without deduction or withholding on account of U.K. tax will not be chargeable to U.K. tax in the hands of a Warrantholder (other than certain trustees) who is not resident for tax purposes in the U.K. unless that Warrantholder carries on a trade, profession or vocation in the U.K. There are exemptions for payments received by certain categories of agent (such as some brokers and investment managers). The provisions of an applicable double taxation treaty may also be relevant for such Warrantholders.

(ii) Stamp Duty and Stamp Duty Reserve Tax (SDRT)

1. Issue

In relation to Warrants which provide for Physical Delivery and which for SDRT purposes constitute agreements to transfer an Entitlement, a charge may arise on issue unless the Entitlement to be delivered on settlement is not or are not "chargeable securities". In general terms, Entitlements which:

(a) are not interests in unit trust schemes;

(b) are issued by a body corporate incorporated outside of the U.K.;

(c) are not registered in a register kept in the U.K.; and

(d) do not give its holder the right to subscribe for, or otherwise acquire, a security (or an interest in, or right arising out of, a security) registered in a register kept in the U.K.,

are not “chargeable securities”.

A Global Warrant or any instrument granting a Global Warrant may be subject to U.K. stamp duty if it is executed in the U.K. or if it relates to any property situate, or to any matter or thing done or to be done, in the U.K. Prospective purchasers of Warrants may wish to note, however, that, in the context of retail covered warrants listed on the London Stock Exchange, HMRC has indicated that no charge to stamp duty will arise on the grant of such warrants if cash-settled. It is not clear whether or not HMRC would be prepared to take such a view in relation to Warrants generally and in particular in relation to Warrants which provide for Physical Delivery. Even if an instrument is subject to U.K. stamp duty, there may be no practical necessity to pay that stamp duty, as U.K. stamp duty is not an assessable tax. However, an instrument which is not duly stamped cannot be used for certain purposes in the U.K.; for example it will be inadmissible in evidence in civil proceedings in a U.K. court.

2. *Transfer*

Stamp duty is chargeable on written instruments, and if transfers of Warrants are effected through a clearing system otherwise than by way of written instrument then generally no stamp duty should arise in respect of such a transfer. If a written instrument is used in respect of a transfer by way of sale, then any such instrument which is executed in the U.K. or which (if not executed in the U.K.) relates to any matter or thing done or to be done in the U.K. may be subject to stamp duty. Stamp duty would be charged at 0.5 per cent. of the sale consideration. If the consideration paid for a transfer of such Warrants is £1,000 or less and the instrument transferring the Warrants includes an appropriate certificate the stamp duty payable will be reduced to nil.

SDRT at 0.5% may be payable in relation to any agreement to transfer Warrants that provide for Physical Delivery either mandatorily or at the option of the Warrantholder, or otherwise give the Warrantholder the right to acquire stock, shares or loan capital (or interests in or rights arising out of stock, shares or loan capital) which stock, shares or loan capital:

(a) are registered in a register kept in the U.K. by or on behalf of the body corporate by which they are issued or raised, unless they are "exempt loan capital" (that is they are exempt under section 79 of the Finance Act 1986); or

(b) in the case of shares, are paired with shares issued by a body corporate incorporated in the U.K.

3. *Exercise and redemption*

Stamp duty and SDRT may also be payable on a settlement of the Warrants that involves the delivery of an asset other than cash.

United States Taxation

Foreign Account Tax Compliance Act

Legislation commonly referred to as “FATCA” generally imposes withholding tax of 30 percent on payments to certain non-U.S. entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements have been satisfied. An intergovernmental agreement between the United States and the non–U.S. entities’ jurisdiction may modify these requirements.

Pursuant to U.S. Treasury Regulations, this legislation generally will apply to (1) Warrants that pay U.S. source interest or other U.S. source “fixed or determinable annual or periodic” (“**FDAP**”) income; and (2) Warrants issued from 2018 through 2028 that are “delta-one” and could be treated as paying dividend equivalents pursuant to Section 871(m) of the Internal Revenue Code (see detailed discussions below). Withholding (if applicable) will apply to payments of interest and FDAP income.

Macquarie Bank has been classified as a “foreign financial institution” (“**FFI**”) and has a robust reporting framework in place. In addition, under FATCA, Macquarie Bank or other financial institutions through which payments on the Warrants are made or through which an investor owns its Warrants may be required to withhold amounts on the Warrants if (i) there is a "non-participating" non-U.S. financial institution in the payment chain or (ii) the Warrants are treated as "financial accounts" for purposes of FATCA and the investor does not provide certain information, which may include the name, address and taxpayer identification number with respect to direct and certain indirect U.S. investors.

The Australian and the U.S. Governments signed an intergovernmental agreement ("**IGA**") in respect of FATCA on 28 April 2014. Under the IGA, Australian FFIs will generally be able to be treated as "deemed compliant" with FATCA. Depending on the nature of the relevant FFI, FATCA Withholding may not be required from payments made with respect to the Warrants other than in certain prescribed circumstances. However, under the IGA, an FFI may be required to provide the Australian Taxation Office with information on financial accounts (for example, the Warrants) held by U.S. persons or persons who should otherwise be treated as holding a “United States Account” of Macquarie Bank and on payments made to non-participating FFIs. Consequently, Warrantholders may be requested to provide certain information and certifications to Macquarie Bank and to any other financial institution through which payments on the Warrants are made in order for Macquarie Bank and other such financial institutions to comply with their FATCA obligations.

Macquarie Bank expects to be treated as a Reporting FI pursuant to the IGA and does not anticipate being obliged to deduct any withholding on account of FATCA (“**FATCA Withholding**”) on payments it makes. Macquarie Bank also expects that any branch through which it issues Warrants will be treated as a Reporting FI pursuant to an IGA. There can be no assurance, however, that Macquarie Bank, or any branch through which it issues Warrants, will be treated as a Reporting FI or that it would in the future not be required to deduct FATCA Withholding from payments it makes.

If withholding applies to the Warrants, Macquarie Bank will not be required to pay any additional amounts with respect to amounts withheld. Prospective purchasers should consult their tax advisers regarding FATCA, including the availability of certain refunds or credits.

Whilst the Warrants are in global form and held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Warrants are discharged once it has paid the common depositary or common safekeeper for the clearing systems (as bearer or registered holder of the Warrants) and the Issuer therefore has no responsibility for any amount thereafter transmitted through hands of the clearing systems and custodians or intermediaries.

If an amount in respect of FATCA Withholding were to be deducted or withheld any payments made in respect of the Warrants, neither Macquarie Bank nor any paying agent nor any other person would, pursuant to the conditions of the Warrants, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less payments than expected.

Section 871(m): "U.S. Dividend Equivalent Withholding"

Section 871(m) of the Internal Revenue Code and the Treasury Regulations thereunder (Section 871(m)) imposes a 30 per cent. (or lower treaty rate) withholding tax on "dividend equivalents" paid or deemed paid to non U.S. Warrantholders with respect to certain financial instruments linked to U.S. equities ("**U.S. Underlying Equities**") or indices that include U.S. Underlying Equities. Section 871(m) generally applies to "specified equity linked instruments" ("**Specified ELIs**"), which are financial instruments that substantially replicate the economic performance of one or more U.S. Underlying Equities, as determined based on tests set forth in the applicable Treasury Regulations and discussed further below. Section 871(m) provides certain exceptions to this withholding regime, in particular for instruments linked to certain broad-based indices that meet requirements set forth in the applicable Treasury Regulations ("**Qualified Indices**") as well as securities that track such indices ("**Qualified Index Securities**"). Although the Section 871(m) regime was effective as of 2017, the regulations and IRS Notice 2026-61 phase in the application of Section 871(m) as follows: For financial instruments issued from 2018 through 2028, Section 871(m) will generally apply only to financial instruments that have a "delta" of one.

After 2028, Section 871(m) will apply, if, either (i) the "delta" of the relevant financial instrument is at least 0.80, if it is a "simple" contract, or (ii) the financial instrument meets a "substantial equivalence" test, if it is a "complex" contract.

Delta is generally defined as the ratio of the change in the fair market value of a financial instrument to a small change in the fair market value of the number of shares of the U.S. Underlying Equity. The "substantial equivalence" test measures whether a complex contract tracks its "initial hedge"

(shares of the U.S. Underlying Equity that would fully hedge the contract) more closely than would a "benchmark" simple contract with a delta of 0.80.

The calculations are generally made at the “calculation date,” which is the earlier of (i) the time of pricing of the Warrant, i.e., when all material terms have been agreed on, and (ii) the issuance of the Warrant. However, if the time of pricing is more than 14 calendar days before the issuance of the Warrant, the calculation date is the date of the issuance of the Warrant. Under these rules, information regarding the Issuer’s final determinations for purposes of Section 871(m) may be available only after a non-U.S. Warrantholder agrees to acquire a Warrant. As a result, a non-U.S. Warrantholder should acquire such a Warrant only if it is willing to accept the risk that the Warrant is treated as a Specified ELI subject to withholding under Section 871(m).

If the terms of a Warrant are subject to a "significant modification" (for example, upon an Issuer substitution) the Warrant generally will be treated as reissued for this purpose at the time of the significant modification, in which case the Warrants could become Specified ELIs at that time.

If a Warrant is a Specified ELI, withholding in respect of dividend equivalents will, depending on the applicable withholding agent’s circumstances, generally be required either (i) on the underlying dividend payment date or (ii) when cash payments are made on the Warrant or upon the date of maturity, lapse or other disposition by the non-U.S. Warrantholder of the Warrant, or possibly upon certain other events. Depending on the circumstances, the applicable withholding agent may withhold the required amounts from coupon or other payments on the Warrant, from proceeds of the retirement or other disposition of the Warrant, or from other cash or property of the non-U.S. Warrantholder held by the withholding agent.

The application of Section 871(m) to a Warrant may be affected if a non-U.S. Warrantholder enters into another transaction in connection with the acquisition of the Warrant. For example, if a non-U.S. Warrantholder enters into other transactions relating to a U.S. Underlying Equity, the non-U.S. Warrantholder could be subject to withholding tax or income tax liability under Section 871(m) even if the relevant Warrants are not Specified ELIs subject to Section 871(m) as a general matter. Non-U.S. Warrantholders should consult their tax advisers regarding the application of Section 871(m) in their particular circumstances.

The U.S. federal income tax discussion set forth above is included for general information only and may not be applicable depending upon a Warrantholder's particular situation. Warrantholders should consult their tax advisers with respect to the tax consequences to them of the ownership and disposition of the Warrants, including the tax consequences under state, local, non-U.S. and other tax laws and the possible effects of changes in federal or other tax.

Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“CRS”) requires certain financial institutions to report information regarding certain accounts (which may include the Warrants) to their local tax authority and follow related due diligence procedures. Warrantholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement.

Use of Proceeds

The net proceeds realised from the issuance of Warrants under the Programme will be used by Macquarie Bank for the Group's general corporate purposes.

General Information

Authorisation

1 Macquarie Bank has obtained all necessary consents, approvals and authorisations in Australia in connection with the issue and performance of the Warrants. The establishment of the Programme and the issue of Warrants under it were duly authorised by Macquarie Bank on 22 February 2000 and the update of the Programme has been duly authorised by board delegated committees of Macquarie Bank, most recently on 16 November 2026.

Credit Ratings

2 As at the date of this document, Macquarie Bank Limited has long-term credit ratings as shown in the table below. Current credit ratings may be obtained at www.macquarie.com.

	Long-Term rating
Fitch Ratings	A+

Source: *www.macquarie.com* as at date of this document.

The credit rating assigned to MBL by Fitch Ratings has been issued by Fitch Australia Pty Ltd, which is not established in the European Economic Area or the United Kingdom and has not applied for registration under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended) (the "**CRA Regulation**") or under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the "**U.K. CRA Regulation**"). The rating has been endorsed by Fitch Ratings Ireland Limited, which is established in the European Economic Area and registered under the CRA Regulation and, as such, is included in the list of credit rating agencies published by ESMA on its website (https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the CRA Regulation, and by Fitch Ratings Limited, which is established in the United Kingdom and registered under the U.K. CRA Regulation.

Independent auditor

3 The independent auditor of Macquarie Bank in Australia is PwC Australia.

Other issuance under the Programme

4 If Macquarie Bank wishes to issue Warrants to be listed on the Luxembourg Stock Exchange in a form not contemplated by this Base Prospectus, it will issue a replacement Base Prospectus describing the form (and terms and conditions) of such Warrants.

Documents available

5 For so long as any Warrants shall be outstanding or the Programme remains in effect, copies of the following documents may be inspected during normal business hours at, and

copies of documents (c), (d) and (e) are available free of charge from, the specified office of the Principal Warrant Agent in London and the Warrant Agent for the time being in Luxembourg and/or from the principal administrative office of Macquarie Bank:

(a) the constitution of Macquarie Bank (which is also available on the internet site: www.macquarie.com/au/en/investors/other-securities/macquarie-bank-limited-warrant-programme.html);

(b) the Warrant Agreement (which contains the form of the Global Warrant);

(c) the 2026 annual report of Macquarie Bank which includes the audited annual financial statements of Macquarie Bank consolidated with its subsidiaries for the financial year ended 31 March 2026 and the independent auditor's report in respect of such financial statements;

(d) the 2027 Interim Financial Report of Macquarie Bank which includes the unaudited financial statements of Macquarie Bank consolidated with its subsidiaries for the half year ended 30 September 2026 and the independent auditor's review report in respect of such financial statements;

(e) each Final Terms for Warrants that are listed on the Luxembourg Stock Exchange;

(f) a copy of this Base Prospectus together with any supplement to the Base Prospectus;

(g) in the case of a syndicated issue of listed Warrants, the syndication agreement (or equivalent document); and

(h) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus.

This Base Prospectus, the Final Terms issued for each issue of Warrants to be listed on the Luxembourg Stock Exchange and the other documents incorporated by reference as set out in this Base Prospectus (see "Documents Incorporated by Reference" on pages 44 to 47 inclusive of this Base Prospectus) will be published on the Luxembourg Stock Exchange's internet site www.luxse.com.

For the avoidance of doubt, the content of the websites referenced in this Base Prospectus does not form a part of this Base Prospectus and has not been scrutinised or approved by the Luxembourg Stock Exchange, except where that information has been incorporated by reference into this Base Prospectus.

Clearing

6 The Warrants have been accepted for clearance through Clearstream, Luxembourg and Euroclear. The appropriate Common Code and International Securities Identification Number for each issue of Warrants allocated by Clearstream, Luxembourg and Euroclear will be specified in the applicable Final Terms. If the Warrants of any series are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

Australian approvals

7 No approvals are currently required under Australian law for or in connection with the issue of Warrants by Macquarie Bank or for, or in connection with, the performance and enforceability of such Warrants. However, regulations in Australia prohibit payments, transactions and dealings with assets or named individuals or entities subject to international sanctions or associated with terrorism.

Post issuance information

8 Macquarie Bank does not intend to provide any post-issuance information in relation to any assets underlying an issue of Warrants constituting derivative securities.

Yield

9 In relation to any Warrant, an indication of the yield in respect of such Warrant, if applicable, will be specified in the applicable Final Terms. The yield is calculated as at the Issue Date of the Warrant on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Warrant and will not be an indication of future yield.

Directory

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PRINCIPAL WARRANT AGENT

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